CLEAN ENERGY OF TOMORROW

CEZ Group: Clean Energy of Tomorrow

Investor presentation, 2 February 2023

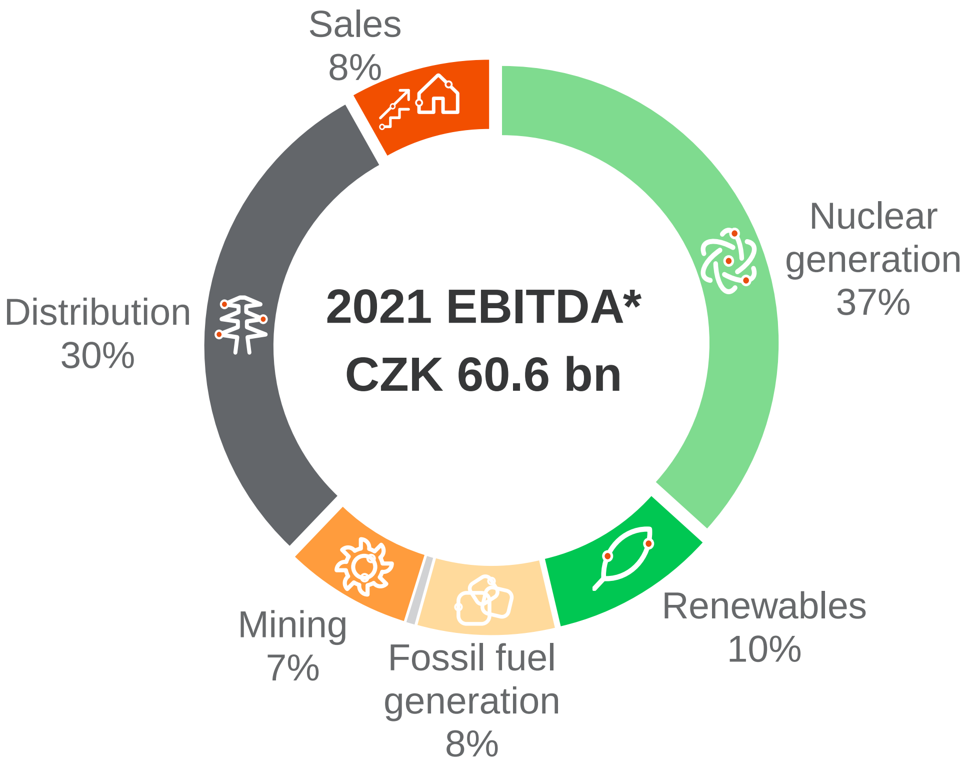
AGENDA

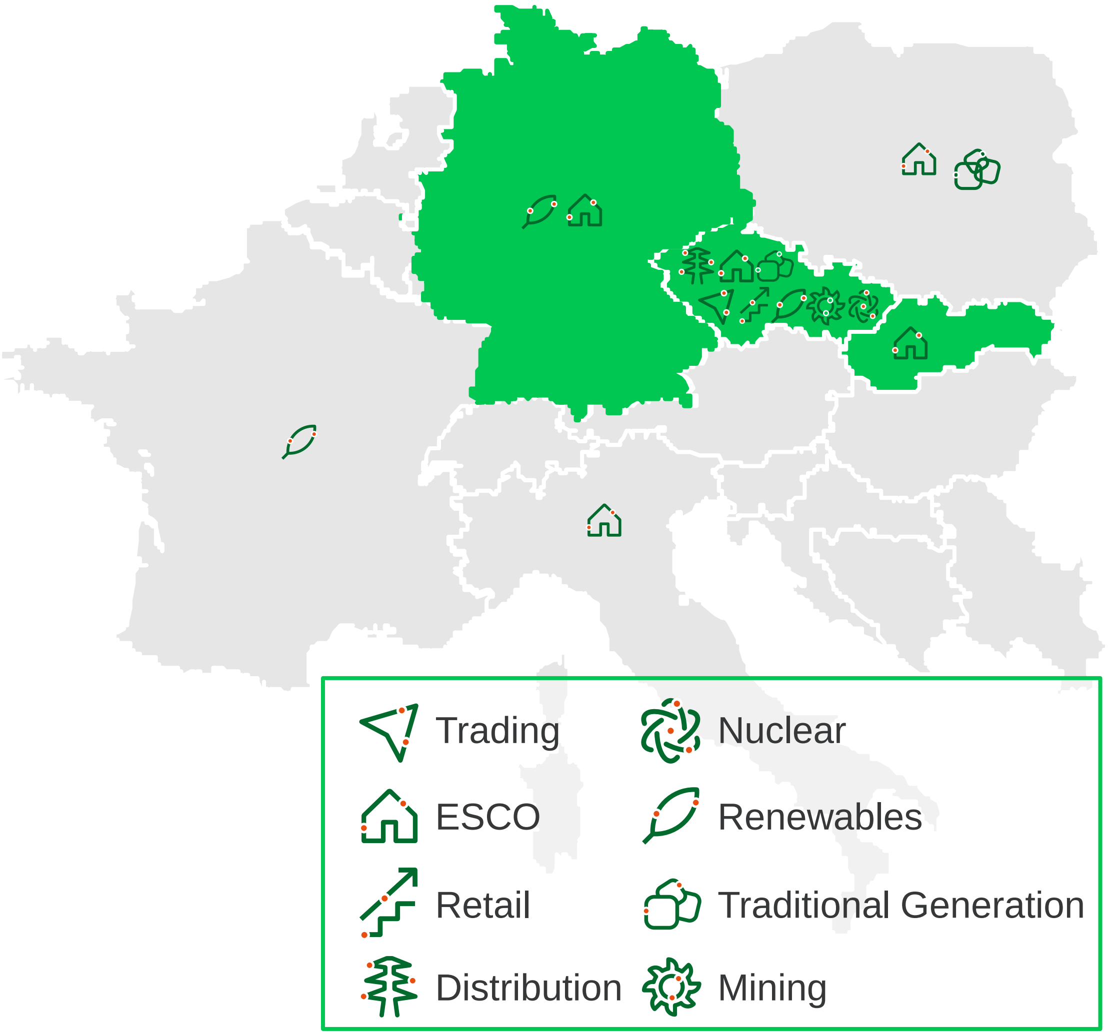
- **CEZ Group at a Glance**
- CZ tax measures & CEZ guidance 2023
- Our Vision
- Appendix

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
15th largest by market capitalization**





* 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 January 17, 2023

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

CEZ Group is vertically integrated in Czechia

	Mining	Generation		Networks	Sales (Retail & ESCO)
Market position	Market leader in all parts of the value chain				
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

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

We are delivering value to our shareholders – our financial targets

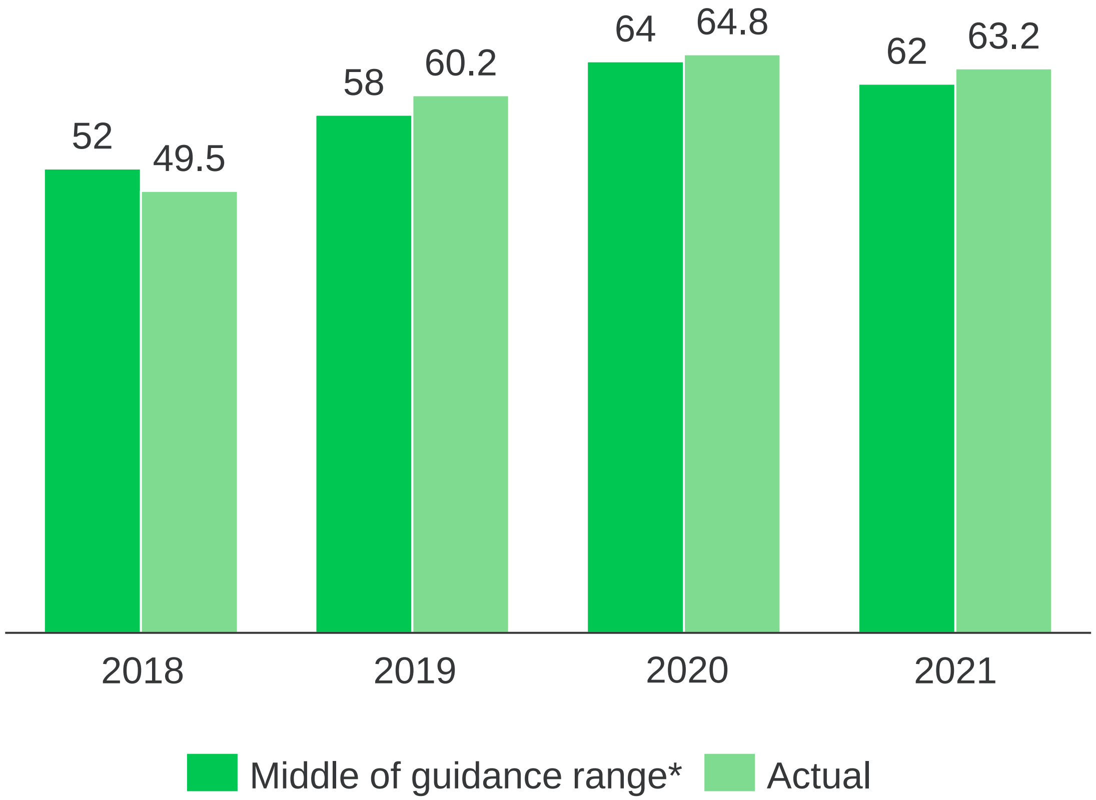
	Delivery on guidance	High dividend payout	Strong balance sheet
2021	EBITDA CZK 63.2 billion Adj. Net Income CZK 22.3 billion	CZK 48 DPS 116% payout ratio	1.8x Net debt/EBITDA
Ambitions	EBITDA growth by 35% by 2030*	60-80% payout ratio	below 2.5-3.0x Net debt/EBITDA

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

We have a good track record on guidance delivery – we have met our net income guidance four years in a row

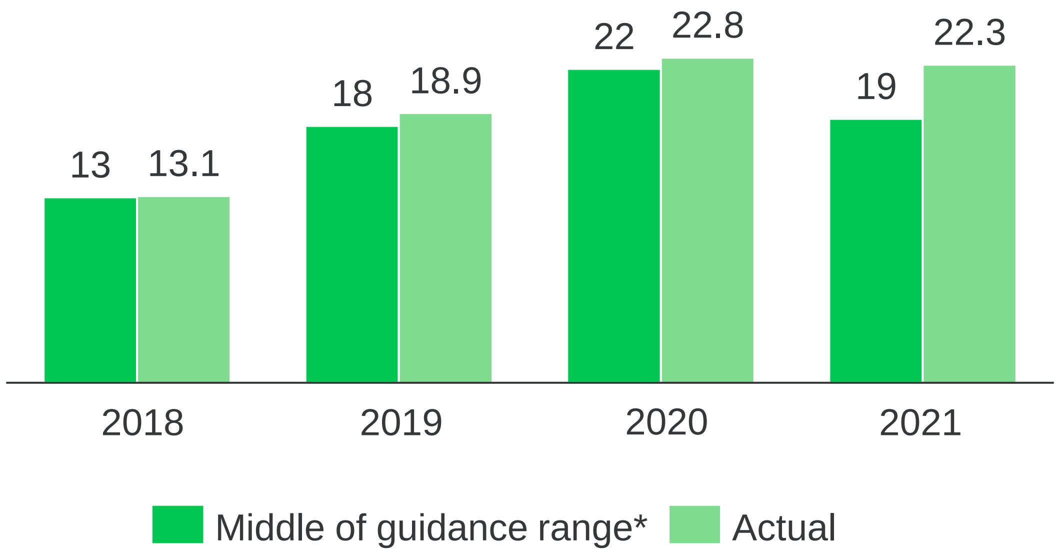
EBITDA guidance vs actual

CZK billion



Adjusted net income guidance vs actual

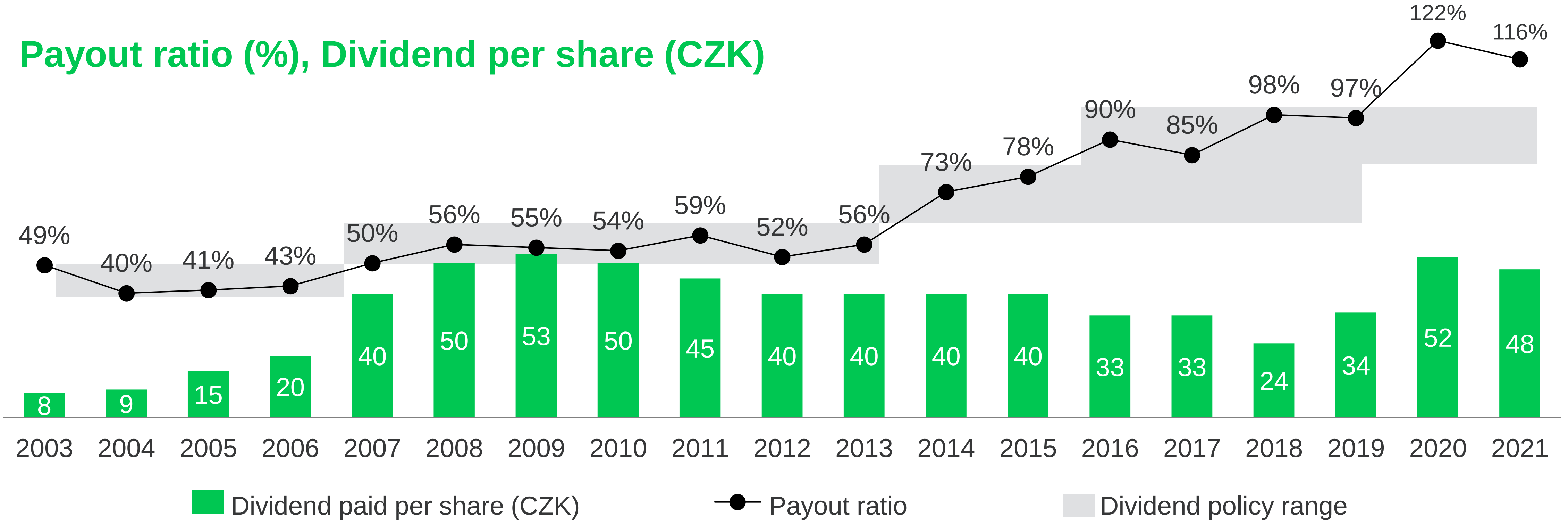
CZK billion



* Guidance announced in March of a given year

CEZ Group regularly pays high dividends

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



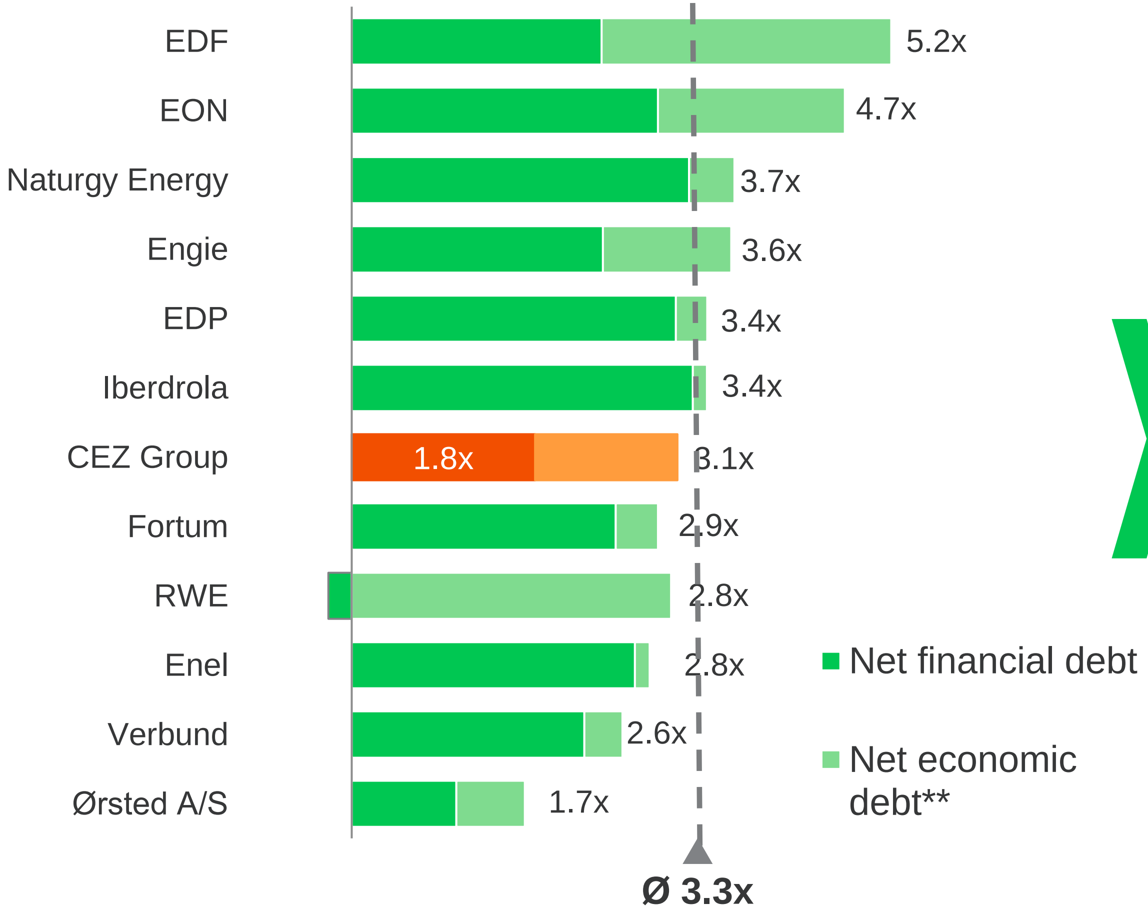
2021 dividend
- dividend **CZK 48 per share**
  - CZK 41 regular component, i.e. 100% payout ratio
  - CZK 7 contribution of Bulgarian disposals

