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Report on CEZ Group Financial Results for Q1 2024

Nonaudited consolidated results prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union

May 14, 2024

Agenda

Overall Results and Full-Year Outlook

Generation and Mining

Distribution and Sales

Financial Highlights and Full-Year Outlook

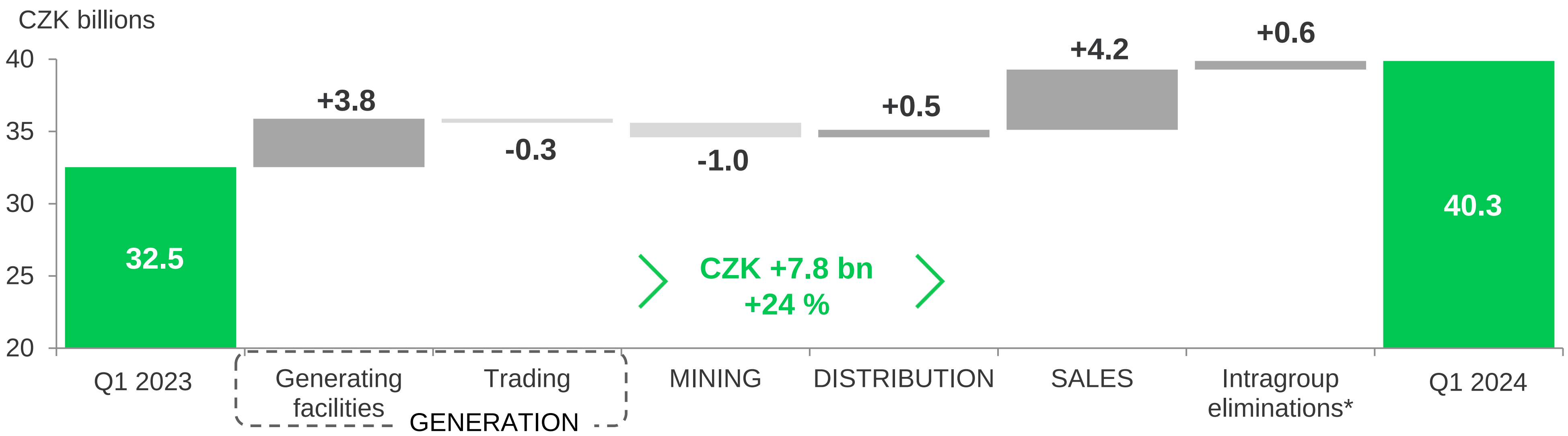
(CZK bn)	Q1 2023	Q1 2024	Diff	%
Operating revenues	93.4	87.4	-6.0	-6%
EBITDA	32.5	40.3	+7.8	+24%
EBIT	24.3	31.6	+7.4	+30%
Net income	10.8	13.6	+2.7	+25%
Adjusted net income	10.8	13.6	+2.7	+25%
Cash flow	79.1	40.7	-38.4	-49%
CAPEX	6.8	7.3	+0.5	+8%

Financial Outlook for the Full Year 2024

- EBITDA is expected at CZK 115-120 bn.
- Net income adjusted for extraordinary effects is estimated at CZK 25-30 bn.

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

Main Causes of Year-over-Year Change in EBITDA



GENERATION Segment – Generating facilities (CZK +3.8 bn)

- Levy on revenues above price caps from generation in Czechia in Q1 2023 (CZK +10.3 bn)
- Lower margin from generation in Czechia due to changes in the purchase prices of emission allowances and gas, realized prices of electricity and exchange rate hedging (CZK -5.2 bn)
- Effect of different schedules of planned outages of nuclear facilities (CZK -1.5 bn)

MINING Segment (CZK -1.0 bn)

- Lower external revenues due to reduced coal supplies (CZK -0.9 bn)

SALES Segment (CZK +4.2 bn)

- Negative gross margin CZK +3.0 bn from electricity and gas sales in Q1 2023 due to temporary seasonal factors**, fluctuations in consumption, and commodity prices
- The gross margin from electricity and gas sales reached a positive value of CZK +1.2 bn in Q1 2024

* Mainly the elimination of the effect of hedging the currency risks of ČEZ ESCO (SALES segment) through ČEZ, a. s. (GENERATION segment), where the effect is reported under foreign exchange gains and losses (outside EBITDA).

** Prices for end-use customers are generally set the same for winter and summer, while the purchase prices of electricity and gas are generally significantly higher in winter than at other times of the year. In addition, there are temporary effects due to electricity purchases to cover losses in the grid.

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

(CZK bn)	Q1 2023	Q1 2024	Diff	%
EBITDA	32.5	40.3	+7.8	+24%
Depreciation and amortization	-8.4	-8.7	-0.4	-5%
Asset impairments*	0.1	0.1	-0.0	-40%
Other income and expenses	0.1	-2.7	-2.7	-
Interest income and expenses	-0.3	-0.5	-0.2	-62%
Interest from nuclear and other provisions	-1.8	-2.0	-0.2	-11%
Other	2.3	-0.1	-2.3	-
Income taxes	-13.6	-15.4	-1.9	-14%
Net income	10.8	13.6	+2.7	+25%
Adjusted net income	10.8	13.6	+2.7	+25%

Depreciation and amortization (CZK -0.4 bn)

- Higher depreciation of ČEZ Distribuce (CZK -0.2 bn)
- Higher depreciation of nuclear power plants (CZK -0.1 bn)

Other income and expenses (CZK -2.7 bn)

- Exchange rate effects and revaluation of financial derivatives (CZK -2.2 bn)
- Interest income and expenses (CZK -0.2 bn) due to temporarily lower free funds and lower interest rates
- Higher interest from nuclear and other provisions (CZK -0.2 bn)

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

Total operating results

		Q1 2023	Q1 2024	Diff	%
Electricity generation	TWh	14.1	13.7	-0.4	-3%
of which in Czechia	TWh	13.5	13.2	-0.2	-2%
Heat sales	TWh	2.6	2.6	-0.0	-1%
of which in Czechia	TWh	1.9	1.9	+0.0	+1%
Electricity sales*	TWh	6.7	6.3	-0.4	-6%
of which in Czechia	TWh	6.2	5.5	-0.6	-10%
Gas sales*	TWh	4.5	3.8	-0.8	-17%
Electricity distribution*	TWh	9.5	9.4	-0.1	-1%
Gas distribution*	TWh	0.3	0.3	+0.0	+5%
Coal mining	mil. t	4.5	4.0	-0.5	-11%
Emission intensity**	t CO_2e/MWh	0.25	0.25	+0.00	+0%

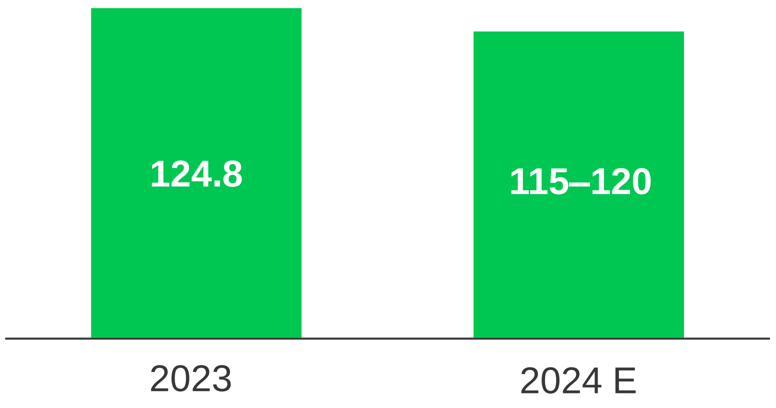
		as at Mar 31, 2023	as at Mar 31, 2024	Diff	%
Installed capacity	GW	11.8	12.0	+0.1	+1%
of which in Czechia	GW	11.1	11.1	+0.0	+0%
Workforce headcount	thousands persons	29.2	30.8	+1.6	+6%
of which in Czechia	thousands persons	24.2	25.2	+0.9	+4%