Dividend policy
- 60-80% payout ratio from adjusted net income

Our strong financial position 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 below 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 performance was enabled by successful implementation of strategy „VISION 2030 - Clean Energy of Tomorrow“ and its 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 the 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**

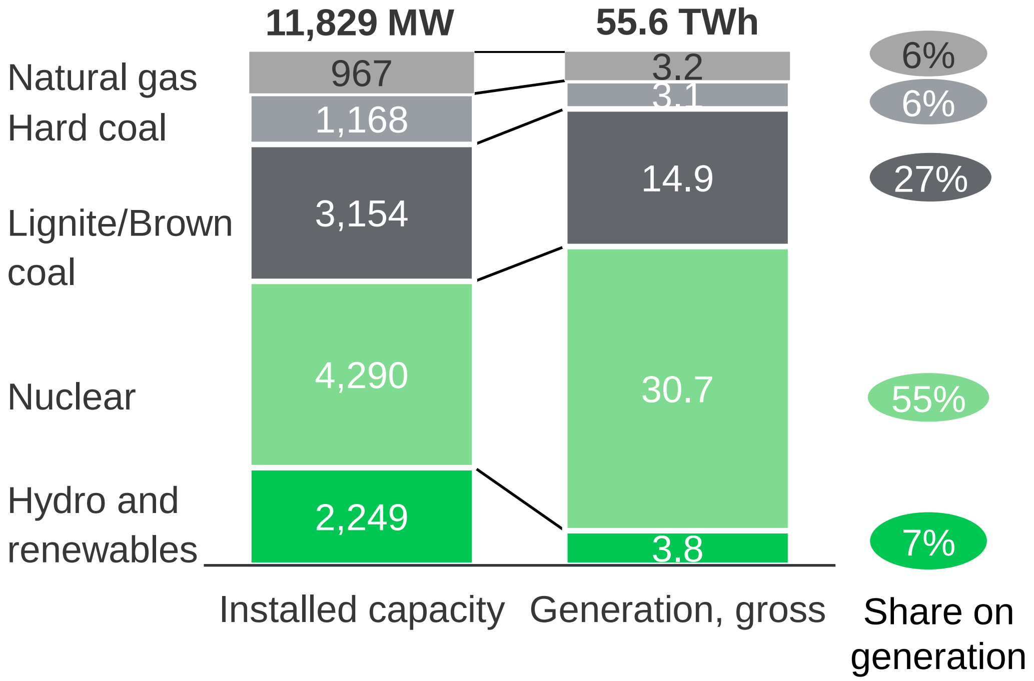
II Provide best energy solutions and highest quality customer experience on the market

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

We have a robust generation portfolio with low and largely fixed costs

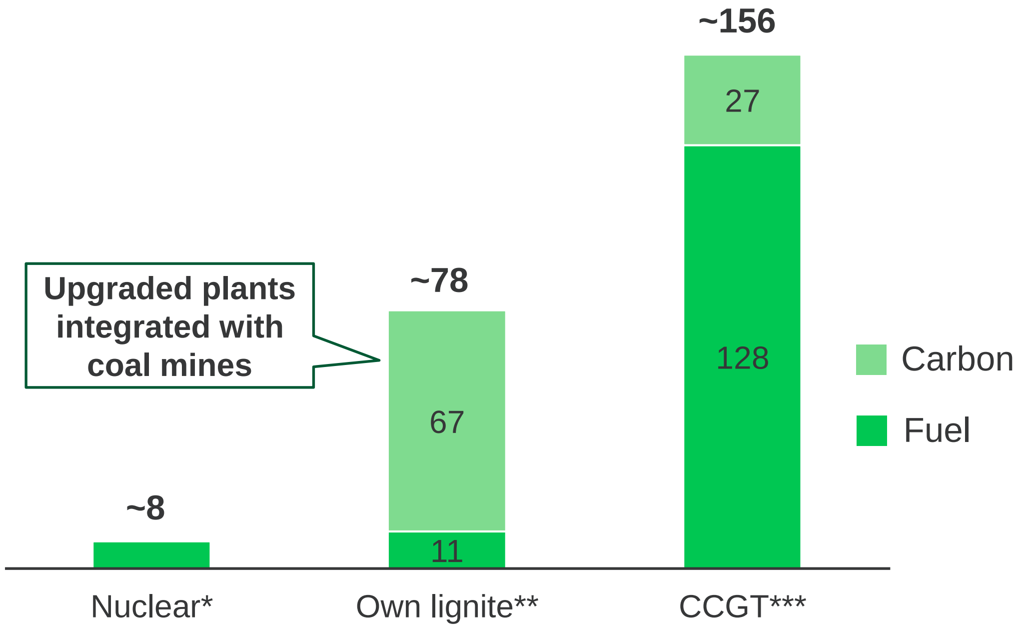
We have diversified generation portfolio

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 at current forwards
(EUR/MWh, prices of gas and carbon as of Jan 16, 2023)

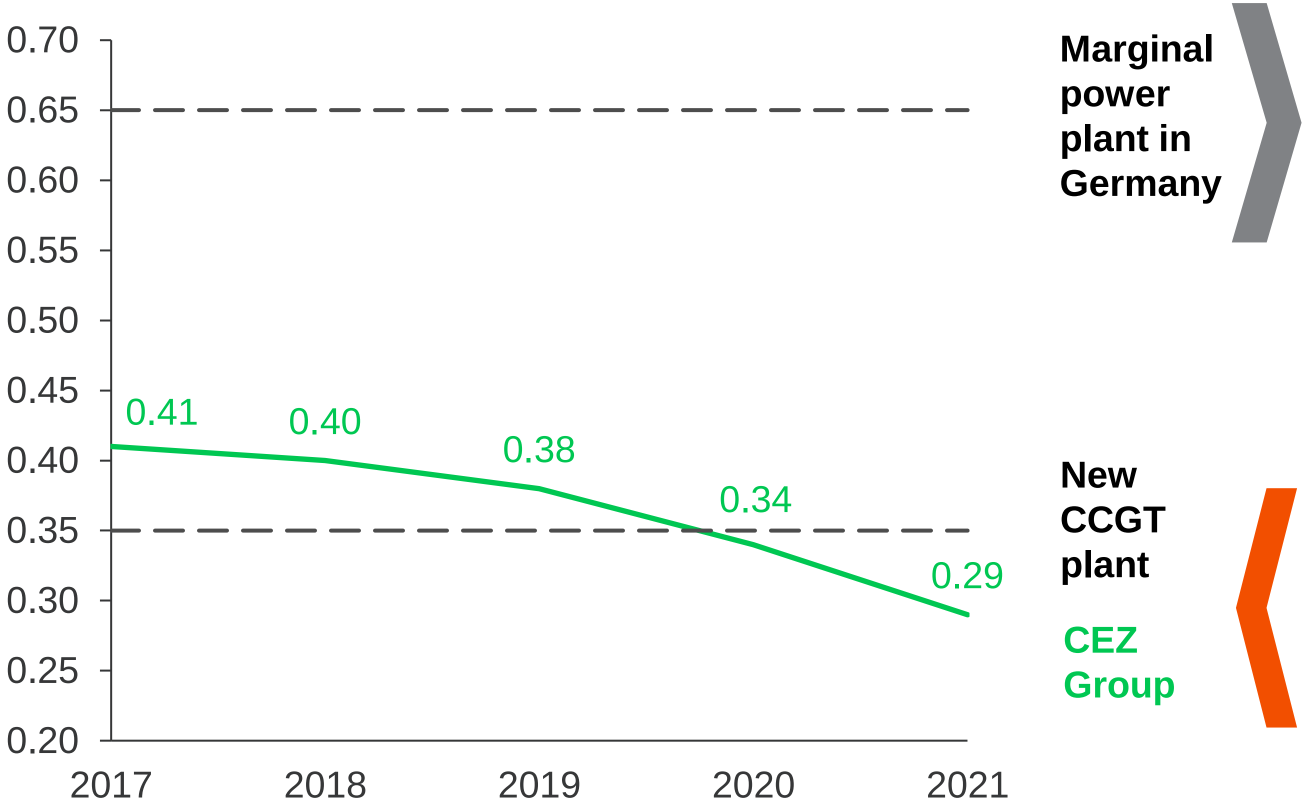


* Nuclear fuel costs + CZK 55/MWh payment for fuel storage
** Cash cost of extracting own lignite in 2021, 42% efficiency, 11.5 GJ/t calorific value, carbon allowances at 77 EUR/t
*** Natural gas at 66 EUR/MWh, 57% efficiency, 0.35 t/MWh CO_2

CEZ Group’s emission intensity declined by 30% since 2017

CEZ Group’s emission intensity

(tCO_2e/MWh of generated electricity and heat)



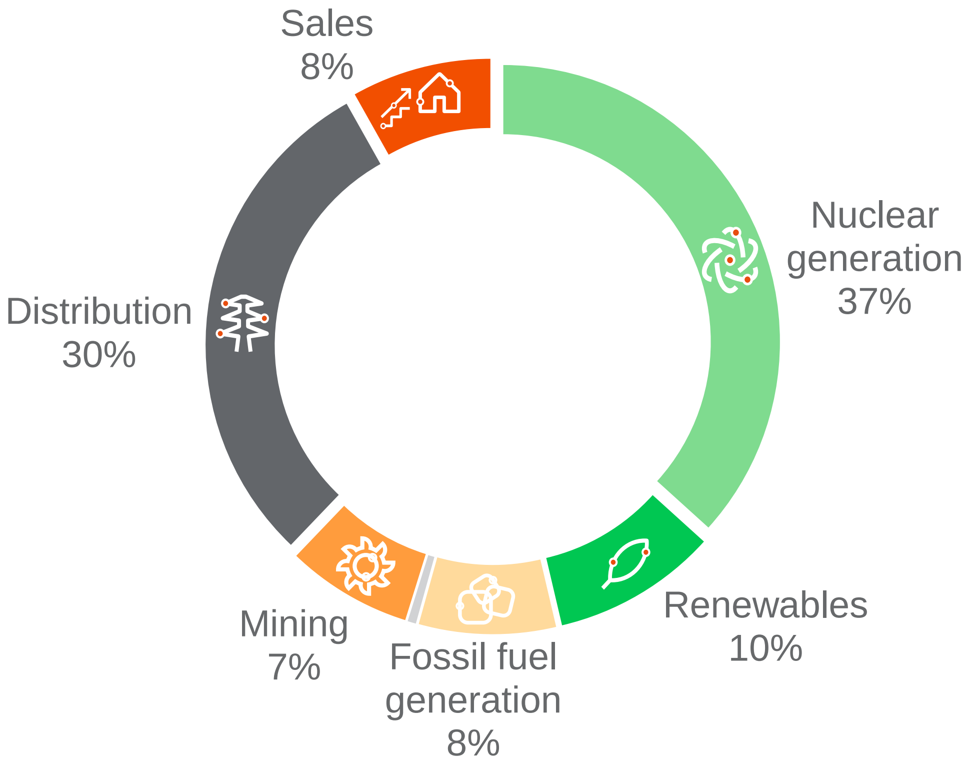
- **CEZ Group’s carbon intensity** is **below marginal plant** and even **below new CCGT** and therefore higher carbon prices are beneficial for profitability of our generation fleet.

	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**

* Existing assets, i.e. excluding divested assets in Bulgaria and Romania, which contributed 0.4 TWh

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)

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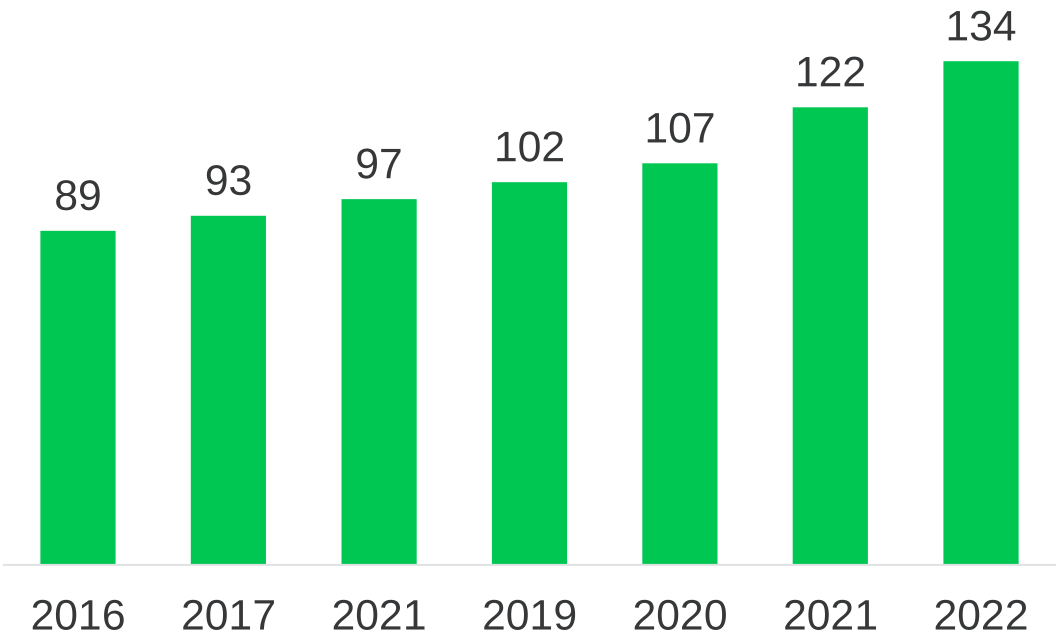
We are growing our regulated asset base in distribution, regulatory visibility until 2025

Regulatory asset base
CZK billion



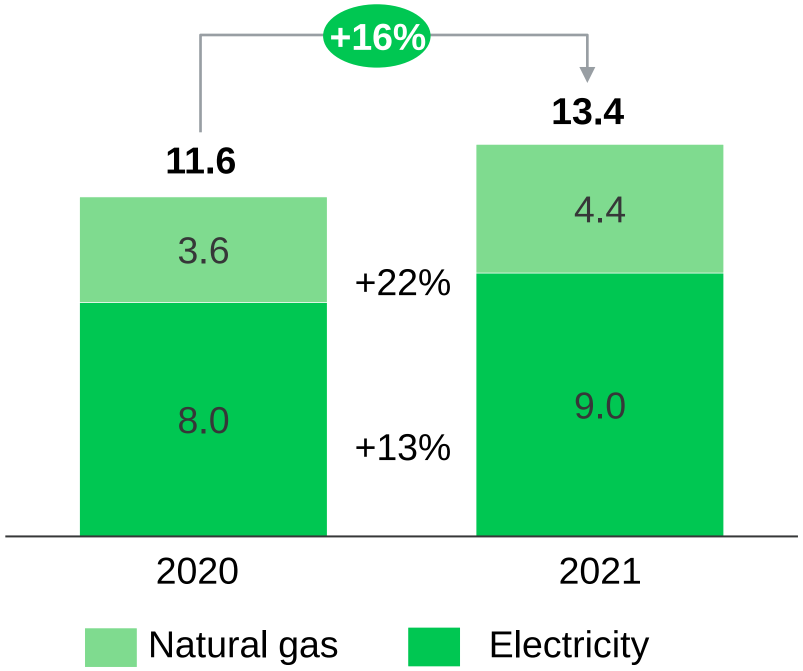
Outcome of regulatory review for 2021-2025 supportive for RAB growth

- RAB will grow by 8% CAGR in 2020-2025 thanks to revaluation and investments
- WACC at 6.54%
- Investments directed to digital transformation, preparation for decentralized generation
- Accelerated growth in renewables expected, 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)



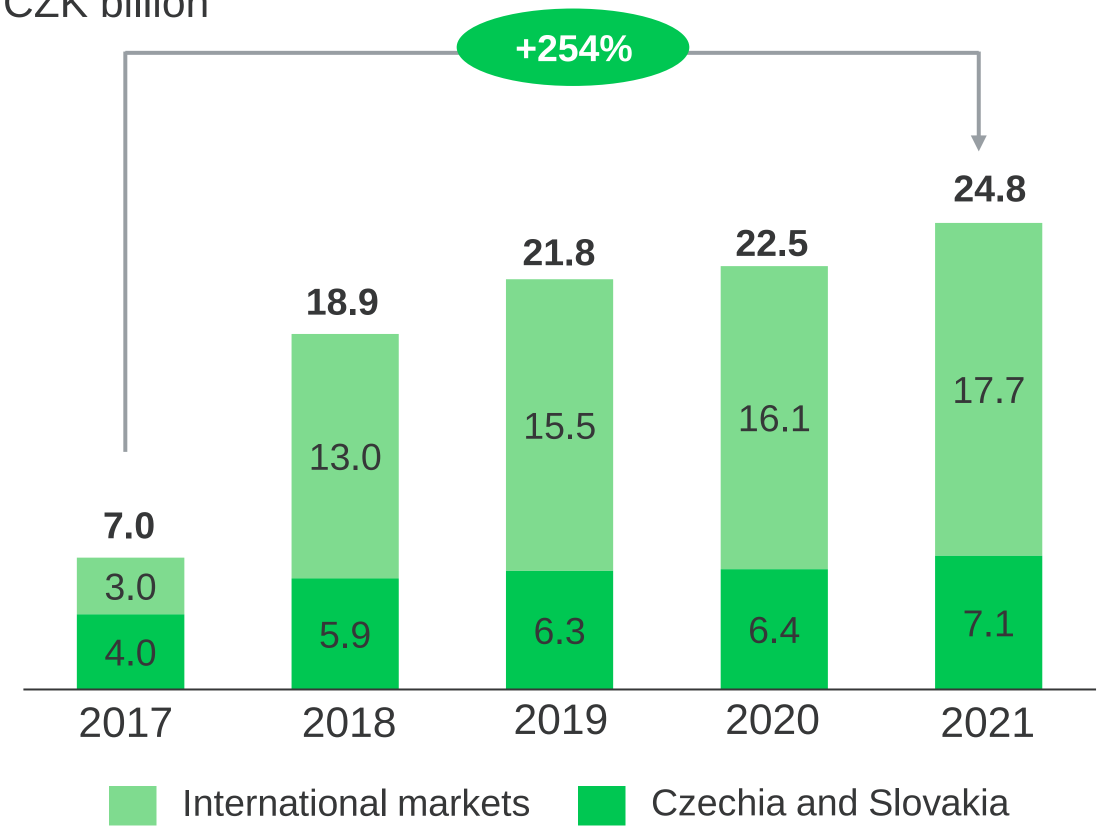
Retail defended the title of the “Most trusted energy supplier in CZ”

- Customer satisfaction indicator (CX) of more than 86% is continually improving
- “Most trusted energy supplier” in Czechia *
- Number of connection points increased by 11% to 3.2 m thanks to competitors ceasing activities in Q4 2021
- Volume growth driven growth in customer base in Q4 2021 and structural shift towards electric heating

* 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)

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

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Czech government approved measures to address energy affordability and introduced taxes to fund these measures

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 – Revenues Cap

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

- **90% levy** on revenues **above defined caps**:
  - Nuclear EUR 70/MWh
  - Lignite EUR 170/MWh for units above 140 MW, EUR 230/MWh for units bellow 140 MW
  - Merchant hydro, wind, solar 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) and advances are paid monthly
- Levy is a tax-deductible expense and reduces the company's operating profit

Financing – Windfall profit tax

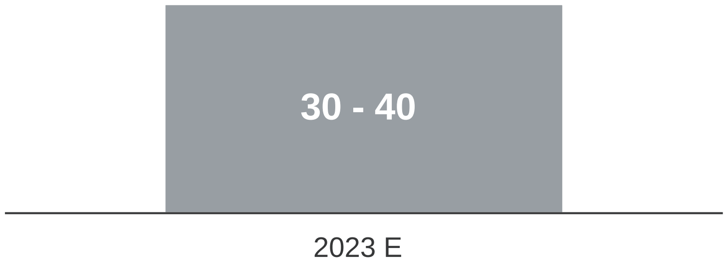
Windfall tax for the energy, petrochemical and banking sectors of 60% in 2023 – 2025

- “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.

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)



Selected generation assumptions in Czechia:

- Electricity supply from generation **45 – 47 TWh**
- Expected average realisation price **120 – 160 EUR/MWh**
- Open position by volume **~20%**

Taxation assumption in Czechia:

- Levy on generation revenues (**CZK 7 - 33 bn**)
- Windfall income tax in addition to regular income tax (**CZK 20 - 30 bn**)
- Regular income tax (**CZK 13 - 17 bn**)

Selected Prediction Risks and Opportunities:

- Availability of generating facilities
- Realization prices of generated electricity
- Income from commodity trading

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Under our strategy we are accelerating development. We will grow our EBITDA by 115% in 2030

VISION 2030

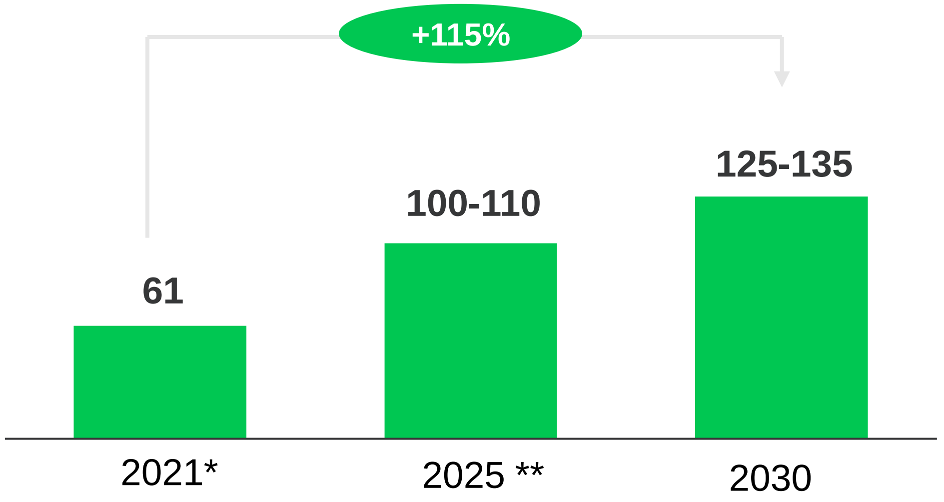
CLEAN ENERGY OF TOMORROW

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



Wholesale electricity prices ***

EUR/MWh

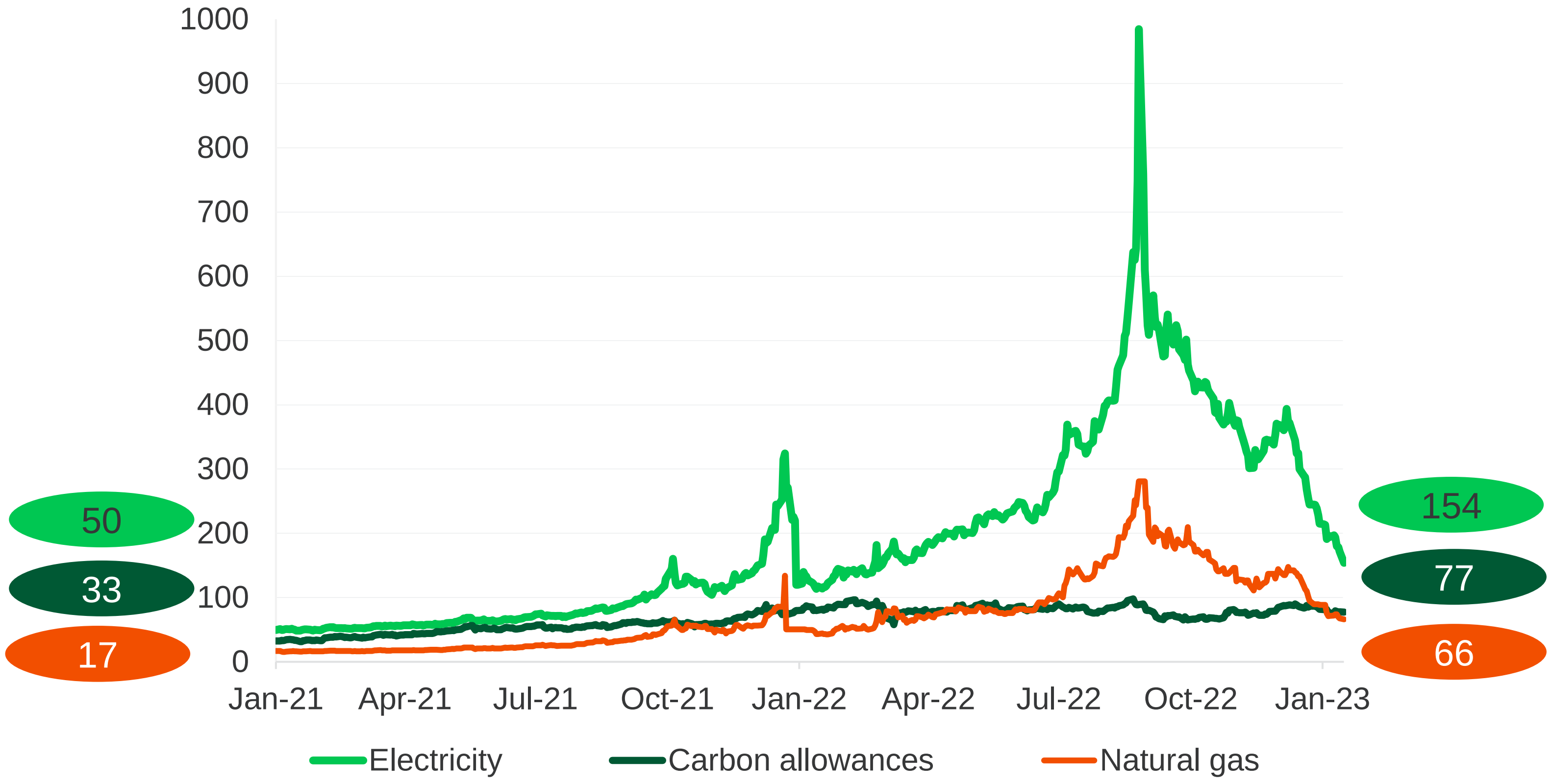
2021	2025	2030
55	165	105

* Excluding divested assets (RO, BG, PL)
** 2025 EBITDA adjusted for wind fall tax in order to better indicate operating cash flow
*** 2025 based on average forward prices in April – August 2022, 2030 based on average prices of different internal scenarios

Electricity prices increased significantly since VISION 2030 was first announced, natural gas and carbon were the drivers

Development of prices of electricity price and carbon allowances

German baseload in EUR/MWh, EUR/t for CO_2, TTF Y+1



Increase in power prices driven by

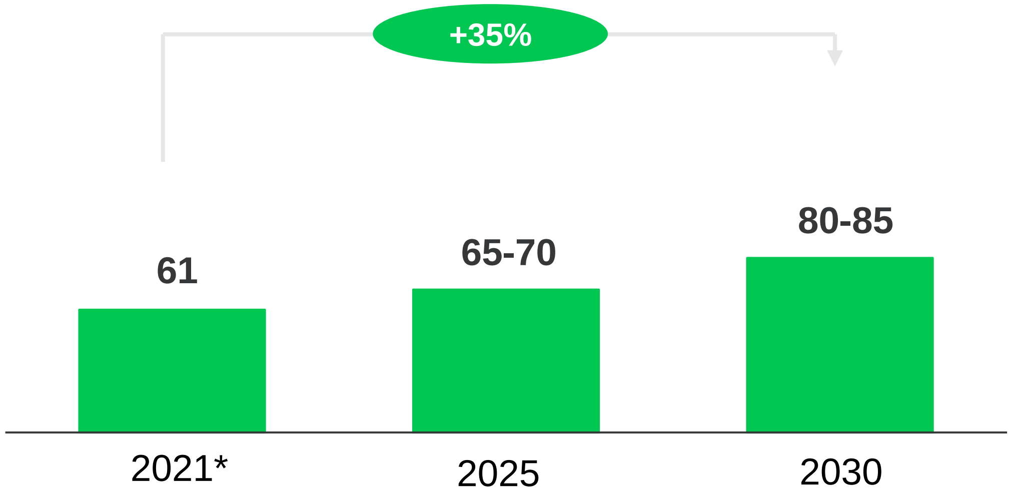
- Natural gas
- Carbon allowances
- Growing risk premium

Note: 1 EUR/t change in carbon allowance implied 0.6-0.7 EUR change in electricity price

VISION 2030 financial targets upgraded to reflect commodity development. Strategic and operational targets of are intact.

EBITDA of CEZ Group (targets from 2021)

Existing assets in CZK billion



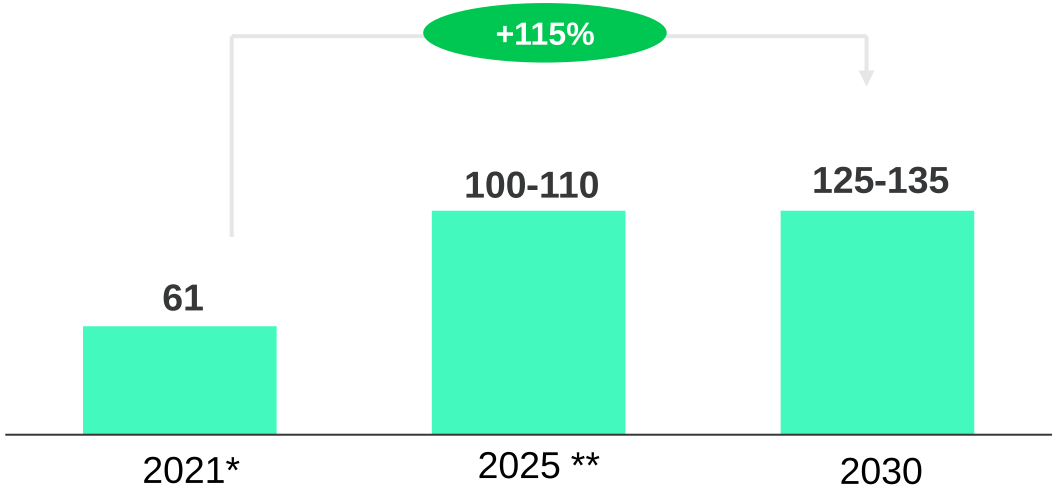
Wholesale electricity prices

EUR/MWh

2021	2025	2030
55	51	57

EBITDA of CEZ Group (current targets)

Existing assets in CZK billion



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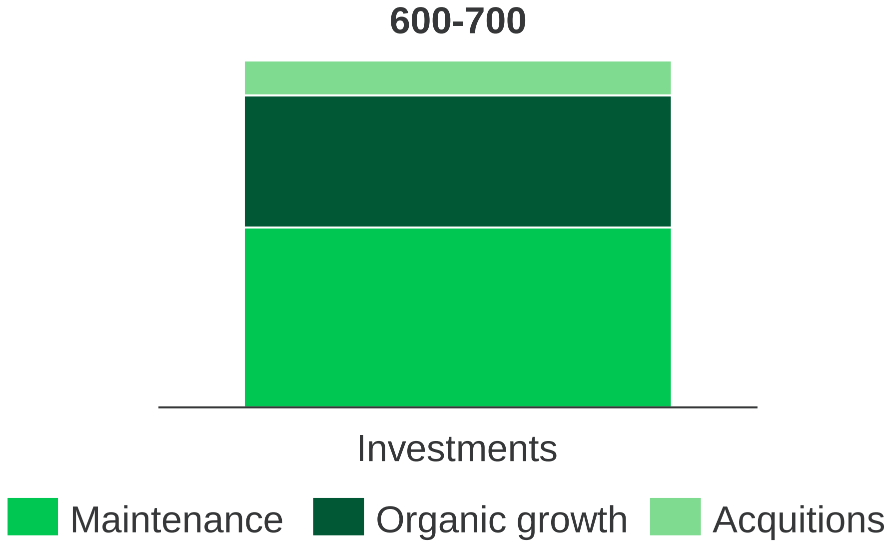
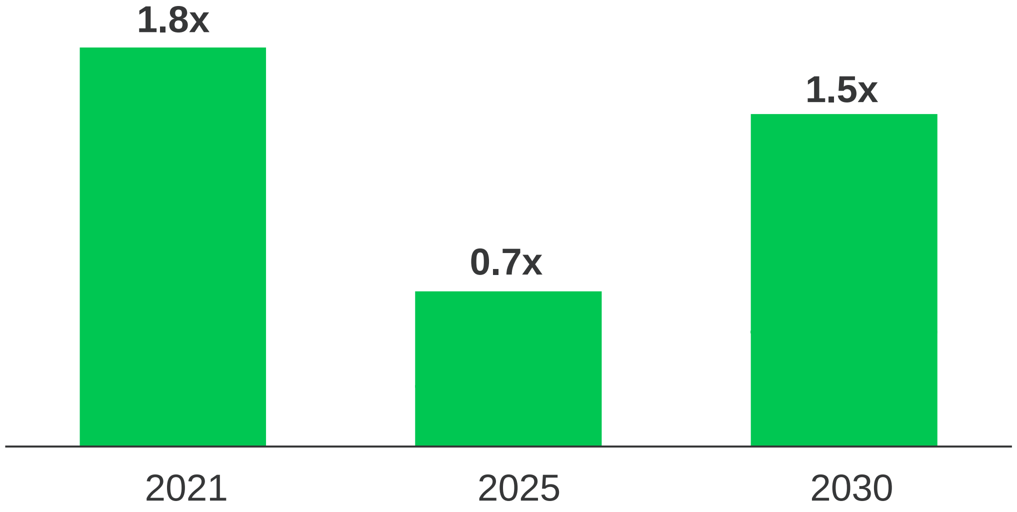
We can execute our growth strategy while keeping the leverage within our target with comfortable margin for commodity risks

Expected cumulative investments 2021-2030*

CZK billion



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

Decarbonize generation portfolio and reach climate neutrality

Targets

Nuclear

- We will **safely increase generation volume in existing plants above 32 TWh** on average in 2030 and achieve 60-year operating life.
- We will build a new nuclear power plant in Dukovany.
- We will prepare construction **of small modular reactors** (**SMR**) **with total capacity over** 1000 MW after 2040.