* to end-use customers

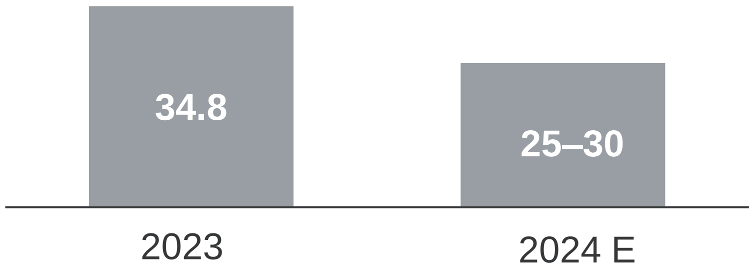
** Corresponds to emissions as defined in "SCOPE 1 of the GHG Protocol". Under CEZ Group‘s conditions, these are emissions related to the combustion of fossil fuels in the generation of electricity and heat (CO_2, CH_4 and N_2O emissions) and CO_2 emissions from transport. The indicator CO_2e also includes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

We confirm the initial financial outlook for 2024: EBITDA CZK 115-120 bn, Adjusted net income CZK 25-30 bn

EBITDA (CZK bn)



Adjusted net income (CZK bn)



Main year-over-year effects on EBITDA

– Lower expected income from commodity trading (CZK -8 to -4 bn) due to the achievement of the 2nd highest income in history (CZK +9.4 bn) in 2023
– Lower sales for ancillary services and higher purchase prices of emission allowances
– Higher fixed operating expenses
+ Realized prices of electricity incl. effect of exchange rate hedging
+ Levies on revenues above price caps from generation in 2023

Selected assumptions of the current forecast

- Total electricity supply from generation in Czechia of ~42 TWh
- Average realized price of electricity generated in Czechia of EUR 130 to 135 per MWh
- Acceleration of depreciation of coal-fired power plants
- Windfall tax of CZK 25–32 bn

Selected prediction risks and opportunities

- Availability of generating facilities
- Realized prices of generated electricity
- Income from commodity trading and revaluation of derivatives
- Amount of the income tax base

The given predictions of CEZ Group's financial targets do not include the contribution of the potential purchase of a stake in Czech Gas Networks. The transaction is subject to the approval of the European Commission.

New nuclear power plant in Dukovany – receipt of supplemented bids and approval of state aid by EU

Elektrárna Dukovany II received updated bids for the construction of new nuclear power plants

- The French EdF and the Korean KHNP submitted updated bid for the construction of the fifth nuclear unit in Dukovany and for three more units at existing nuclear sites.
- The winner of the tender for the new nuclear unit in Dukovany is expected to be selected in 2024 and the contract is expected to be signed with the selected bidder by March 31, 2025.
- The overall schedule remains unchanged – the goal is to start trial operation of the new unit in 2036.

The European Union has approved state aid for the new nuclear unit in Dukovany

- The approved state aid for the construction of the fifth unit in Dukovany constitutes a significant milestone in the development of nuclear energy in Czechia
- Decision of the EC SA.58207 concerns the new nuclear unit in Dukovany with a capacity of 850 to 1,200 MW_e
- The support for Elektrárna Dukovany II contains three measures:
  - Contract on the purchase of power from the new nuclear power plant for 40 years
  - Repayable financial assistance for financing the construction of the new nuclear unit by the Czech state
  - Contractual instrument to protect the investor against changes in the legislative and regulatory environment in Czechia
- The purchase contract guarantees the investor protection against a decrease in future electricity market prices. If the market price of electricity falls below the set purchase price, the state (or an authorized entity) pays the difference to the investor. If, on the other hand, the electricity market price exceeds the set purchase price, the investor pays the difference back to the state.

Agenda

Overall Results and Full-Year Outlook

Generation and Mining

Distribution and Sales

GENERATION and MINING Segments EBITDA

(CZK bn)	Q1 2023	Q1 2024	Diff	%
Zero-emission generating facilities, of which:	13.3	22.3	+8.9	+67%
Nuclear	10.7	19.9	+9.2	+86%
Renewable	2.6	2.3	-0.2	-9%
Emission generating facilities	11.0	5.9	-5.2	-47%
Trading	1.4	1.1	-0.3	-19%
GENERATION Segment	25.8	29.3	+3.5	+14%
MINING Segment	3.9	2.9	-1.0	-26%
GENERATION and MINING TOTAL	**29.7**	**32.2**	**+2.5**	**+8%**

GENERATION Segment – Year-over-Year Effects (CZK +1.6 bn)

Nuclear facilities (CZK +9.2 bn)

- Levy on revenues above price caps from generation in Q1 2023 (CZK +10.1 bn)
- Trade effects (CZK +0.6 bn), the positive impact of exchange rate hedging exceeded the decrease in realized prices of electricity
- Operating effects (CZK -1.5 bn): effect of different schedules of planned outages of Dukovany NPP (CZK -0.7 bn) and Temelín NPP (CZK -0.8 bn)

Renewables (CZK -0.2 bn)

- Trade effects (CZK -0.9 bn): ancillary services and regulatory energy (CZK -0.8 bn), price effect incl. the effect of exchange rate hedging (CZK -0.1 bn)
- Levy on revenues above price caps from generation in Czechia in Q1 2023 (CZK +0.2 bn)
- Operating effects (CZK +0.4 bn): hydroelectric facilities (CZK +0.3 bn), solar and wind facilities (CZK +0.1 bn)

Emission facilities (CZK -5.2 bn)

- Price effect incl. exchange rate hedging in Czechia (CZK -5.7 bn) due to a reduction in the realized prices of electricity and an increase in EUA purchase prices
- Other trade effects in Czechia (CZK +0.1 bn): heat sales (CZK +0.4 bn), on-site trade (CZK -0.3 bn)
- Operating effects in Czechia (CZK +0.1 bn): scheduled outages (CZK +0.2 bn), higher fixed expenses (CZK -0.1 bn)
- Poland (CZK +0.2 bn), in particular higher revenues from electricity and heat sales

Trading (CZK -0.3 bn)