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.

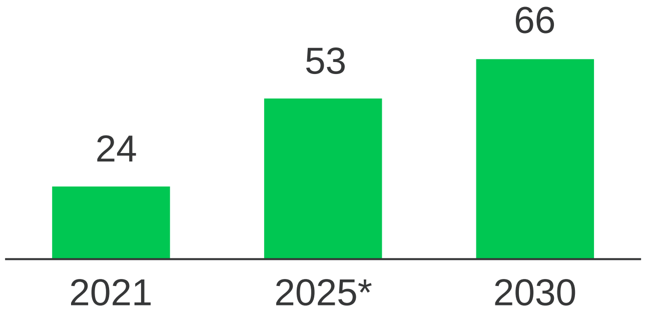
Traditional

- **We will decarbonize heating** and we will terminate coal burning in heating locations by 2030.
- We will build **new gas capacities**, which will be **ready for hydrogen combustion**.
- **We will reduce share of electricity generation from coal to** 25% in 2025 and to **12.5%** do 2030.
- **We will transform our coal locations** to new activities.

We will increase nuclear production over 32 TWh on average in 2030

Nuclear EBITDA

CZK billion



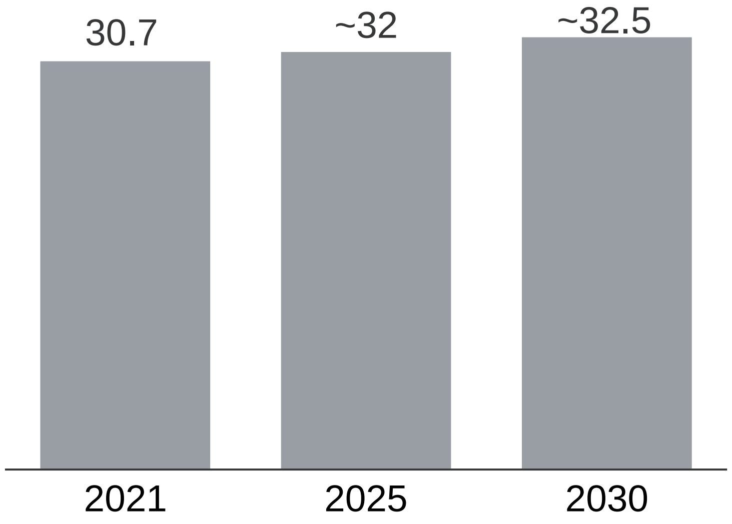
Annual CAPEX**

CZK billion, avg

~13	13-14
2021–25	2026–30

Nuclear generation

TWh



Wholesale electricity prices

EUR/MWh

55	165	105
2021	2025	2030

We will increase production of existing power plants above 32 TWh on average in 2030 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 (SMR) after 2040 with total capacity of 1000 MW with the goal of starting first SMR construction in 2032.

* EBITDA adjusted for wind fall tax 2025 (~ 44 CZK bn.) in order to better indicate operating cash flow 2025
** Of which CZK ~6 billion p.a. are purchases of nuclear fuel, excluding new nuclear Capex in 2025-2030 due to assumed 100% state financing
Note: Targeted extension of fuel cycle will result in greater variability of annual volumes but in higher volumes overall.

New nuclear project is in the first preparatory stage …

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	B Tender process and contract signature
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

Expected timeline of "Preparation, supplier selection" stage

- 2023/2024 - Evaluation and negotiation of contract details with the suppliers
- 2024 – Submission of final bids for technology
- 2024/2025 – Finalization and signing of the contract with the supplier
- 2024/2025 – PPA, RFA, IA finalization and signing with the Czech State (subject to EC notification result)

A Framework contract

B First implementation contract

C Power Purchase Agreement (PPA)
Repayable Financial Assistance (RFA)
Investor Agreement (IA)

* 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)

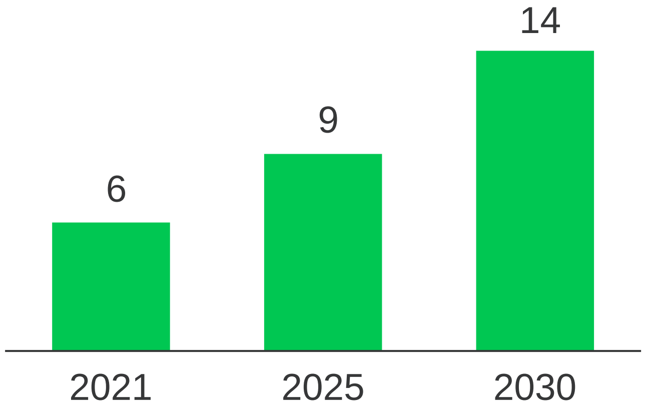
Subject to European Commission notification and further detailed negotiation with the State

* 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

We will add 6 GW of renewables capacity by 2030

Renewables EBITDA

CZK billion*



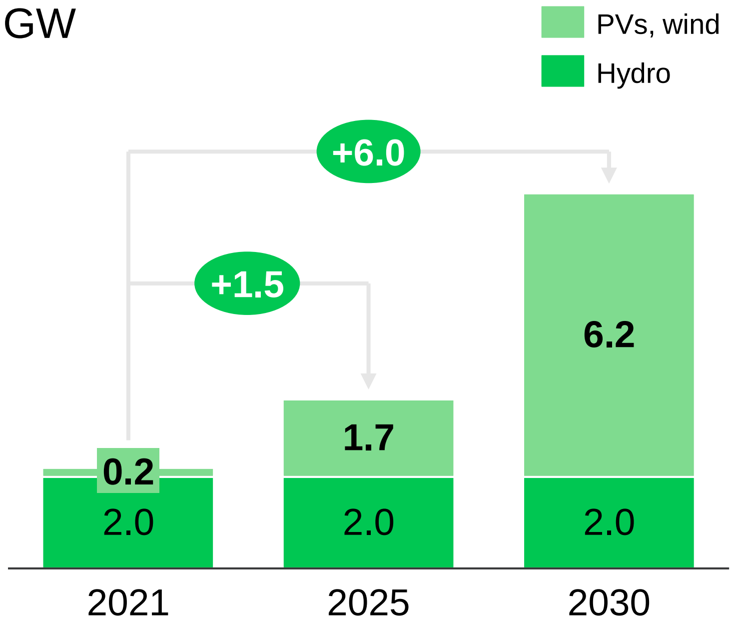
Annual CAPEX*

CZK billion, avg

2021–25	2026–30
6–7	18–20

Renewables capacity

GW



Wholesale electricity prices**

EUR/MWh

2021	2025	2030
55	165	105

We expect to focus our RES development on photovoltaic primarily in Czechia

RES development is incentivized by CAPEX grants from Modernization Fund

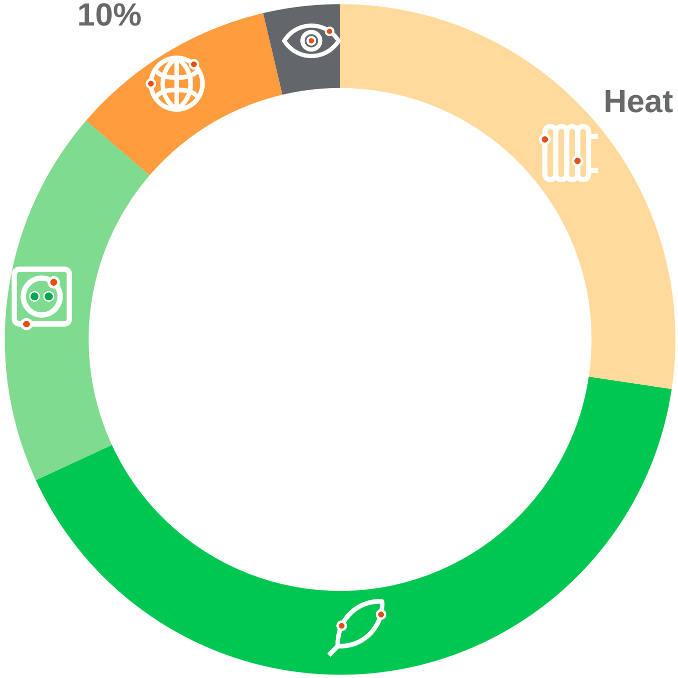
We will increase storage capacities to above 300 MWe

* 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 (0.5-0.8) 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**

Investment support for CEZ projects

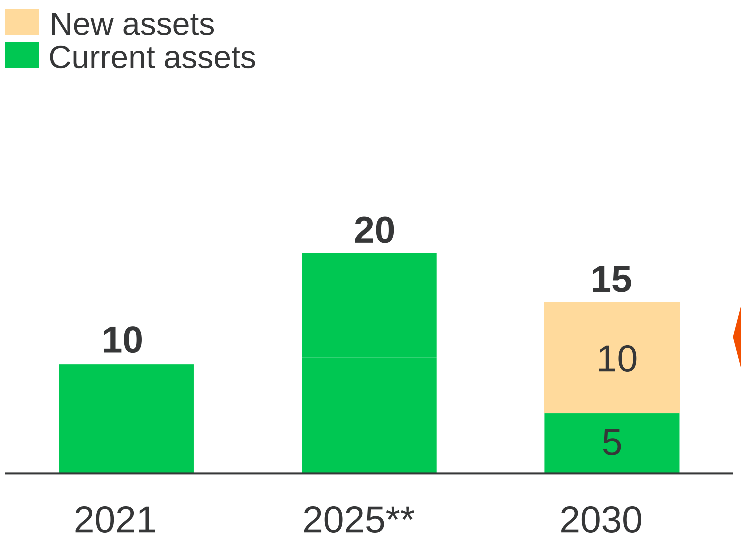
- In H1 2022 subsidy of CZK 1.0 bn awarded for 17 projects with 173 MWp capacity.
- In Q3 2022 subsidy application submitted for 44 projects with 1,012 MWp capacity. Evaluation expected in H1 2023.

* 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*

CZK billion



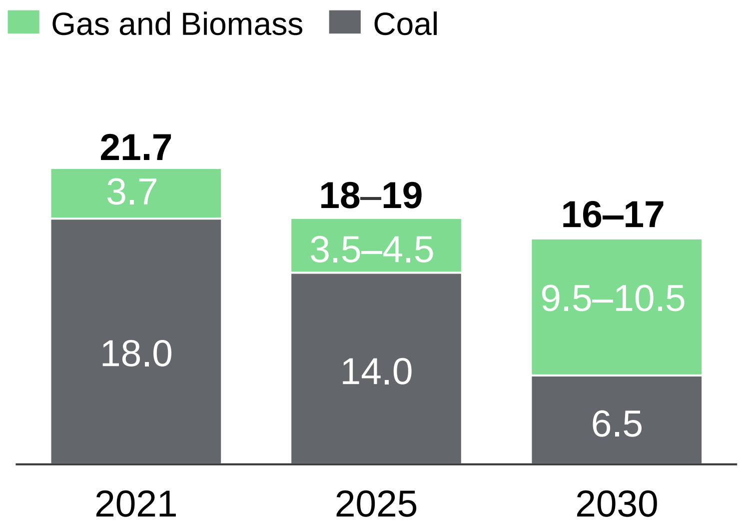
Annual CAPEX*

CZK billion, avg

~ 9	~ 10
2021–25	2026–30

Coal and gas generation

TWh



Coal and gas

GW

	2021	2025	2030
Gas and Biomass	1.0	1.1–1.3	2.0–2.5
Coal	3.8	3.0	2.2

Decarbonisation of our heat plants to gas is continuing. Transition of current coal sites as well, however in short–term there is an increase of EBITDA due to current situation on the market. Long-term EBITDA would be generated mostly by new assets.

Newly built gas plants will be hydrogen ready

We expect that it would be possible to secure affordable gas supplies within EU in the medium term, if not, we are ready to extend the operation of our coal plants

* Assumed electricity prices 2025: 165 EUR/MWh, 2030: 105 EUR/MWh
** EBITDA adjusted for wind fall tax 2025 (~ **9** CZK bn.) in order to better indicate operating cash flow 2025
*** Includes CZK 5 bn of average annual CAPEX into new capacities in gas and biomass

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 in 2030 and achieve 60-year operating life.
- We will build a new nuclear power plant in Dukovany.
- We will prepare for potential construction of small modular reactors (SMR) **after 2040** with total capacity of **1000 MW** with the goal of starting **first SMR in 2032**.

Renewables

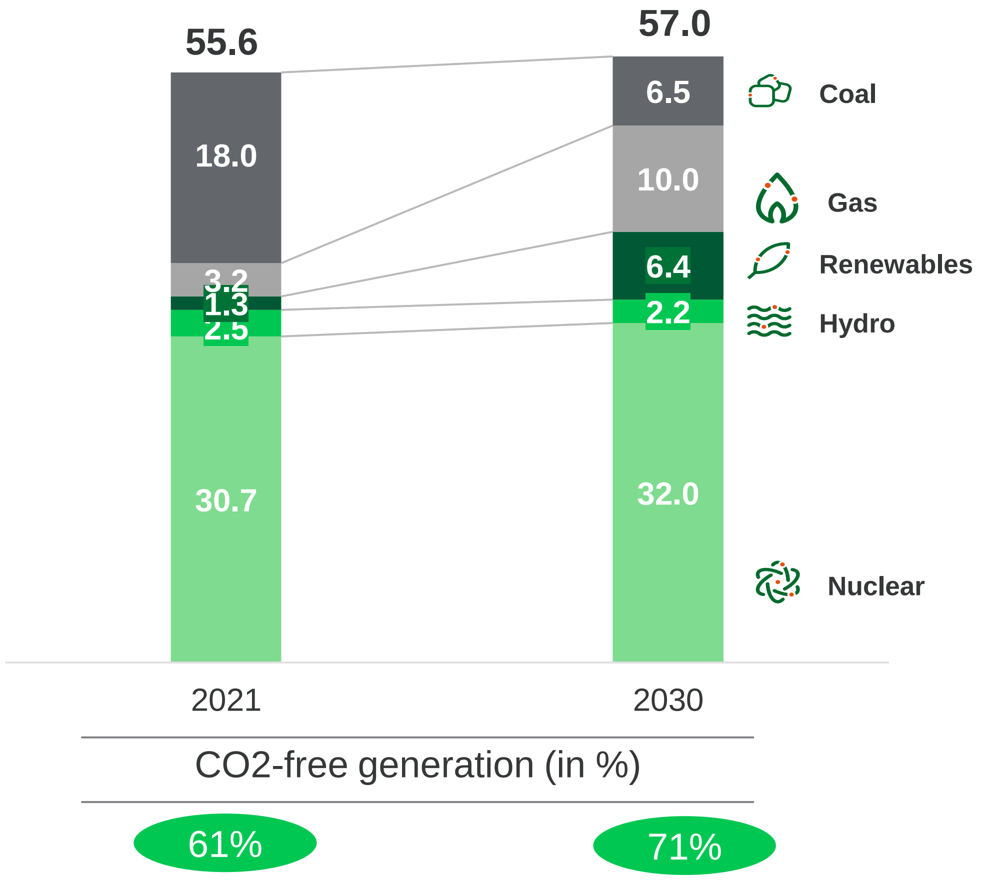
- We will build **1.5 GW of renewables by 2025** and **6 GW renewables by 2030.**
- **We will increase installed capacity of electricity accumulation** to at least **300 MWe** by 2030.

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

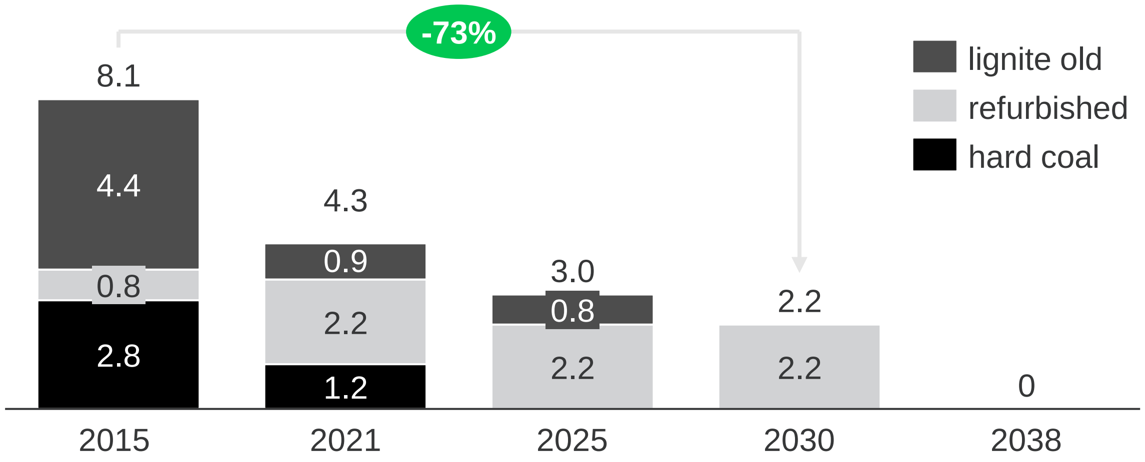
(Existing assets, in TWh)



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 * (%)

2021	2025	2030
18%	~ 15%	~ 2%

Share of coal on generation (%)

2021	2025	2030
32%	~ 25%	~ 12.5%

Coal fired power plants are being gradually closed

- 2025 target of 25% share of coal on generation might be slightly exceeded due to security of energy supply in Europe following war in Ukraine and potential regulatory and market development.
- 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
- We will **terminate coal** burning **in heating locations by 2030**.
- **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

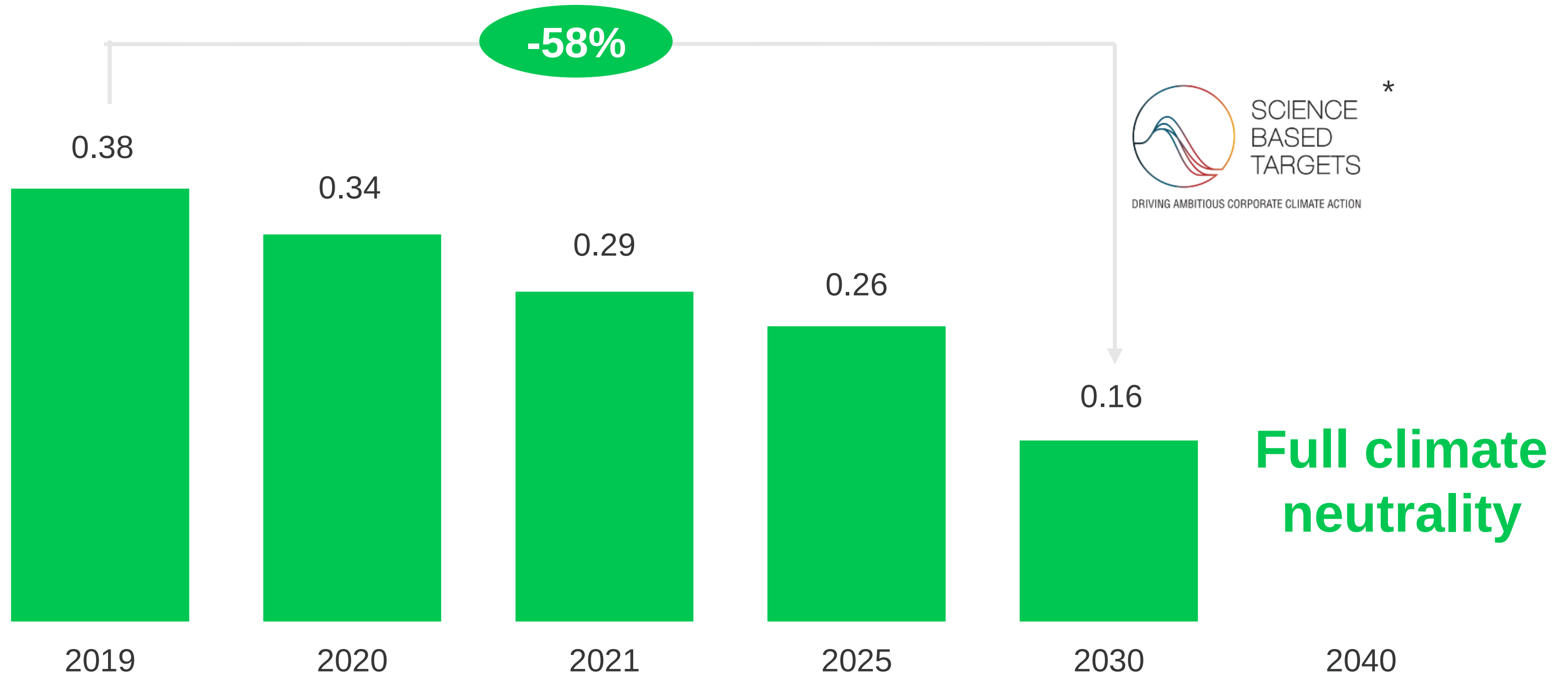
- Volume of extracted coal is expected to decline to 8 million tones in 2030 (out of ~15 mil. tones today, out of which only 25% is sold externally) reflecting the reduction of CEZ Group's coal capacities.
- **Termination of coal mining by 2038** in line with recommendation of Czech Coal Commission, 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 CO_2 emission intensity

t CO_2e/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 decarbonization pathway
- **We keep initial 2025 target of 0.26**. Nevertheless, it is threatened by **risk of security of supply** due to war in Ukraine and current market situation.

II

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

Targets

Distribution

- We invest in **Smart grids** and **decentralization** to further develop stable and **digital distribution network,** including development of fiber optics networks

Sales

- **We digitize 100 % of our core customer processes** by 2025
- Thanks to growing service quality we maintain **the highest NPS** (Net Promoter Score) among the largest electricity suppliers and we will **grow our customer base**
- 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

ESCO

- 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%

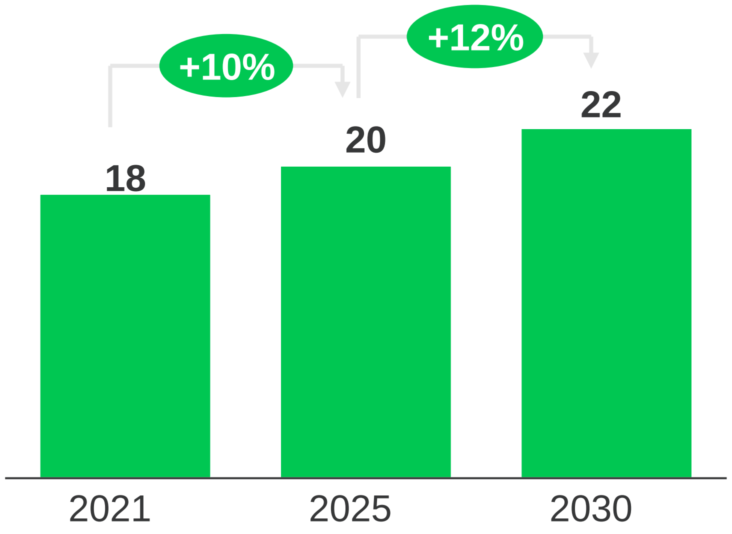
New segments

- We will broaden our **business activities** to the areas of **batteries, e-mobility and hydrogen**

We will build smart digital electricity grid

Distribution EBITDA

Existing assets in CZK billion



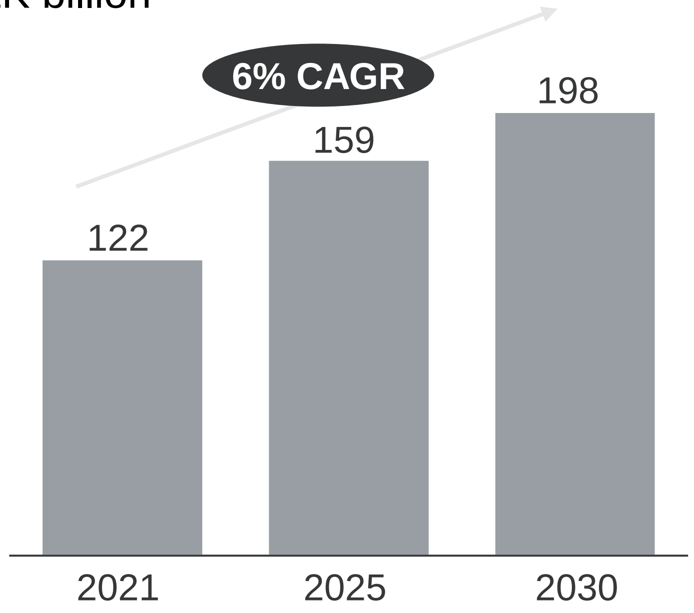
Annual CAPEX*

CZK billion, avg

14–15	16–17
2021–25	2026–30

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 5,323 km today)

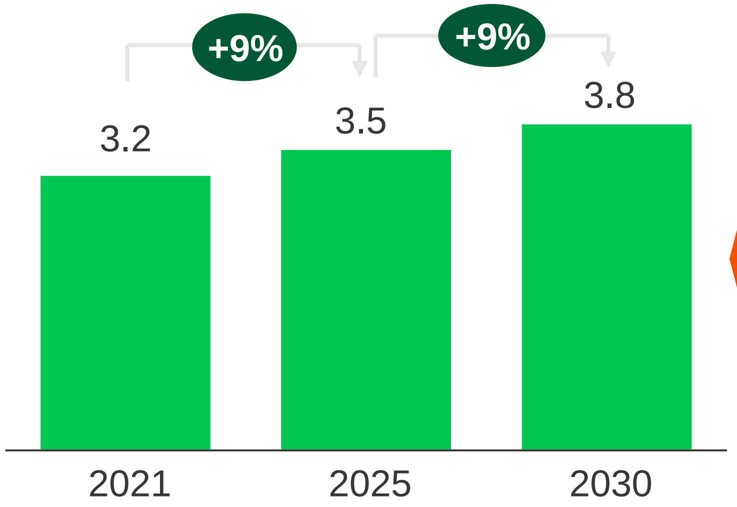
- Increase network reliability
- Enable new connections of decentralized generation
- More efficient network management and cost reduction
- Utilize fiber optic network capacity for telecommunication services

* CAPEX conservatively assumes no subsidies

We will grow our retail customer base and maintain high customer satisfaction

Retail EBITDA

CEZ Prodej, CZK billion



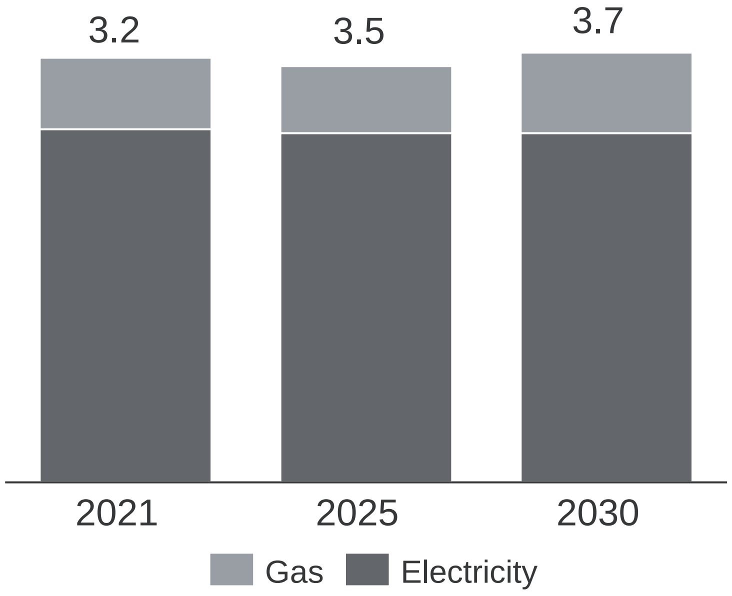
Annual CAPEX

CZK billion, avg

0.4	0.4
2021–25	2026–30

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

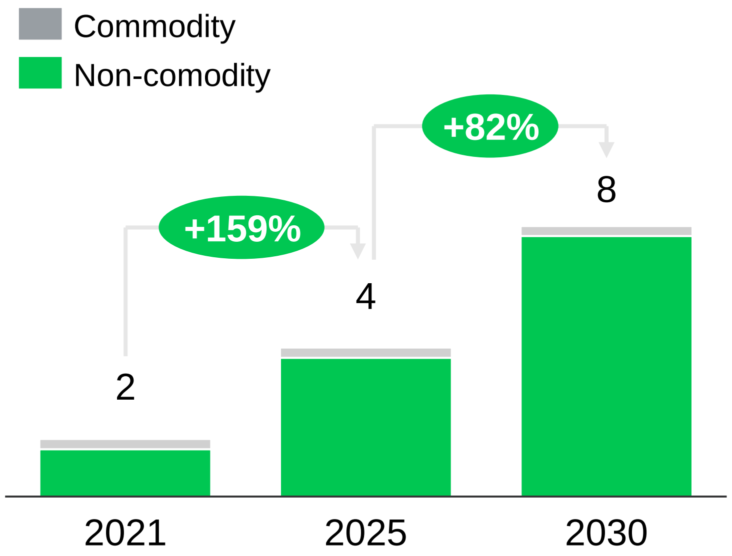
We will **broaden our product portfolio** for households, which will enable their decarbonization and energy savings

EBITDA improvement despite growing competitive pressures in commodities

We will grow our energy services business by supporting decarbonization of our customers

ESCO EBITDA

CZK billion



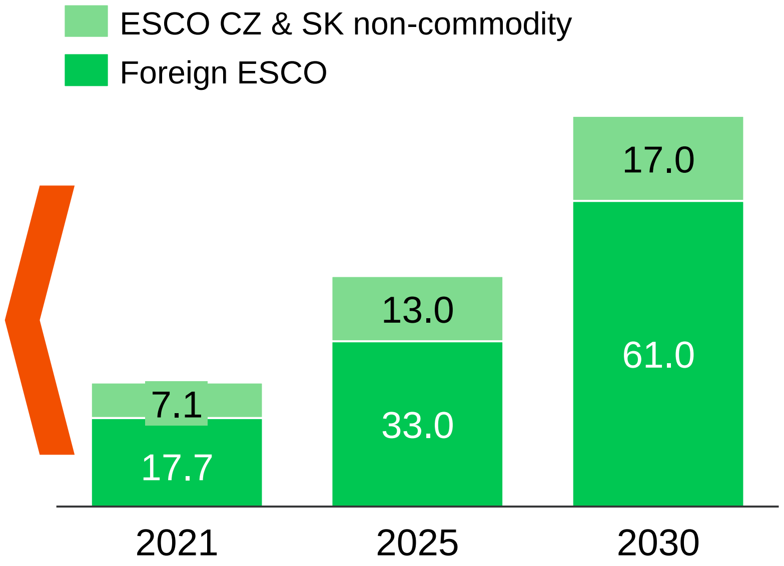
Annual Investments*

CZK billion, avg

2021–25	2026–30
6-7	6-7

ESCO revenues

CZK billion



EBITDA margin (%)**

CZK billion, avg

2021	2025	2030
6%	10%	10%

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%

* CAPEX and financial investments
** Only non-commodity

Electromobility value chain represents an additional source of growth

Battery as a Service (BAAS)

Electromobility Ecosystem

Cars as Energy Storage Systems (ESS)

Using car batteries in the Czech distribution grid

Component supplier ecosystem

Battery value chain

- **Mining and processing**
- **Production of active materials**
- **Cell production**
- **Integration of batteries into modules**
- **Car manufacturing**
- **Second and third use of battery cells**
- **Recycling**

Lithium mining in Cínovec
Implementation of lithium mining and processing in Cínovec for supply to the Gigafactory

Partnership for sustainable and cost-effective battery cell production

Utilisation of used batteries to store large amounts of energy

Development of recycling infrastructure

Generation of renewables
Supplementation of the entire electromobility ecosystem

Mobility Services

Integration of CEZ Group's infrastructure with car manufacturers' software, e.g., to find the nearest charging station

Joint monetization of Energy Services

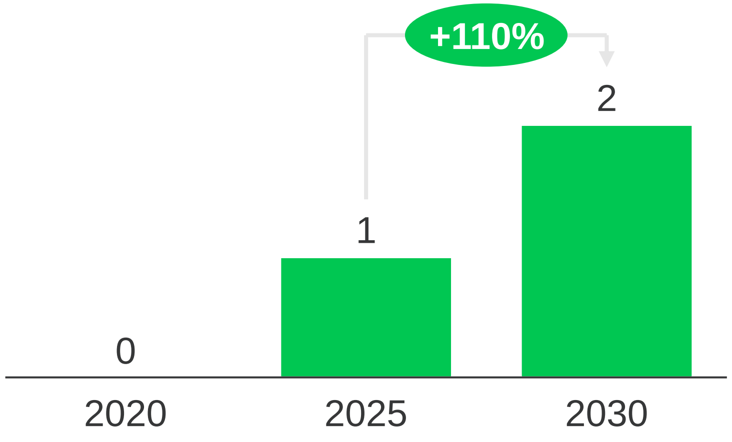
Charging Infrastructure

Building-up charging points in Czechia and providing green energy for charging.