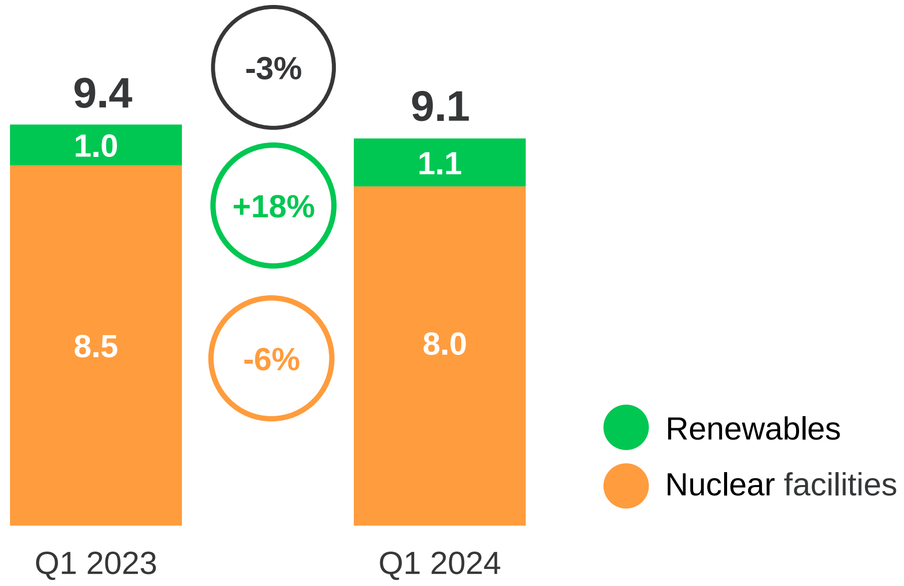
- Lower proprietary trading margin (CZK -1.0 bn): income of CZK +2.6 bn compared to income of CZK +3.6 bn in Q1 2023
- Other trade and consolidation effects (CZK +0.8 bn), in particular temporary revaluation of derivative transactions hedging generation and sales

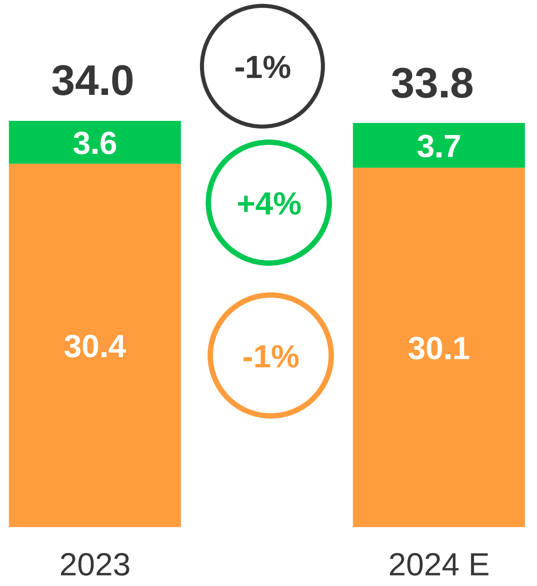
MINING Segment – Year-over-Year Effects (CZK -1.0 bn)

- Lower revenues from coal supplies to CEZ Group mainly due to coal price decrease (CZK -0.5 bn)
- Lower external revenues due to reduced supplies (CZK -0.9 bn)
- Lower energy expenses (CZK +0.2 bn)
- Other effects (CZK +0.2 bn)

The breakdown of EBITDA of the GENERATION segment into four sub-segments is only indicative on the basis of central allocation assumptions (in particular the allocation of ČEZ's gross margin and fixed expenses of the central divisions of ČEZ, a. s.) and simplified consolidation with other companies. The allocation of 2023 EBITDA among the sub-segments is always reported in accordance with the current methodology for allocation of 2024 EBITDA for comparability.

Nuclear and renewable generation (TWh)





Renewables (+0.2 TWh) hydroelectric, wind, solar, biomass, biogas

Czechia hydroelectric (+0.2 TWh)

- \+ Better-than-average hydrological conditions
- \+ Higher utilization of pumped-storage hydroelectric power plants

Nuclear facilities (-0.5 TWh)

- – Effect of different schedules of facility outages

Renewables (+0.2 TWh)

Czechia hydroelectric (+0.1 TWh)

- \+ Better-than-average hydrological conditions

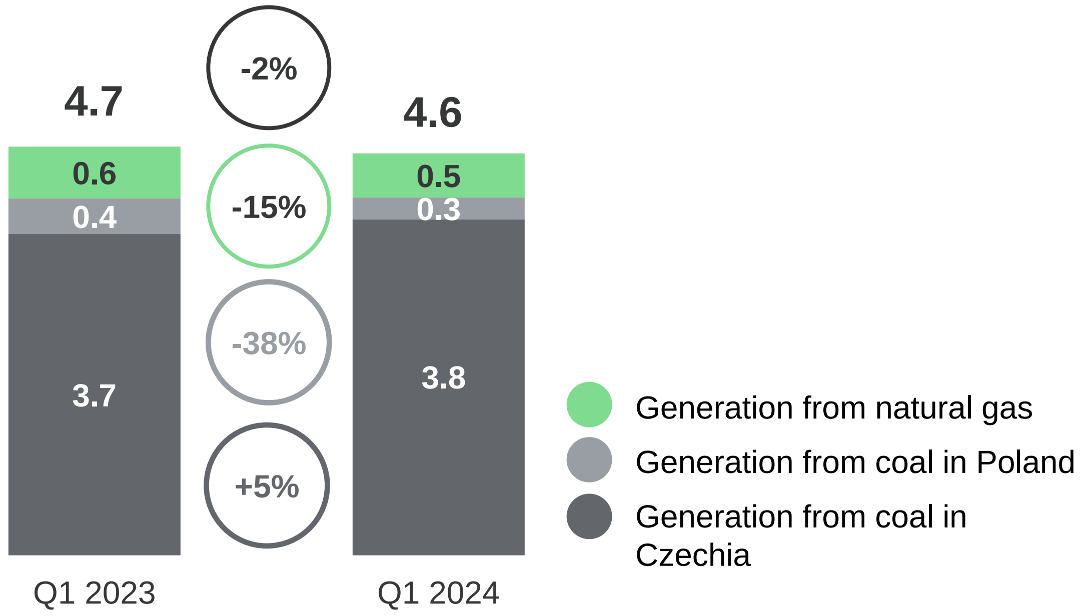
Germany and Czechia solar (+0.1 TWh)

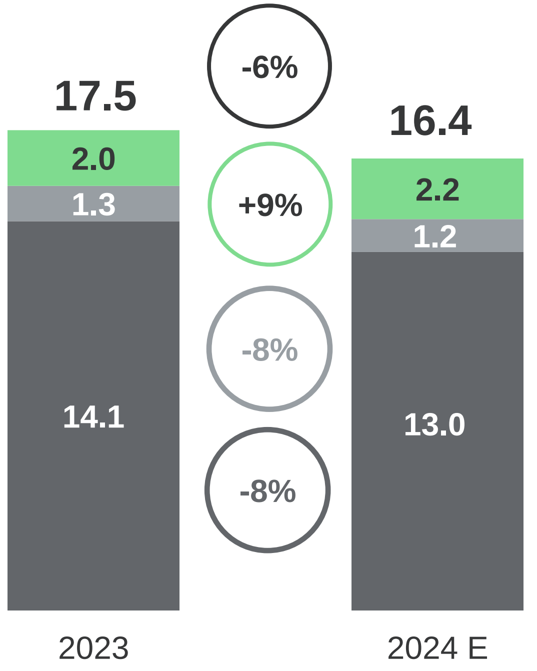
- \+ New photovoltaic power plants

Nuclear facilities (-0.3 TWh)

- – Effect of different schedules of facility outages
- \+ Increase of achievable capacity at the Dukovany NPP

Electricity generation from coal and natural gas (TWh)





Generation from natural gas (-0.1 TWh)
- – Lower generation at Počerady 2 due to commodity and emission allowance prices

Coal-fired generation in Poland (-0.2 TWh)
- – Lower deployment reflecting market conditions

Coal-fired generation in Czechia (+0.2 TWh)
- + Shorter outages at the Tušimice 2 and Ledvice 4 power plants

Generation from natural gas (+0.2 TWh)