Areas of battery production and electromobility will be additional sources of growth

Proportional EBITDA of battery related activities*

CZK billion



Annual CAPEX*

CZK billion, avg

2021–25	2026–30
2.9	0.2

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

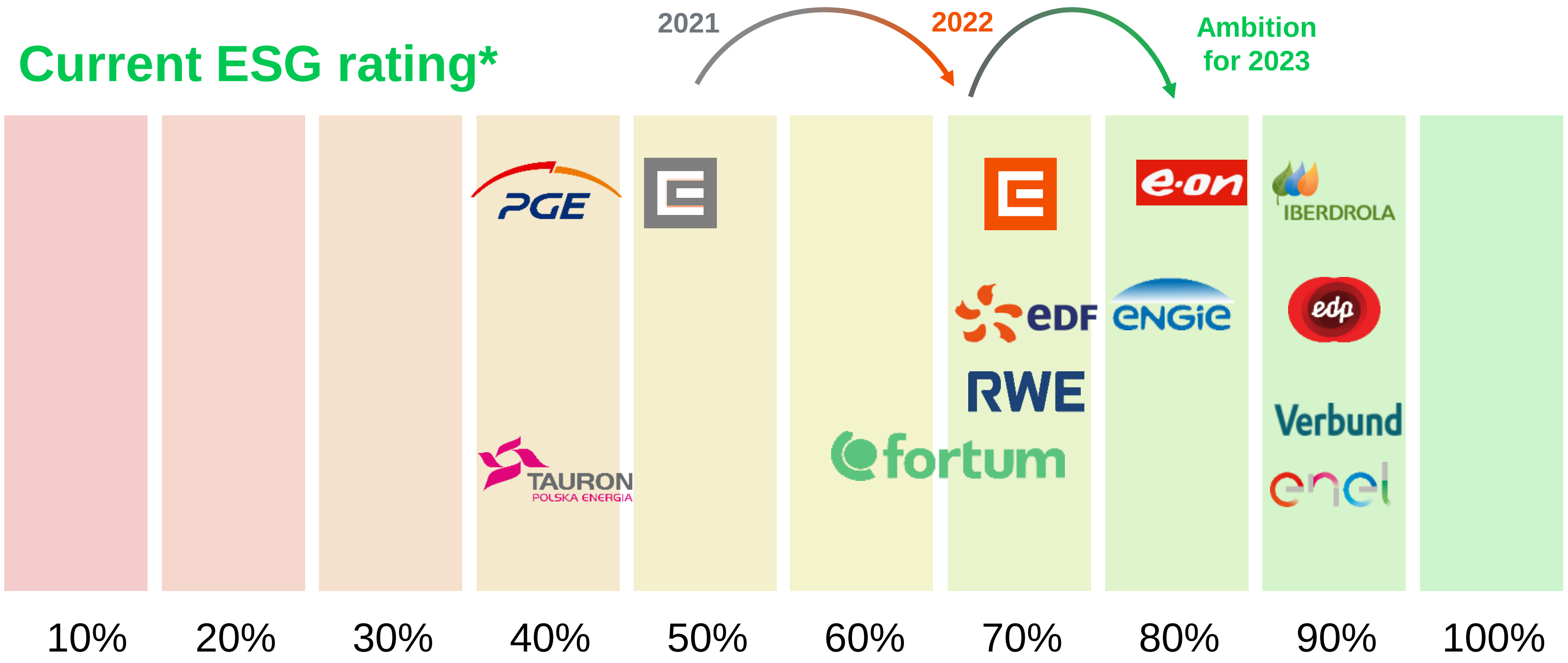
Electromobility infrastructure

- 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 to be among the best 20% of peers in the ESG rating by 2023

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

- **CO_2e emissions reduction in line with "well below 2°" scenario** (decrease from 0.38 tCO_2e/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
- **SO_2 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

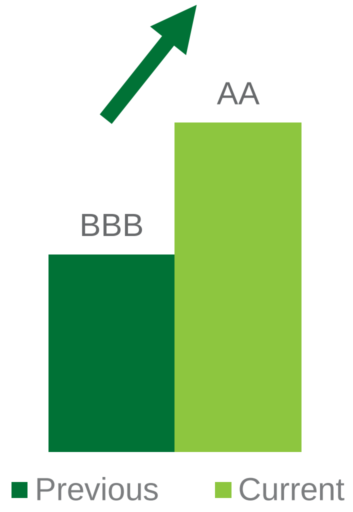
Governance

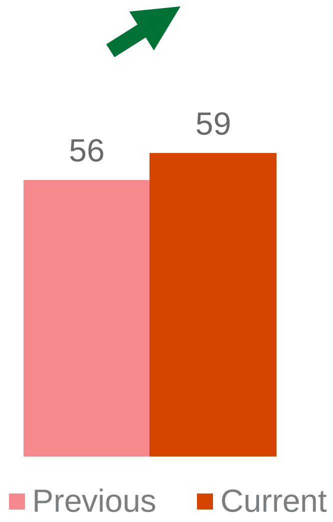
- We will reach **30% share of women** in management
- **Further proceed in Code of Ethics training,** annually train above 95% of employees from 2022 onwards

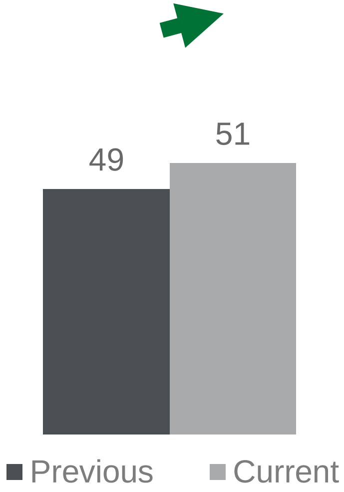
Improvement in major ESG ratings in 2022 reflects CEZ‘s systematic efforts towards sustainability

CEZ ESG Rating Score

	MSCI	S&P Global	Moody's (Vigeo Eiris)
Scale (best to worst)	AAA to CCC	100 to 0	100 - 0







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

- We **will reduce our emissions intensity** by more than **50%** by 2030
- Our **ESG targets** will enable us to **be among the best 20% of peers** in the ESG rating

We offer attractive dividend while maintaining strong credit rating

- **We will grow our EBITDA by 35%***
- **Dividend policy: payout ratio 60-80%** from adjusted net income
- We keep **Net Financial Debt/EBITDA below 2.5x to 3.0x**

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

AGENDA

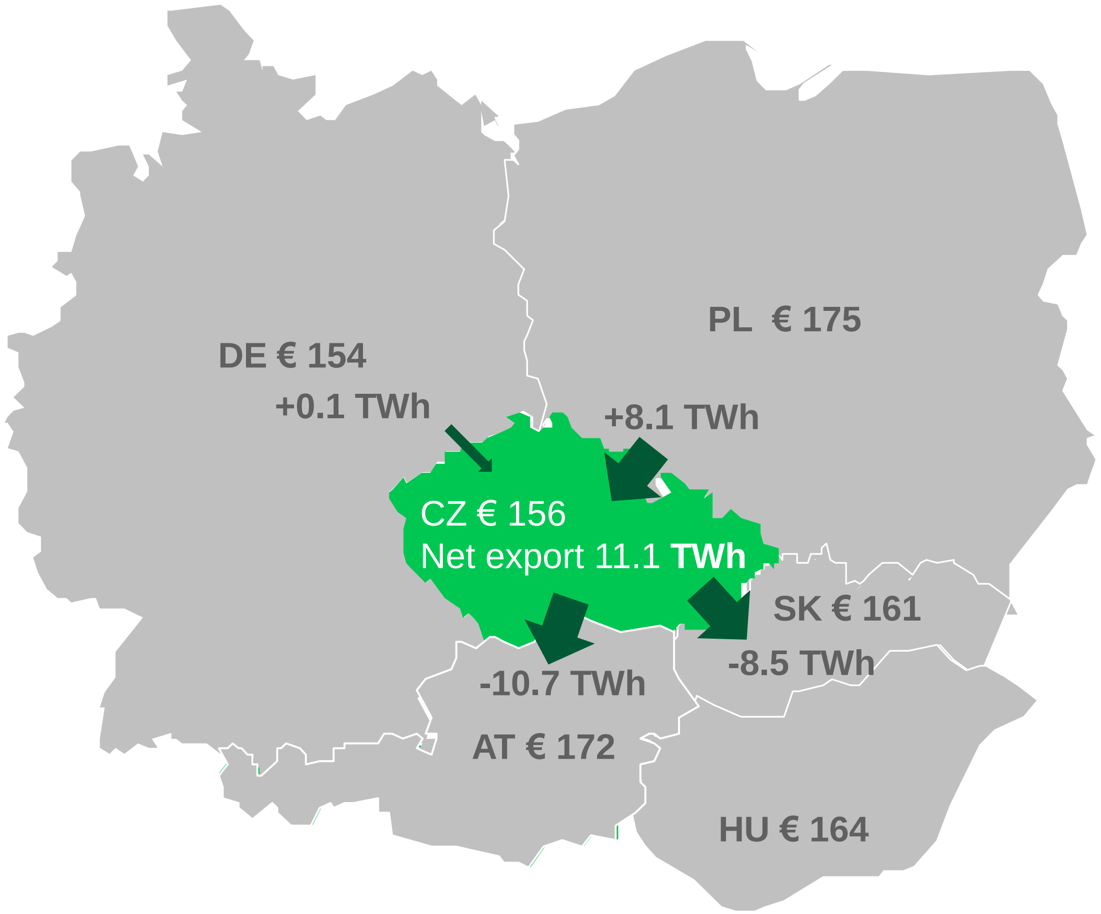
- CEZ Group at a Glance
- CZ tax measures & CEZ guidance 2023
- Our Vision
- **Appendix**

Appendix

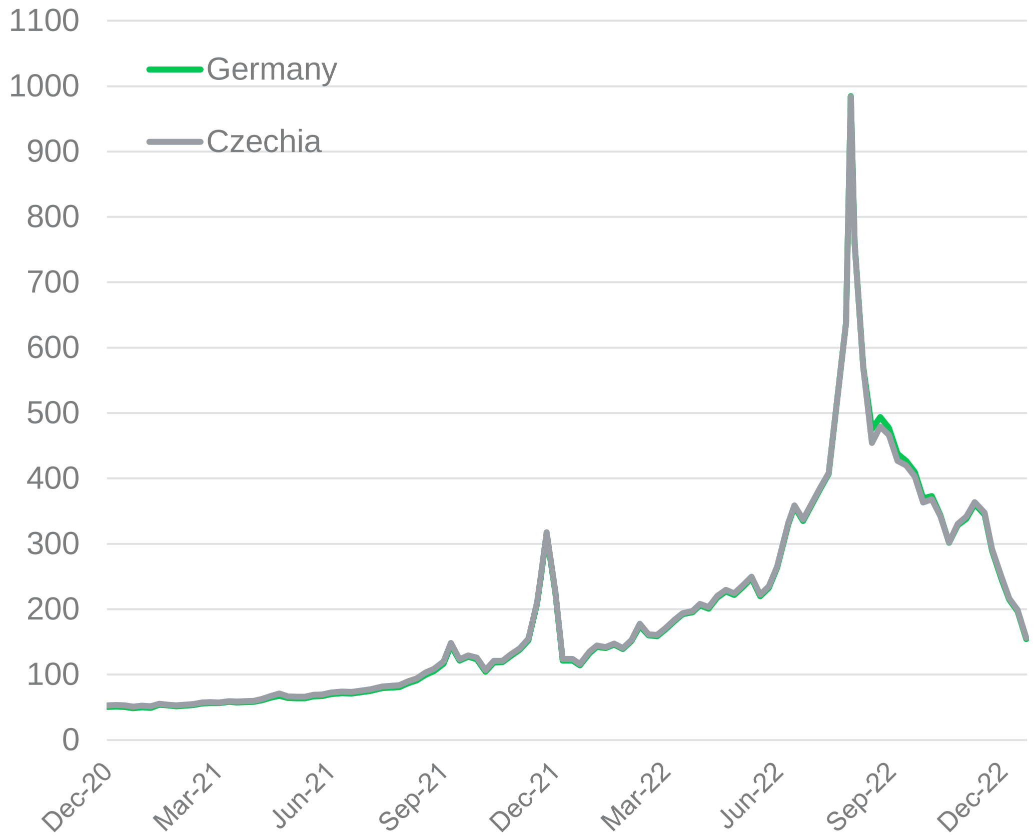
- **Electricity market fundamentals**
- Regulation of distribution
- ESG indicators
- Financial results

Czech electricity market is integrated with neighbouring countries

2021 Physical electricity flows and current electricity prices



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



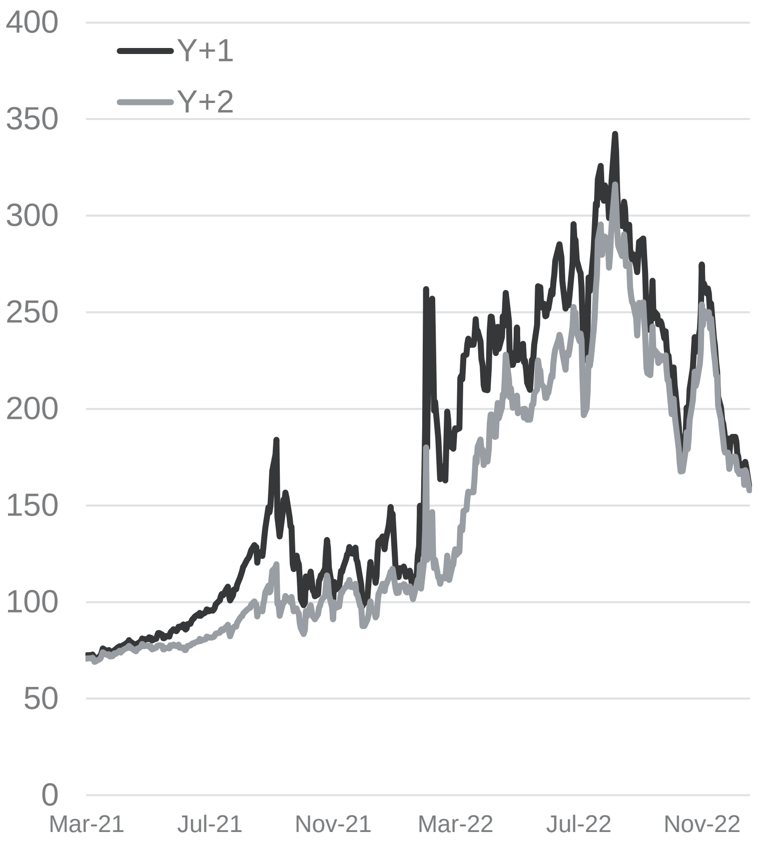
Source: EEX, prices as of January 16, 2023

Commodity prices grew significantly in 2021, were highly volatile in 2022

Carbon prices[1]
EUR/t

Gas prices[2]
EUR/MWh

Coal prices[3]
USD/t

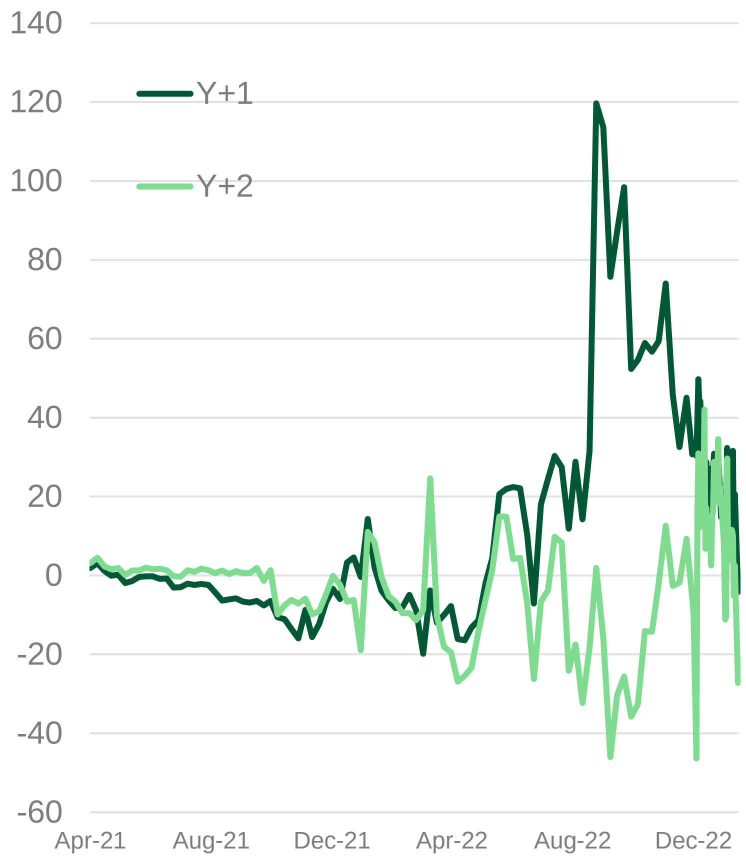


1. EU allowances, Y+1 forward, 2. Netherlands TTF, Y+1 forward, 3. API2 coal, Y+1 forward

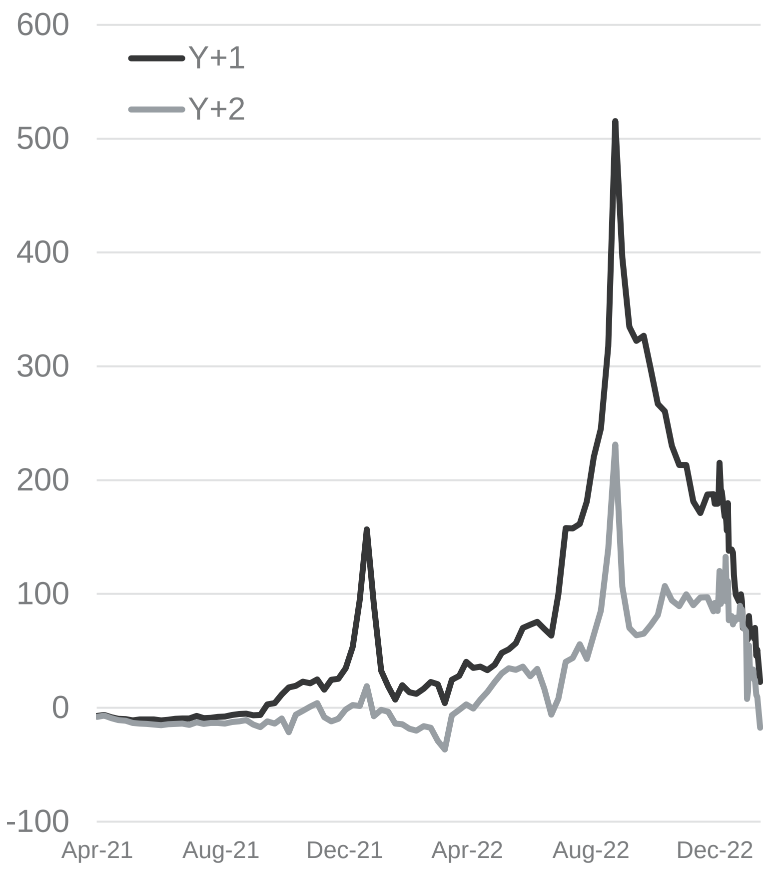
Electricity spreads: improvement in lignite margin, volatility of CCS and CDS

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),

Appendix

- Electricity market fundamentals
- **Regulation of distribution**
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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:

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

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

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

- 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	5th regulatory period 2021-2025
Risk free rate (r_f)	2.04%
Market risk premium (MRP)	6.54%
ß unlevered	0.51
ß levered (ß)	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%**

Appendix

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Key ESG indicators

Environment

	unit	2019	2020	2021
Scope 1 emissions	M tCO_{2e}	26.1	23.4	19.0
Scope 2 emissions	M tCO_{2e}	0.4	0.3	0.1
Scope 3 emissions	M tCO_{2e}	18.3	17.4	11.2
Carbon intensity (electricity and heat generation)	tCO_{2e} /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

	unit	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

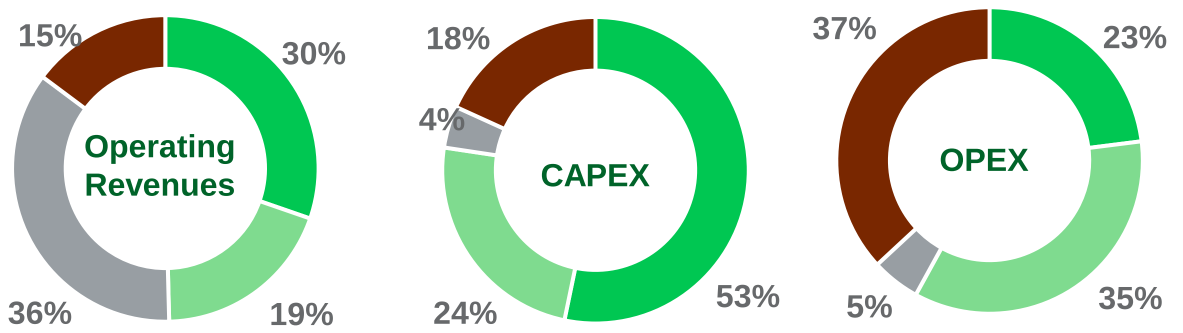
* Current climate neutrality target is 2040
** Interim targets are SBTi validated

Developments in ESG area and structure of CEZ 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.

Structure of CEZ Group activities in 2021 according to EU taxonomy



NON-ELIGIBLE—Emission activities
NON-ELIGIBLE—Neutral activities
ELIGIBLE activities
ELIGIBLE—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/webpublic/file/edee/esg/documents/sustainability-reports/sustainability-report-2021.pdf
** link to ESG website https://www.cez.cz/sustainability/en

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- ESG indicators
- **Financial results**

Total financial results

(CZK bn)	Q1–Q3 2021	Q1–Q3 2022	Difference	%
Operating Revenues	156.0	211.1	+55.1	+35%
EBITDA	47.5	89.3	+41.8	+88%
of which: Existing assets*	44.9	89.3	+44.4	+99%
EBIT	13.8	65.2	+51.4	>200%
Net income	6.7	52.3	+45.6	>200%
Adjusted net income**	16.9	52.3	+35.4	>200%
Operating cash flows	26.1	13.1	-13.0	-50%
CAPEX	19.3	21.4	+2.0	+10%

* 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 write-off)

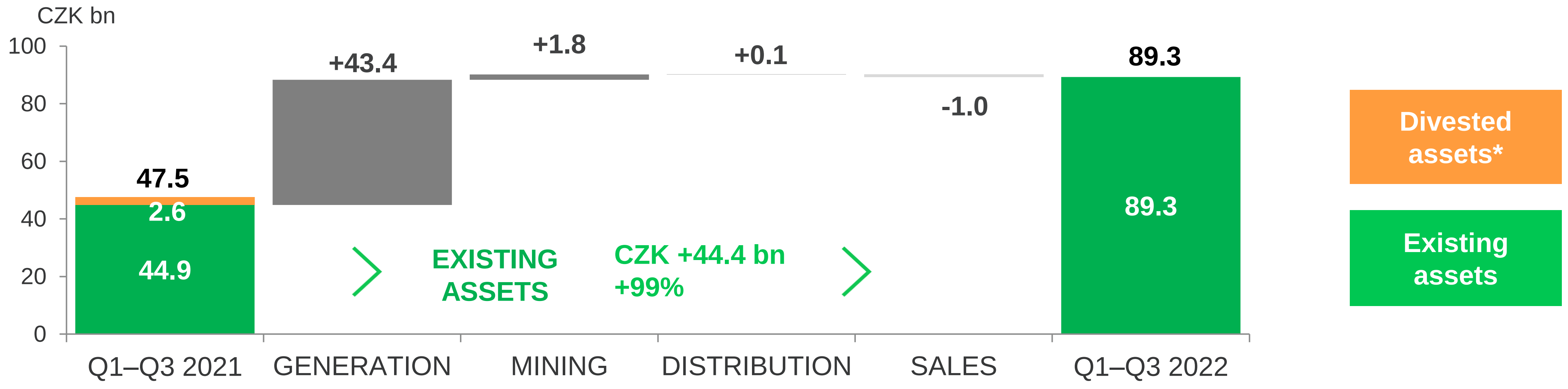
Total operating results

		Q1–Q3 2021	Q1–Q3 2021*	Q1–Q3 2022	Difference*	%*
Electricity generation	TWh	40.1	39.7	39.6	-0.0	-0%
Electricity distributed to end-use customers	TWh	33.9	27.1	26.0	-1.1	-4%
Sales of electricity to end-use customers	TWh	21.1	14.7	16.6	+1.9	+13%
Gas distributed to end-use customers	TWh	0.5	0.5	0.5	-0.1	-12%
Sales of gas to end-use customers	TWh	4.9	4.4	5.6	+1.2	+26%
Sales of heat	thousands TJ	17.9	17.9	15.8	-2.0	-11%

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

		as of Sep 30, 2021	as of Sep 30, 2022	Difference	%
Installed capacity	GW	11.8	11.8	+0.0	+0%
Workforce headcount	thousands persons	27.2	27.5	+0.4	+1%

Main causes of year-on-year change in EBITDA



GENERATION Segment (CZK +43.4 bn):

- Impact of extreme increase in market prices of commodities on the wholesale market and effect of higher sales and activation of ancillary services in the Czech Rep. (CZK +35.6 bn)
- Higher income from commodity trading on foreign markets (CZK +10.9 bn)
- Specific temporary effects (CZK -2.8 bn) mainly related to the revaluation of generation hedging contracts for delivery in Q4 2022

MINING Segment (CZK +1.8 bn):

- Higher sales due to the increase in price and volume of coal deliveries to external customers and to CEZ Group (CZK +2.5 bn)
- Higher fixed operating expenses (CZK -0.7 bn), mainly energy expenses

* Divested assets in Romania and Bulgaria in 2021

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

(CZK bn)	Q1–Q3 2021	Q1–Q3 2022	Difference	%
EBITDA	47.5	89.3	+41.8	+88%
Depreciation and amortization	-21.8	-24.3	-2.5	-11%
Impairments*	-11.9	0.2	+12.1	-
Other income and expenses	-3.0	-1.9	+1.0	+35%
Interest income (expenses)	-2.9	-1.0	+1.9	+66%
Other	-0.0	-0.9	-0.9	>200%
Income taxes	-4.1	-11.0	-6.8	-166%
Net income	6.7	52.3	+45.6	>200%
Adjusted net income	16.9	52.3	+35.4	>200%

Net Income Adjustments

- In Q1–Q3 2021, adjusted for impairments of fixed assets of Severočeské doly (CZK +9.2 bn) and in Poland (CZK +1.0 bn)

Impairments* (CZK +12.1 bn)

- Addition to impairments of fixed assets in Q1–Q3 2021 in Severočeské doly (CZK +9.2 bn), in Romania (CZK +1.1 bn), in Poland (CZK +1.0 bn), and in Bulgaria (CZK +0.8 bn)

Depreciation and Amortization (CZK -2.5 bn)

- Acceleration of depreciation and amortization of coal-fired facilities in Czechia in H2 2021 due to deterioration of regulatory conditions for long-term operation (CZK -2.4 bn)
- Increase in depreciation of coal-fired facilities in Czechia as a result of an increase in the estimated expenditure on dismantling and demolition after decommissioning (CZK -1.3 bn)
- Higher depreciation and amortization of nuclear power plants (CZK -0.2 bn) and ČEZ Distribuce (CZK -0.4 bn)
- Lower depreciation and amortization of assets at Severočeské doly (CZK +0.6 bn) reflecting additions to impairment in 2021

Other Income and Expenses (CZK +1.0 bn)

- Higher interest income (CZK +1.9 bn) due to higher liquidity on margin deposits and higher interest rates
- Revaluation of Inven Capital securities (CZK +0.5 bn)
- Higher interest on nuclear and other reserves (CZK -0.4 bn) due to rising interest rates
- Exchange rate effects and revaluation of financial derivatives (CZK -1.1 bn), mainly due to revaluation of CEZ margin deposits on exchanges and with trading counterparties

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

GENERATION Segment EBITDA*

EBITDA (CZK bn)	Q1–Q3/2021	Q1–Q3 2022	Difference	%	Q3/2021	Q3/2022	Difference	%
Of which emission-free generation sources:	20.4	40.9	+20.5	+101%	7.0	12.6	+5.6	+80%
Nuclear	16.4	31.6	+15.2	+93%	5.6	9.4	+3.8	+67%
Renewable	4.0	9.4	+5.3	+133%	1.5	3.3	+1.7	+115%
Emission Generating Facilities	1.8	16.6	+14.7	>200%	-0.7	7.4	+8.0	>200%
Trading	2.0	12.9	+10.9	>200%	1.7	5.5	+3.8	>200%
Specific temporary effects	-0.9	-3.6	-2.8	>200%	1.7	-4.7	-6.5	-
Total GENERATION Segment	**23.4**	**66.8**	**+43.4**	**+186%**	**9.8**	**20.8**	**+11.0**	**+112%**

Year-on-year effects Q1–Q3:

Nuclear facilities (CZK +15.2 bn):
- Trade impacts (+15.0): price impact (+15.1), lower intragroup revenues (-0.1)
- Operating effects (+0.2): operational availability of Temelín (+0.8) and Dukovany (+0.2), fixed expenses (-0.8)

Renewables (CZK +5.3 bn):
- Trade effects (+5.8): price effect (+2.2), ancillary services and regulatory energy (+3.6)
- Operating effects (-0.4): hydroelectric plants in Czechia (-0.8), photovoltaic plants in Czechia (+0.3), wind power plants in Germany (+0.1)

Emission sources (CZK +14.7 bn):
- Trade effects in Czechia (+14.7): price effect (+14.0), ancillary services (+0.7)
- Operating effects in Czechia (+0.6): operating availability (-0.2), heat sales (+0.3), trading at the generating facilities (+0.7), fixed expenses (-0.2), insurance claim for the fire in Dětmarovice in 2021 (-0.2)
- Poland (-0.5) mainly lower generation margin due to the increase in the cost of coal and allowances

Trading (CZK +10.9 bn):
- Higher trading prop margin (+15.8), potential loss of gas contracts with Gazprom Export (-1.9)
- Other and consolidation impacts (-3.0) mainly prop margin realized on generation contracts for 2023+ delivery

Specific temporary effects (CZK -2.8 bn):
- Revaluation of hedging commodity generation contracts for delivery in Q4 2022 and other temporary effects (-3.6)
- Temporary specific effects in 2021 (+0.9)

Year-on-year effects in Q3:

Nuclear generating facilities (CZK +3.8 bn):
- Trade impacts (CZK +4.3 bn): price impact (+4.1), higher intragroup income (+0.1)
- Operating effects (-0.5): operating availability (+0.4), fixed expenses (-0.8)

Renewables (CZK +1.7 bn):
- Trade impacts (+2.0): higher realized electricity prices (+1.0), higher revenues from ancillary services and regulatory energy (+1.0)
- Operating effects (-0.3): lower operating availability (-0.3)

Emission sources (CZK +8.0 bn):
- Trade effects in Czechia (+8.0): price effect (+7.7), ancillary services (+0.3)
- Operating effects in Czechia (+0.4): heat sales (+0.1), on-site trade (+0.2)
- Poland (-0.1): lower generation margin due to the increase in the cost of coal and emission allowances

Trading (CZK +3.8 bn):
- Higher commercial prop margin including LNG terminal utilization (+5.1)
- Increase in Gazprom Export‘s potential loss of gas contracts (-0.7)
- Other commercial trading and consolidation impacts (-0.6) mainly part of margin realized on generation contracts for 2023+ delivery

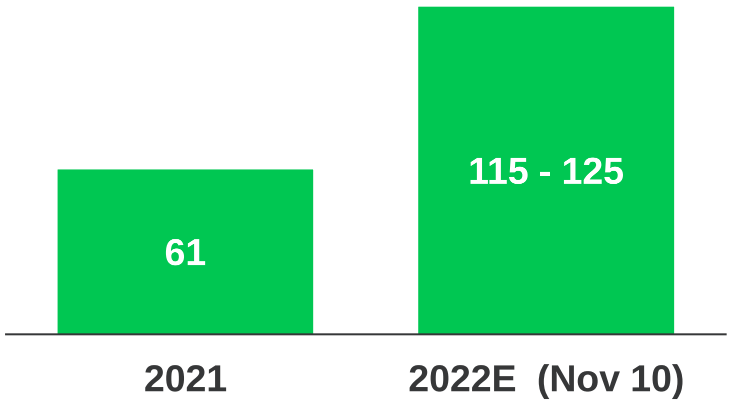
Specific temporary effects (CZK -6.5 bn):
- Revaluation of hedging commodity generation contracts for delivery in Q4 2022 and other temporary effects (-4.7)
- Temporary specific effects in 2021 (-1.7)

* without the divested assets in Romania and Bulgaria

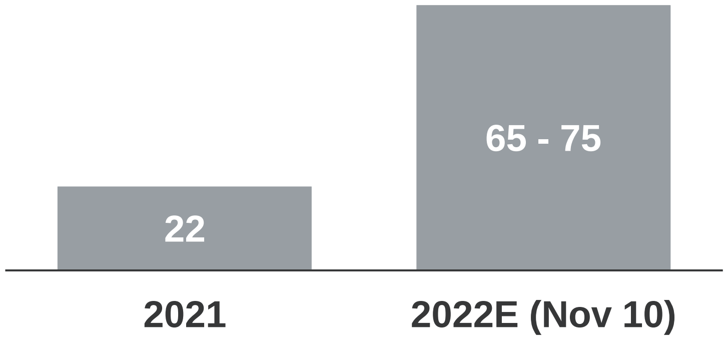
The division of EBITDA of the GENERATION segment into five sub-segments is only indicative on the basis of central allocation assumptions (in particular the allocation of ČEZ's gross margin and fixed costs of the central divisions of ČEZ) and simplified consolidation with other companies in the segment.

2022 guidance published on Nov 10, 2022: EBITDA CZK 115–125 bn, adjusted net income CZK 65–75 bn

EBITDA (CZK billion)



Adjusted net income (CZK billion)



Key drivers:

+ Higher realization prices of electricity incl. hedging
+ Higher income from commodity trading
+ Reversal of negative specific effects impaction 2021

Selected Prediction Risks and Opportunities:

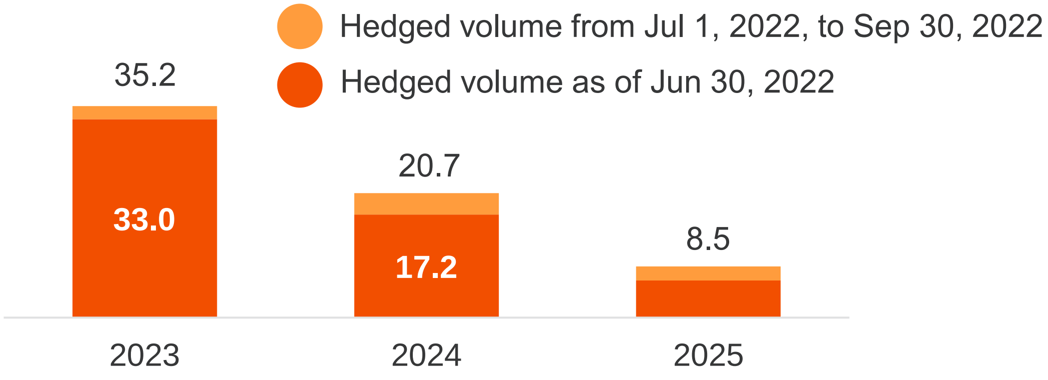
- Availability of generating facilities
- Revaluation of commodity derivatives hedging generation positions for 2023+
- Realization prices of generated electricity and income from commodity trading
- Amount of levy on generation revenues above price caps

Dividend from 2022 earnings:

- The current dividend policy (60–80% of net income adjusted for extraordinary effects) indicates (if the dividend is set at the upper end of the defined range) a dividend of CZK 97 to CZK 112 per share, and therefore a shareholder income of CZK 52 to CZK 60 bn, of which CZK 36 to CZK 42 bn for the Czech state.