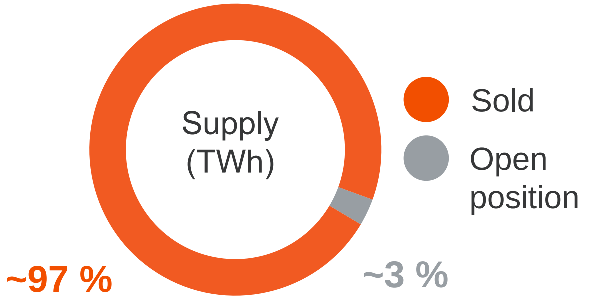
Coal-fired generation in Poland (-0.1 TWh)
- – Lower deployment reflecting market conditions

Coal-fired generation in Czechia (-1.1 TWh)
- – Lower deployment reflecting market conditions

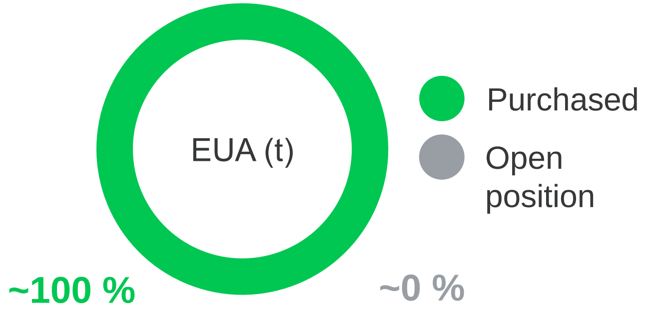
A significantly different deployment of gas and coal-fired facilities may occur due to the high volatility of the market prices of electricity, gas, and emission allowances.

Status of price risk hedging of the generation margin in Czechia and expected realized prices of generation for 2024

Electricity – share of hedged supplies from generation in Czechia



Emission allowances – status of generation hedging in Czechia



Electricity – status of generation revenue hedging* in Czechia

- As at March 31, 40.7 TWh sold at an average realized price of EUR ~130 per MWh
- Current open position assumption of ~1.4 TWh

- Average expected realized price for 100% supply of generated electricity** is EUR 130-135 per MWh.

Emission allowances – status of generation expenses hedging* in Czechia

- As at March 31, 12.5 mil. t contracted at an average purchase price of EUR ~79 per t.

- Current open position assumption of ~ 0 t

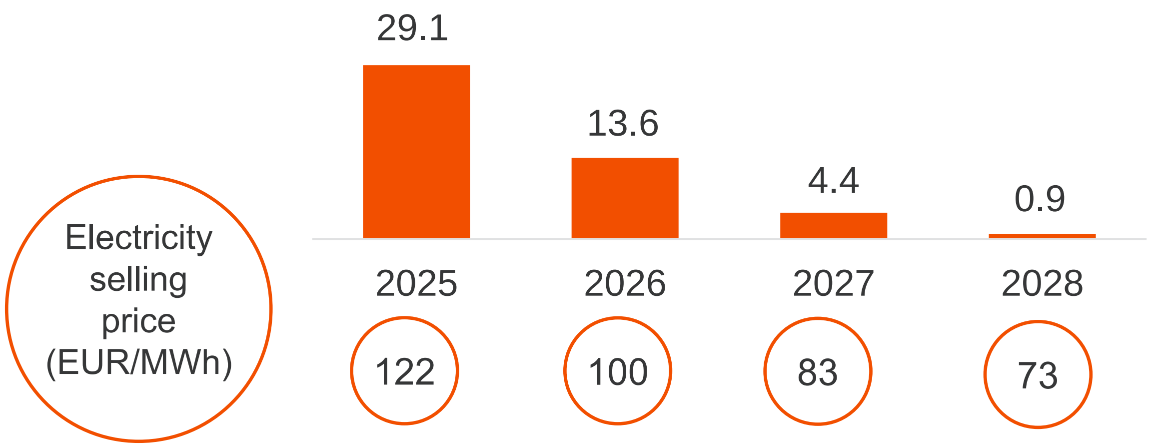
* This is the hedging of the generation margin in ČEZ and Energotrans.

** This is the result of hedging transactions and the current market valuation of electricity not yet sold and of emission allowances not acquired for expected generation in 2024. Some of the hedging contracts for electricity sales (mainly from gas and some coal-fired facilities) and the purchase of emission allowances, are continuously revalued in the P/L statement due to uncertain final supplies.

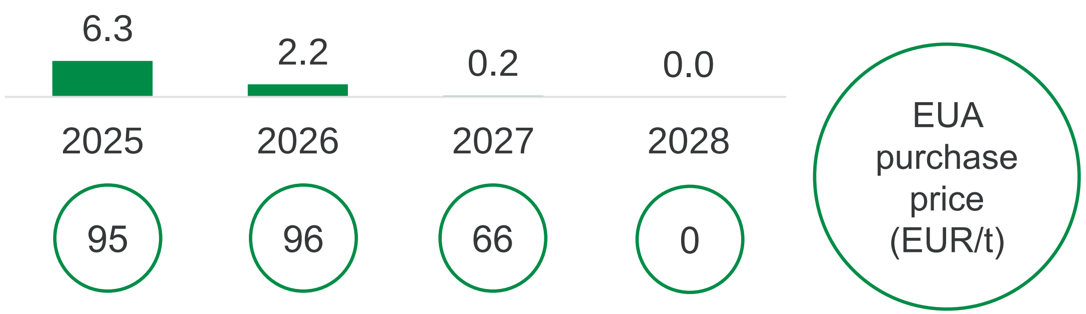
Hedging of the market risks of electricity generation in Czechia for 2025–2028

Concluded business contracts as at March 31, 2024

Electricity sold in TWh



Contracted emission allowances in mil. t



Share of hedged expected generation* in Czechia

2025	2026	2027	2028
~65%	~35%	~11%	~2%

Annual expected supplies from electricity generation (100%) amount to 37 to 45 TWh

* This is the hedging of the generation margin in ČEZ and Energotrans.

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Distribution and Sales

EBITDA of the DISTRIBUTION segment and the volume of electricity distributed in the area of ČEZ Distribuce

EBITDA (CZK bn)	Q1 2023	Q1 2024	Diff	%
Czechia	5.1	5.6	+0.5	+10%

- Higher margin from electricity distribution (CZK +1.0 bn) mainly thanks to growth in distribution prices
- Lower revenues from activities ensuring input power and connection (CZK -0.2 bn) mainly due to a lower number of applications for connecting photovoltaic power plants
- Higher fixed operating expenses: accruals of expenses (CZK -0.2 bn) and wage growth reflecting inflation growth (CZK -0.1 bn)

Electricity distribution (TWh)

Climate- and calendar-adjusted electricity consumption increased by 1% year over year from 9.7 TWh to 9.8 TWh

- The volume of electricity distributed corresponds to the total electricity consumption in the ČEZ Distribuce area. The Company’s distribution area covers around 66% of Czechia’s territory, so the data are a good indicator of total nationwide electricity consumption trends.
- The recalculated consumption is based on an internal model and volume of electricity distributed by ČEZ Distribuce.