Hedging of market risks of generation in Czechia for 2023–2025

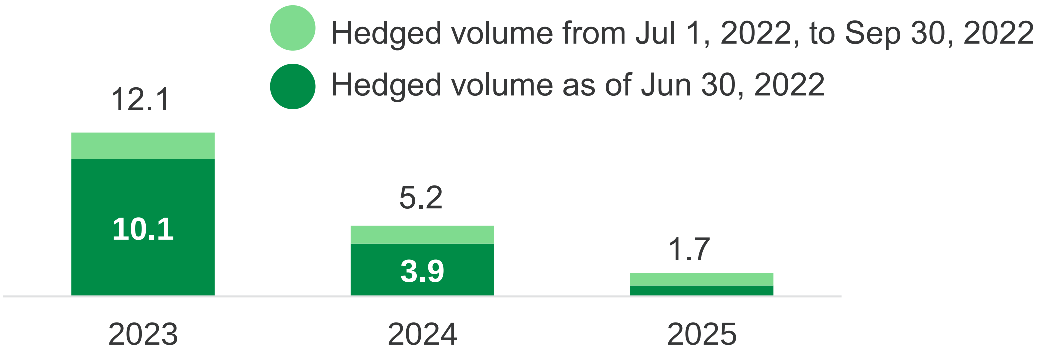
Electricity sold in TWh (as of Sep 30)



EUR 108 | EUR 120 | EUR 126

Electricity selling price (EUR/MWh)

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



EUR 58 | EUR 68 | EUR 99

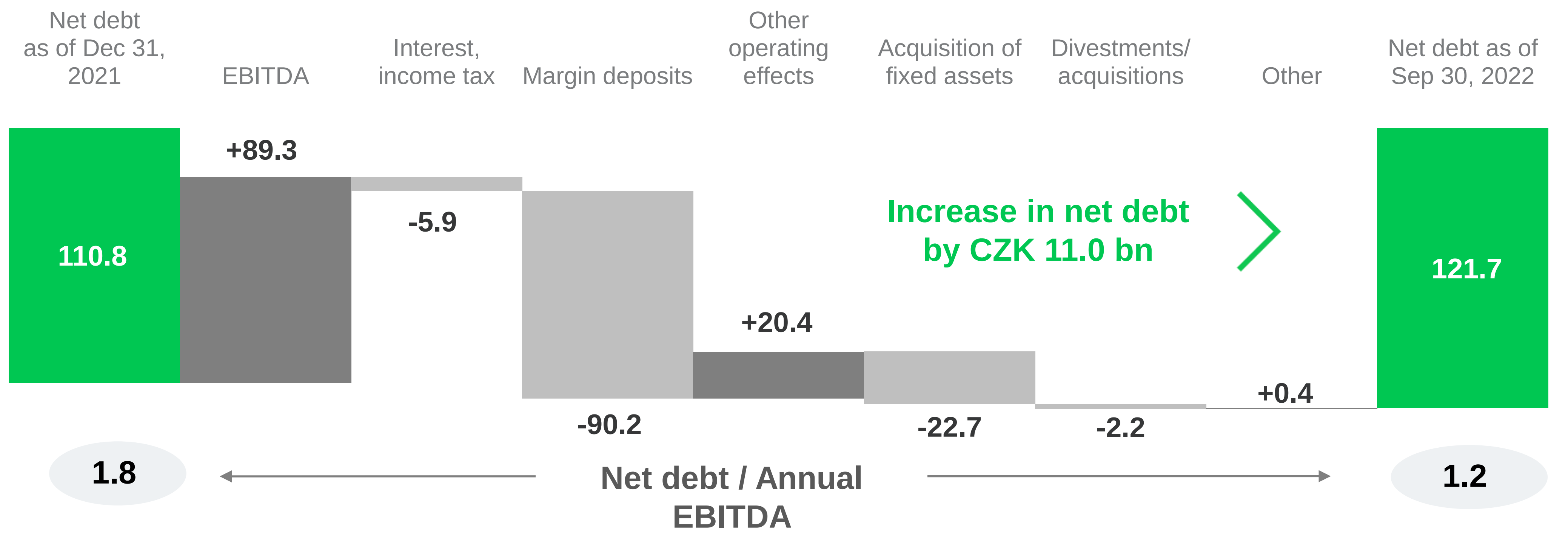
EUA purchase price (EUR/t)

	2023	**2024**	**2025**	**100% of expected delivery**
Share of electricity supply hedged from generation in Czechia (as of Sep 30)	73%	44%	18%	47 to 48 TWh external deliveries per year

In August, as part of liquidity risk management, it was decided to discontinue hedging market risks of generation through contracts on energy exchanges and to take measures to reduce CEZ's trading exposure on energy exchanges.

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

Net debt increased by CZK 11 bn in Q1–Q3



- **Interest, income taxes (CZK -5.9 bn):** income taxes paid (CZK -4.9 bn), balance of interest paid and received (CZK -1.0 bn)
- **Margin deposits (CZK -90.2 bn)** temporary margin deposits on commodity exchanges and with trading counterparties due to generation pre-sales and lower contracted prices for electricity, emission allowances and gas compared to current market prices
- **Other operating effects (CZK +20.4 bn):** effect of cash flow hedges, including change in receivables and derivative liabilities (CZK +18.7 bn), change in emission allowances (CZK +12.0 bn), inventories of materials and fossil fuels, mainly gas inventories (CZK -23.7 bn), other operating effects and non-cash operations (CZK +13.4 bn)
- **Additions to non-current assents (CZK -22.7 bn):** additions to fixed assets (CAPEX) (CZK -21.4 bn), change in liabilities from fixed asset additions (CZK -0.6 bn), acquisition of Inven Capital securities (CZK -0.7 bn)
- **Divestments/acquisitions (CZK -2.2 bn)** acquisition of ŠKODA JS (CZK -1.3 bn), ELIMER a.s. (CZK -0.2 bn) and KABELOVÁ TELEVIZE CZ s.r.o. (CZK -0.2 bn); purchase of non-controlling interest in ÚJV Řež and HORMEN CE (CZK -0.4 bn)

Credit frameworks and debt structure as of Sep 30, 2022

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

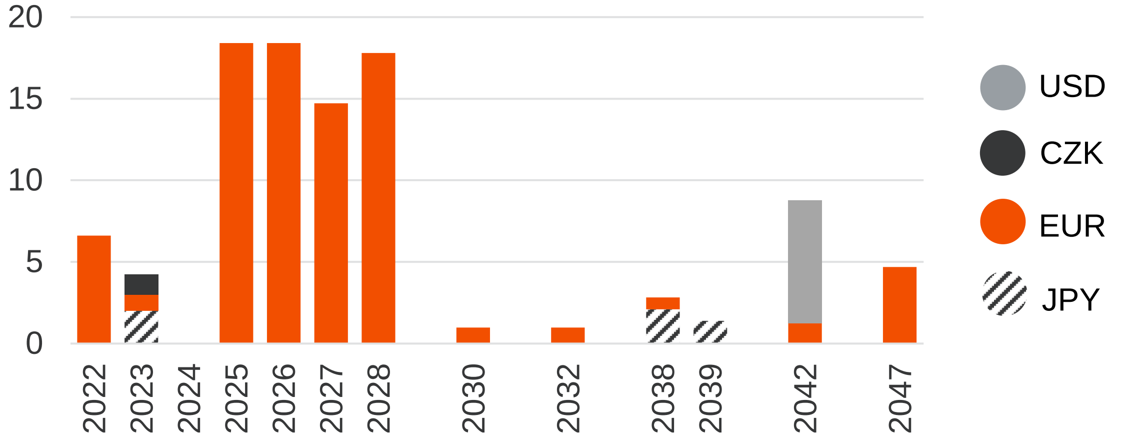
Committed bank facilities are kept as a reserve for covering unexpected expenses and to fund short-term financial needs.

CEZ Group has access to a total of CZK 48.6 bn in committed bank credit facilities, having drawn CZK 2.9 bn as of Sep 30, 2022.

The full EUR 3 bn of the loan agreement with Czechia, signed in July, has been drawn down as of Sep 30, 2022:

- EUR 1 bn due in April 2024
- EUR 1 bn due in January 2023, with the possibility to request two extensions of 6 months each
- EUR 1 bn payable in December 2022, with the possibility of repeated drawdowns, but no later than April 2024

Bond maturity profile (CZK bn)

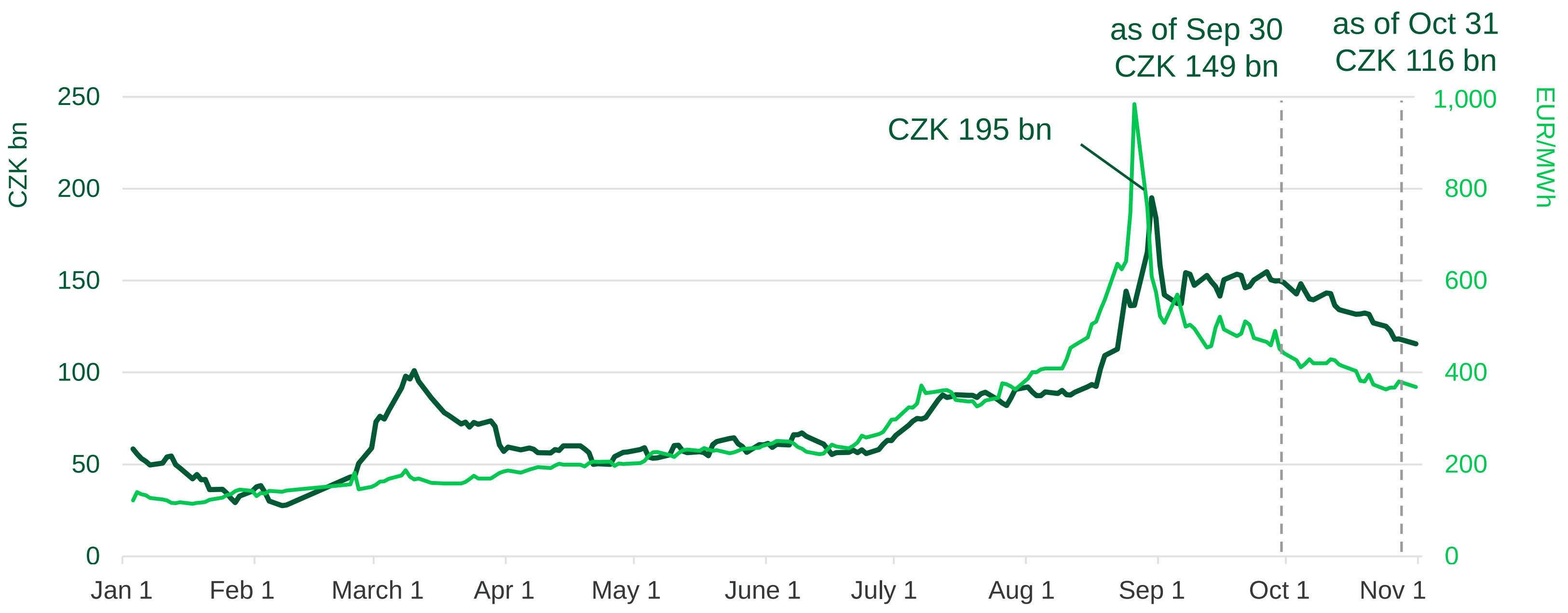


Debt Level		as of Sep 30, 2021	as of Sep 30, 2022
Debt and loans	CZK bn	141.2	205.9
Cash and fin. assets*	CZK bn	11.5	84.2
Net debt	CZK bn	129.8	121.7
Net debt / EBITDA		2.1	1.2

* Cash and Cash Equivalents & Highly Liquid Financial Assets

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

Development of margin deposits on exchanges and with counterparties due to current generation forward sales and lower contracted electricity price, EUA and gas prices compared to current market prices



Commodity prices for 2023 delivery	Max. Aug 26	Sep 30	Oct 31
Electricity (EUR/MWh)	984	442	368
EUA (EUR/t)	93	70	83
Gas (EUR/MWh)	311	186	133

Available liquidity (CZK bn)	as of Sep 30	as of Oct 31
Cash	79	90
Credit lines	46	47
Total liquid resources	**125**	**137**

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
** State Nuclear Account balance as of YE 2022 CZK 36.4 bn
*** SD – Severočeské doly

Selected historical financials of CEZ Group (CZK)

CZK bn	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Revenues	221.9	216.7	201.8	210.2	203.7	205.1	184.5	206.2	213.7	227.8
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	136.1	134.7	129.3	145.1	145.6	151.2	135	146	148.9	164.6
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	**85.8**	**82**	**72.5**	**65.1**	**58.1**	**53.9**	**49.5**	**60.2**	**64.8**	**63.2**
EBITDA margin	*39%*	*38%*	*36%*	*31%*	*29%*	*26%*	*27%*	*29%*	*30%*	*28%*
Depreciation, amortization, impairments	28.9	36.4	35.7	36.3	32.1	29.5	29.7	33.8	52.2	47.1
EBIT	**57**	**45.7**	**36.9**	**29**	**26.1**	**25.6**	**19.8**	**26.4**	**12.6**	**16.1**
EBIT margin	*26%*	*21%*	*18%*	*14%*	*13%*	*12%*	*11%*	*13%*	*6%*	*7%*
Net Income	**40.1**	**35.2**	**22.4**	**20.5**	**14.6**	**19**	**10.5**	**14.5**	**5.5**	**9.9**
Net income margin	*18%*	*16%*	*11%*	*10%*	*7%*	*9%*	*6%*	*7%*	*3%*	*4%*
Adjusted net income	**41.3**	**43**	**29.5**	**27.7**	**19.6**	**20.7**	**13.1**	**18.9**	**22.8**	**22.3**
Adjusted net income margin	*19%*	*20%*	*15%*	*13%*	*10%*	*10%*	*7%*	*9%*	*11%*	*10%*

CZK bn	**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	**635.8**	**640.4**	**627.9**	**602.7**	**630.8**	**623.9**	**707.4**	**704.6**	**702.5**	**1182.9**
Shareholders equity (excl. minority. int.)	250.2	258.1	261.3	267.9	256.8	250	234.7	250.8	233.9	161.1
Return on equity	*17%*	*14%*	*9%*	*8%*	*6%*	*8%*	*4%*	*6%*	*2%*	*5%*
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	**635.8**	**640.4**	**627.9**	**602.7**	**630.8**	**623.9**	**707.4**	**704.6**	**702.5**	**1182.9**

Selected historical financials of CEZ Group (EUR)

EUR M	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Revenues	8,926	8,717	8,117	8,455	8,194	8,250	7,422	8,294	8,596	9,163
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
Operating Expenses	5,475	5,418	5,201	5,837	5,857	6,082	5,430	5,873	5,990	6,621
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
EBITDA	**3,451**	**3,298**	**2,916**	**2,619**	**2,337**	**2,168**	**1,991**	**2,422**	**2,607**	**2,542**
EBITDA margin	*39%*	*38%*	*36%*	*31%*	*29%*	*26%*	*27%*	*29%*	*30%*	*28%*
Depreciation, amortization, impairments	1,163	1,464	1,436	1,460	1,291	1,187	1,195	1,360	2,100	1,895
EBIT	**2,293**	**1,838**	**1,484**	**1,167**	**1,050**	**1,030**	**796**	**1,062**	**507**	**648**
EBIT margin	*26%*	*21%*	*18%*	*14%*	*13%*	*12%*	*11%*	*13%*	*6%*	*7%*
Net Income	**1,613**	**1,416**	**901**	**825**	**587**	**764**	**422**	**583**	**221**	**398**
Net income margin	*18%*	*16%*	*11%*	*10%*	*7%*	*9%*	*6%*	*7%*	*3%*	*175%*
Adjusted net income	**1,661**	**1,730**	**1,187**	**1,114**	**788**	**833**	**527**	**760**	**917**	**897**
Adjusted net income margin	*19%*	*20%*	*15%*	*13%*	*10%*	*10%*	*7%*	*9%*	*11%*	*394%*

EUR M	**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
Total Assets	**25,575**	**25,760**	**25,257**	**24,244**	**25,374**	**25,097**	**28,455**	**28,343**	**28,258**	**47,583**
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
Return on equity	*17%*	*14%*	*9%*	*8%*	*6%*	*8%*	*4%*	*6%*	*2%*	*5%*
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
Total liabilities	**25,575**	**25,760**	**25,257**	**24,244**	**25,374**	**25,097**	**28,455**	**28,343**	**28,258**	**47,583**

CLEAN
ENERGY OF
TOMORROW

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