SALES segment EBITDA

(CZK bn)	Q1 2023	Q1 2024	Diff	%
Retail segment – ČEZ Prodej	-3.4	0.8	+4.2	-
B2B segment – ESCO companies:	1.5	1.3	-0.2	-13%
Energy services – Czechia and Slovakia	0.4	0.3	-0.1	-34%
Energy services – Germany and other countries*	0.2	0.4	+0.1	47%
Commodity sales – Czechia	0.8	0.7	-0.2	-21%
B2B segment – Other activities**	0.3	0.5	+0.1	45%
SALES Segment Total	**-1.6**	**2.6**	**+4.2**	**-**

Retail segment – ČEZ Prodej (CZK +4.2 bn)

The effect of specific effects on the gross margin from electricity and gas sales, when:

- in Q1 2023, it was highly negative (CZK -3.0 bn) due to significant temporary seasonal factors***, fluctuations in customer consumption, and commodity prices
- in Q1 2024, it reached a positive value of CZK +1.2 bn

B2B segment – ESCO companies (CZK -0.2 bn)

- Energy services – Czechia and Slovakia (CZK -0.1 bn): mainly lower consumption of commodities due to warm weather
- Energy services – Germany and other countries (CZK +0.1 bn): a higher volume of orders in Germany and the benefit of the acquisitions of the German companies SERCOO and Ochs Gruppe
- Commodity sales – Czechia (CZK -0.2 bn):
  - Purchase of electricity from RES (CZK -0.6 bn): effect of market price changes and a lower purchase volume
  - Commodity sales to end-use customers (CZK +0.4 bn): particularly thanks to a significant effect of seasonal factors*** on commodity purchases in 2023 and market stabilization

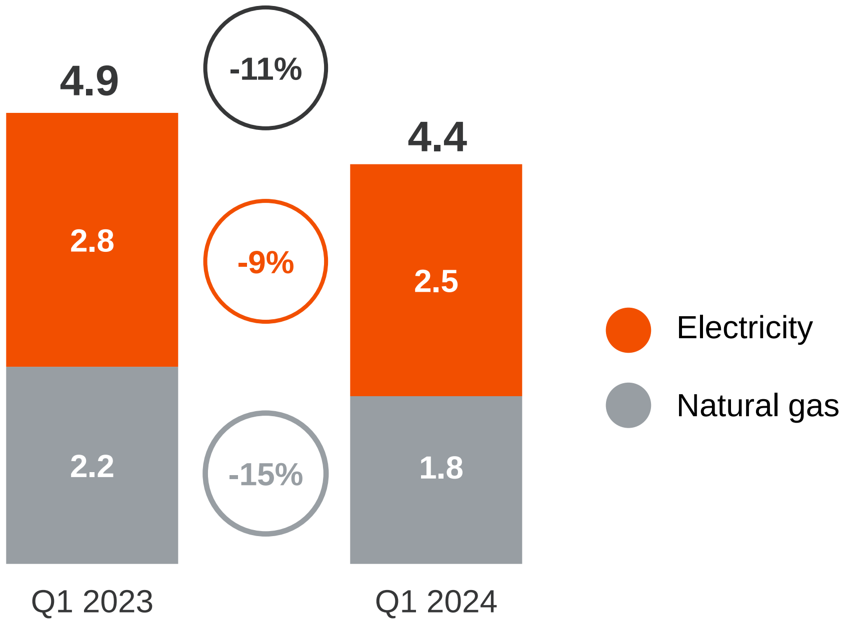
* Poland, Italy, Austria and other countries where ESCO activities are managed by the Elevion Group

** In particular telecommunications companies and ČEZ Teplárenská

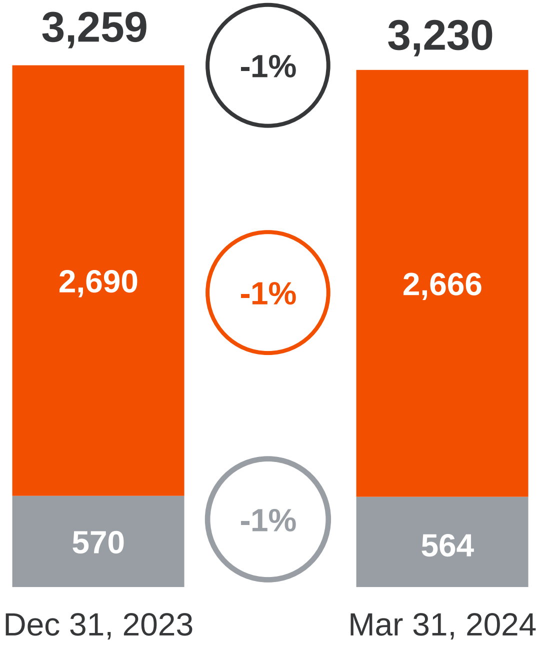
*** Prices for end-use customers are generally set the same for winter and summer, while the purchase prices of electricity and gas are generally significantly higher in winter than at other times of the year. In addition, there are temporary effects due to electricity purchases to cover losses in the grid.

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

Year-over-year change in electricity and natural gas supplies (TWh)



Quarterly change in the number of customers (service points in thousands)



The lower supply of commodities was influenced by significantly warmer weather in Q1 2024. In February 2024, the temperature was even 6°C higher than normal temperature, and electricity consumption thus fell by up to 30%.

Revenues from sales of energy services

Germany – Elevion Group (CZK +2.1 bn)
+ Organic growth (CZK +1.1 bn), in particular in industrial energy
+ Effect of CZK/EUR exchange rate (CZK +0.3 bn)
+ New acquisitions (CZK +0.7 bn), in particular SERCOO group Aug 31, 2023, Alexander Ochs Gruppe Jul 7, 2023, and Hofmockel Apr 20, 2023

Czechia and Slovakia – ČEZ ESCO Group (CZK -0.5 bn)
– Lower revenues from energy services sales (CZK -0.2 bn), mainly due to a major contract of EP Rožnov in 2023 in the field of manufacture of chips for electric cars
– Effect of decrease in commodity prices (CZK -0.3 bn)

Other countries* – Elevion Group (CZK -0.1 bn)
– Extraordinary Euroklimat results in 2023

Germany – Elevion Group (CZK +2.8 bn)
+ Organic growth mainly in industrial and green energy

Czechia and Slovakia – ČEZ ESCO Group (CZK -0.8 bn)
– Decrease of EP Rožnov Group (CZK -1.2 bn) due to a major contract in the manufacture of chips for electric cars in 2023
+ Organic growth outside EP Rožnov Group (CZK +1.1 bn)
– Decrease in commodity prices (CZK -0.7 bn)

Other countries* – Elevion Group (CZK -0.1 bn)
– in particular a major contract of Euroklimat in 2023

* Poland, Italy, Austria, and other countries where ESCO activities are managed by Elevion
** Only includes revenues of existing companies

Annexes

Selected events and financial results

- Selected Events in the Past Quarter
- Operating revenues by segment and country
- EBITDA by segment and country
- Emissions from electricity and heat generation
- Expected year-over-year change in EBITDA by segment

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

- Investments in fixed assets (CAPEX)
- Credit facilities and debt structure
- Change in net debt (cash flow)
- Currency and commodity hedging of generation in Czechia

Market developments, balance, and other information

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

Selected Events in the Past Quarter

CEZ Group submits a request for approval of the GasNet acquisition transaction by the EC and the Czech Republic

- In accordance with the concluded agreement for the purchase of a 55% stake in Czech Gas Networks, ČEZ, a. s. submitted a request for approval of the transaction to the Ministry of Industry and Trade of the Czech Republic, who approved the transaction on May 9, 2024, and submitted a request for approval of the transaction to the European Commission.
- CEZ Group expects to complete the transaction and take over the company in H2 2024.

In accordance with its decarbonization strategy, CEZ Group has started the divestment process of Polish coal-fired assets

- The divestment concerns four companies: CEZ Skawina, CEZ Chorzów, CEZ Produkty Energetyczne Polska, and CEZ Polska.
- CEZ Group entered the Polish energy market in 2006 by purchasing Skawina and Elcho (now CEZ Chorzów) heating plants from the American company PSEG.
- In Poland, CEZ Group will further develop modern energy services, currently provided by CEZ ENERGO Polska and Elevion Group.

CEZ Group commissioned the largest Czech battery with a capacity of 10 MW in Vítkovice

- The battery is over 30% more powerful than the current market leader.
- The battery can hold energy covering the daily consumption of 1,300 households and at the same time contributes to stabilizing the grid and ensuring the required electricity parameters.

Contracts were signed on the future construction of the heat pipe from Dukovany to Brno

- Teplárny Brno, which is an investor in the heat pipe, signed a letter of intent and implementation contract with ČEZ, a. s. for the routing of heat from the Dukovany units to the border of the NPP. For Brno, the plan means not only an ecological and emission-free source of heat, but in particular an important step towards energy self-sufficiency and independence of the city.
- The construction of the hot water piping is scheduled to begin in 2027, with completion expected in 2031.

The Government of the Czech Republic has prepared a draft amendment to the Energy Act, which foresees the introduction of capacity mechanisms from January 1, 2025

- On April 19, 2024, the Chamber of Deputies discussed the first reading of the draft amendment to the Energy Act, which allows the Ministry of Industry and Trade of the Czech Republic, under the conditions and the procedure of Article 21 of the Regulation on the Internal Electricity Market, to issue measures by which it can introduce capacity mechanisms and establish its terms, with effect from January 1, 2025.

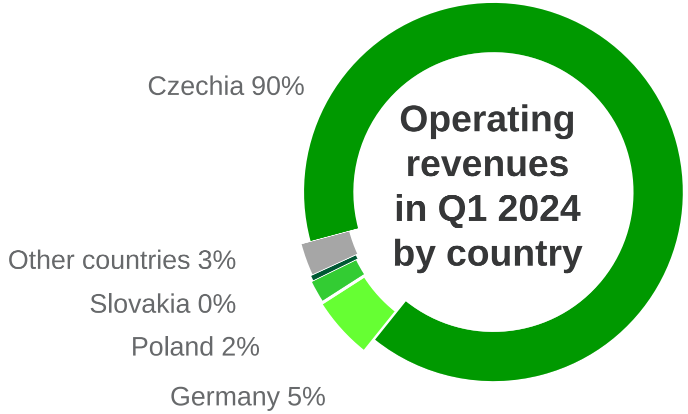
Operating revenues by segment and country

GENERATION (CZK bn)	Q1 2023	Q1 2024	Diff	%
Czechia	72.2	56.7	-15.5	-21%
Germany	0.2	0.2	-0.0	-9%
Poland	2.7	1.8	-0.9	-35%
Other countries	3.4	2.5	-1.0	-28%
Intragroup eliminations	-2.0	-1.8		
Total	76.5	59.3	-17.2	-22%

SALES (CZK bn)	Q1 2023	Q1 2024	Diff	%
Czechia	57.0	38.8	-18.1	-32%
Germany	4.1	6.2	+2.1	+51%
Poland	0.7	0.5	-0.2	-34%
Slovakia	0.7	0.5	-0.2	-26%
Other countries	0.6	0.9	+0.3	+41%
Intragroup eliminations	-0.0	-0.1		
Total	63.1	46.8	-16.3	-26%

MINING (CZK bn)	Q1 2023	Q1 2024	Diff	%
Czechia	6.0	4.6	-1.3	-22%

DISTRIBUTION (CZK bn)	Q1 2023	Q1 2024	Diff	%
Czechia	9.6	12.1	+2.5	+26%



(CZK bn)	Q1 2024	Share
GENERATION	59.3	48%
MINING	4.6	4%
DISTRIBUTION	12.1	10%
SALES	46.8	38%
Intragroup eliminations	-35.4	
Total	87.4	100%

EBITDA by segment and country

GENERATION (CZK bn)	Q1 2023	Q1 2024	Diff	%
Czechia	25.4	28.5	+3.0	+12%
Germany	0.2	0.2	-0.0	-15%
Poland	0.1	0.4	+0.2	+164%
Other countries	-0.0	0.3	+0.3	-
Intragroup eliminations	0.0	0.0		
Total	25.8	29.3	+3.5	+14%

SALES (CZK bn)	Q1 2023	Q1 2024	Diff	%
Czechia	-1.9	2.2	+4.1	-
Germany	0.2	0.4	+0.3	+155%
Poland	0.1	-0.0	-0.1	-
Slovakia	-0.0	-0.0	-0.0	-135%
Other countries	0.0	0.0	+0.0	+142%
Intragroup eliminations	0.1	0.0		
Total	-1.6	2.6	+4.2	-

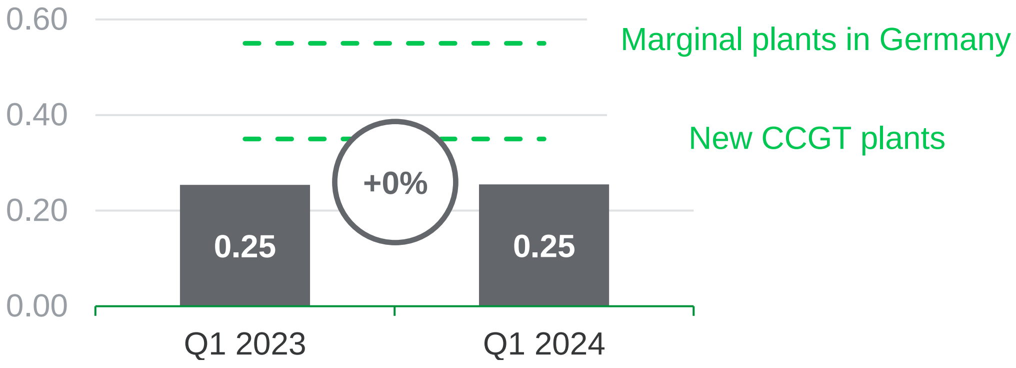
MINING (CZK bn)	Q1 2023	Q1 2024	Diff	%
Czechia	3.9	2.9	-1.0	-26%

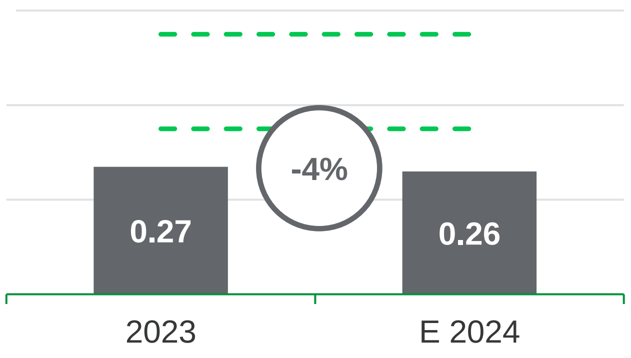
DISTRIBUTION (CZK bn)	Q1 2023	Q1 2024	Diff	%
Czechia	5.1	5.6	+0.5	+10%

(CZK bn)	Q1 2024	Share
GENERATION	29.3	73%
MINING	2.9	7%
DISTRIBUTION	5.6	14%
SALES	2.6	6%
Intragroup eliminations	0.0	
Total	40.3	100%

Emissions from electricity and heat generation

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

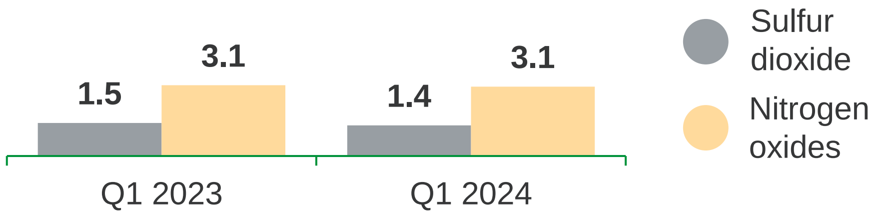


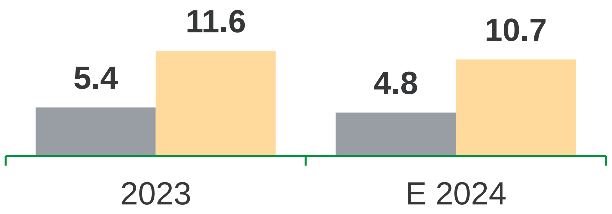


Expected CEZ Group's emission intensity for electricity and heat generation in 2024 of 0.26 t CO_2e/MWh corresponds to:

- 74% of the emissions of the new CCGT power plant
- 47% of emissions produced by the marginal generating facility determining the current electricity market prices in Germany

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

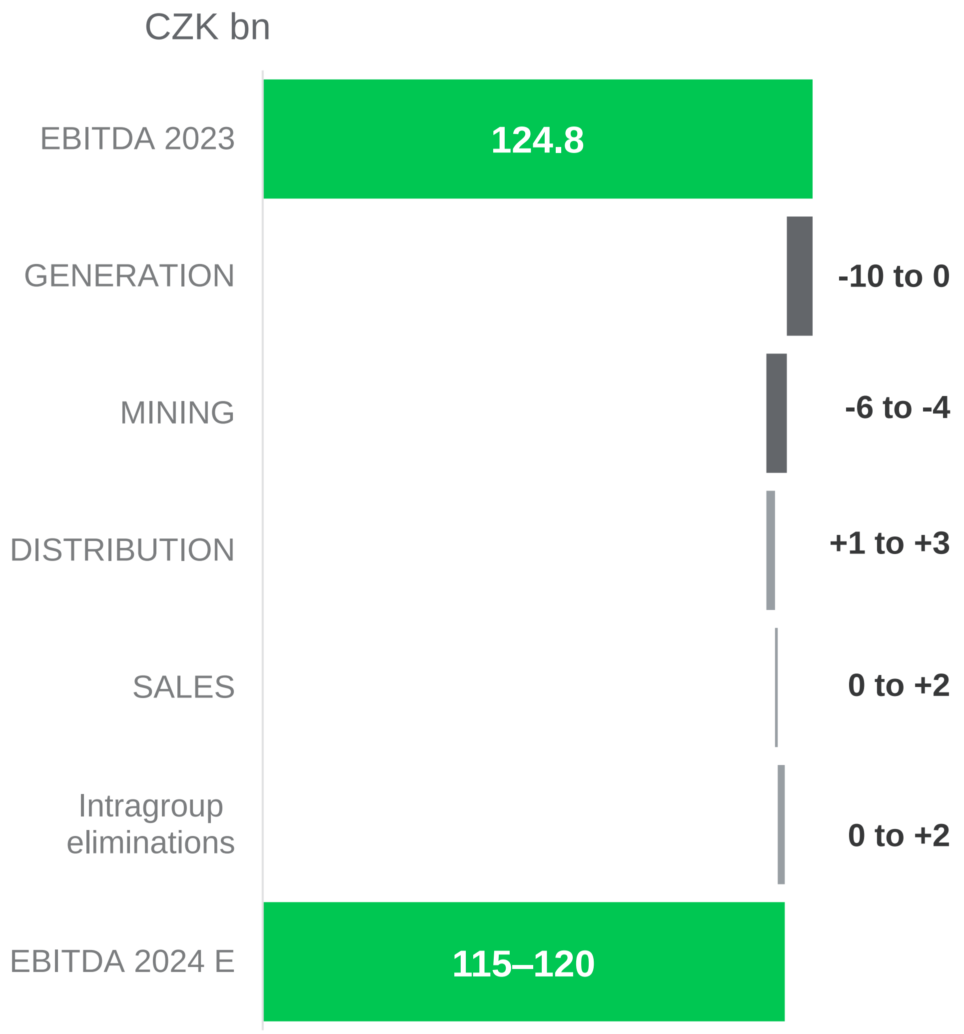




In Q1 2024:

- SO_2 emissions were 1,400 t and decreased by 8% year over year.
- NO_X emissions were 3,100 t and decreased by 2% year over year.

Expected year-over-year change in EBITDA by segment



GENERATION

– Lower expected income from commodity trading (CZK -8 to -4 bn) due to the achievement of the 2nd highest income in history (CZK +9.4 bn) in 2023
– Lower sales for ancillary services and higher purchase prices of emission allowances
– Higher fixed operating expenses
+ Higher realized prices of electricity incl. effect of exchange rate hedging
+ Levy on revenues above price caps from generation in 2023

MINING

– Lower revenues from coal sales mainly due to lower realized prices (partially compensated by lower expenses for energy consumed during mining)
– Higher fixed expenses

DISTRIBUTION

+ Higher allowed revenues and a negative effect of correction factors in 2023
– Higher fixed expenses

SALES

+ Organic and acquisition-based growth in energy services
+ Sales of commodities in the retail area
– Increased revenues from the purchase of electricity from RES in Czechia in 2023
– Proceeds from litigation with the Railway Administration in 2023 regarding the supply of electricity in 2011

Intragroup eliminations

– Mainly the effect of elimination of impact of the EUR/CZK risk hedging of ČEZ ESCO (SALES segment) through ČEZ, a. s. (GENERATION segment), where the hedging effect is reported under foreign exchange gains and losses (outside EBITDA)

The given predictions of EBITDA 2024 do not include the contribution of the potential purchase of a stake in Czech Gas Networks. The transaction is subject to the approval of the European Commission.

Annexes

Selected events and financial results

- Selected Events in the Past Quarter
- Operating revenues by segment and country
- EBITDA by segment and country
- Emissions from electricity and heat generation
- Expected year-over-year change in EBITDA by segment

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

- Investments in fixed assets (CAPEX)
- Credit facilities and debt structure
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- Market Developments
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Investment in fixed assets (CAPEX) by segment

CAPEX (CZK bn)	Q1 2023	Q1 2024
GENERATION	3.0	2.8
of which nuclear fuel procurement	1.2	0.6
MINING	0.4	0.3
DISTRIBUTION	3.1	3.4
SALES	0.3	0.8
Intragroup eliminations	-0.1	-0.0
TOTAL CEZ GROUP	6.8	7.3

Main causes of year-over-year change

GENERATION:

- Procurement of nuclear fuel (CZK -0.6 bn), in particular uranium purchase accruals
- Higher investment in nuclear (CZK +0.3 bn) and renewable energy sources (CZK 0.3 bn)

DISTRIBUTION:

- Higher investments, in particular in customer construction, especially due to customer requests for connecting RES

SALES:

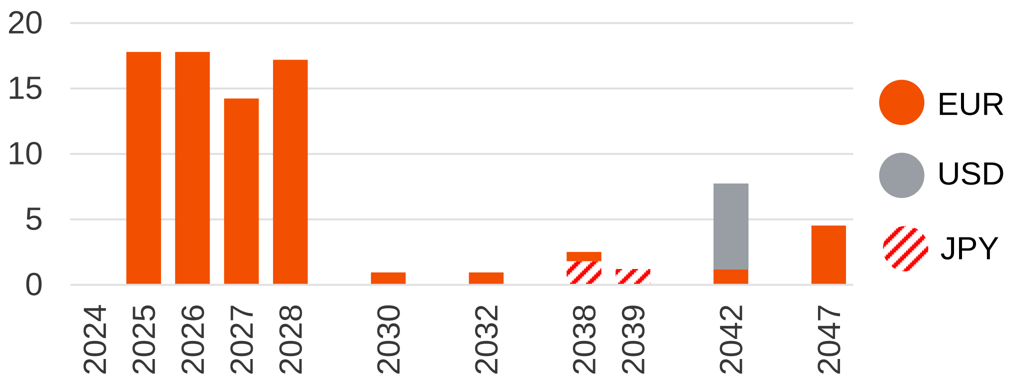
- Elevion Group (CZK +0.3 bn), in particular in construction of photovoltaic power plants, cogeneration units, and conversion of biogas stations to biomethane
- Other (CZK +0.2 bn), in particular in construction of photovoltaic power plants and battery storage of ČEZ Energo (a ČEZ ESCO Group company)

Credit facilities and debt structure as at March 31, 2022

Committed bank credit facilities

- Committed bank facilities are kept as a reserve for covering unexpected expenses and to fund short-term financial needs.
- As at March 31, 2024, CEZ Group had access to CZK 69 bn of committed bank credit lines, of which only CZK 1.9 bn were drawn.
- On March 25, 2024, a credit agreement of EUR 840 million was signed to finance the acquisition of a 55.21% stake in Czech Gas Networks.
- On April 2, 2024, the last EUR 1 bn was repaid from credit agreements with the Czech Republic, concluded in 2022 to cover requirements for margin deposits.

Bond maturity profile (CZK bn)

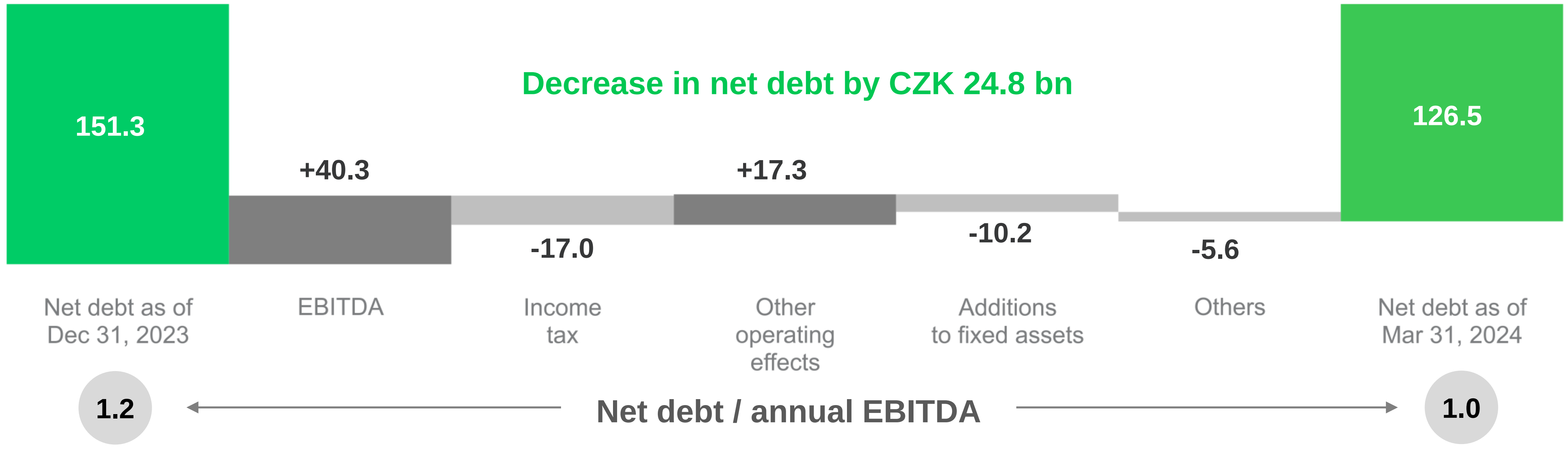


Debt level		as at Mar 31, 2023	as at Mar 31, 2024
Debts and loans	CZK billions	181.1	177.2
of which short-term bank**	CZK billions	7.7	11.8
Cash and fin. assets***	CZK billions	99.3	50.7
Net debt	CZK billions	81.9	126.5
Net Debt / EBITDA		0.7	1.0

Total liquid financial assets*** and undrawn committed bank credit facilities amounted to CZK 117.5 bn as at March 31, 2024.

* Available committed bank credit facilities include an undrawn long-term loan from the EIB of EUR 540 million.
** Does not contain current portion of long-term debt.
*** Cash and cash equivalents and highly liquid financial assets.

Change in net debt (cash flow) for Q1 2024



- **Income tax (CZK +17.0 bn):** advances on windfall tax for 2024 (CZK -12.0 bn) and advances on standard income tax (CZK -5.0 bn)
- **Other operating effects (CZK +17.3 bn):** positive change in trade receivables and payables (CZK +9.3 bn), margin deposits on commodity exchanges and with trading partners (CZK +1.6 bn), the effect of non-monetary operations (CZK +6.4 bn), mainly of consumed emission allowances, and revaluation of derivatives to fair value
- **Additions to fixed assets (CZK -10.2 bn):** capital expenditure – CAPEX (CZK -7.3 bn), change in liabilities from acquired fixed assets (CZK -2.8 bn), acquisition of INVEN Capital securities (CZK -0.1 bn)
- **Other (CZK -5.6 bn):** mainly a change in the fair value of the debt due to the exchange rate change (CZK -5.0 bn), payments of lease liabilities (CZK -0.2 bn), payments of other long-term liabilities (CZK -0.2 bn), and dividends paid to shareholders (CZK -0.1 bn)

Currency and commodity hedging of generation in Czechia for 2025–2028 as at Mar 31, 2024

Currency hedging of expected EUR cash flow* from electricity generation in Czechia

	2025	2026	2027	2028
Total currency hedging of EUR denominated CF from generation*	**~ 82%**	**~ 62%**	**~ 38%**	**~ 25%**
Natural currency hedging**	~ 75%	~ 62%	~ 38%	~ 12%
Transaction currency hedging	~ 7%	~ 0%	~ 0%	~ 13%

* The hedging (100%) is used for the expected EUR sales, or sales from electricity generation exposed to the CZK/EUR exchange rate risk reduced by expected EUR expenses, in particular for emission allowances and natural gas

** Debts, interest, and investment and other expenses in EUR

As at March 31, 2024, the currency position for 2025–2028 was hedged at an exchange rate in the range of CZK 23.1 to 24.5 per EUR.

Commodity hedging of expected electricity supply from generation in Czechia as at March 31, 2024

	2025	2026	2027	2028	2025-2028
Expected supply in TWh (100%)	**42 to 46**	**37 to 41**	**38 to 42**	**35 to 39**	
Total share of hedged supply in %	**~ 65%**	**~ 35%**	**~ 11%**	**~ 2%**	
Zero-emission facilities (nuclear and ČEZ RES)	~ 72%	~ 37%	~ 13%	~ 3%	30 to 33 TWh per year
Emission sources	~ 51%	~ 29%	~ 4%	~ 0%	4 to 15 TWh per year

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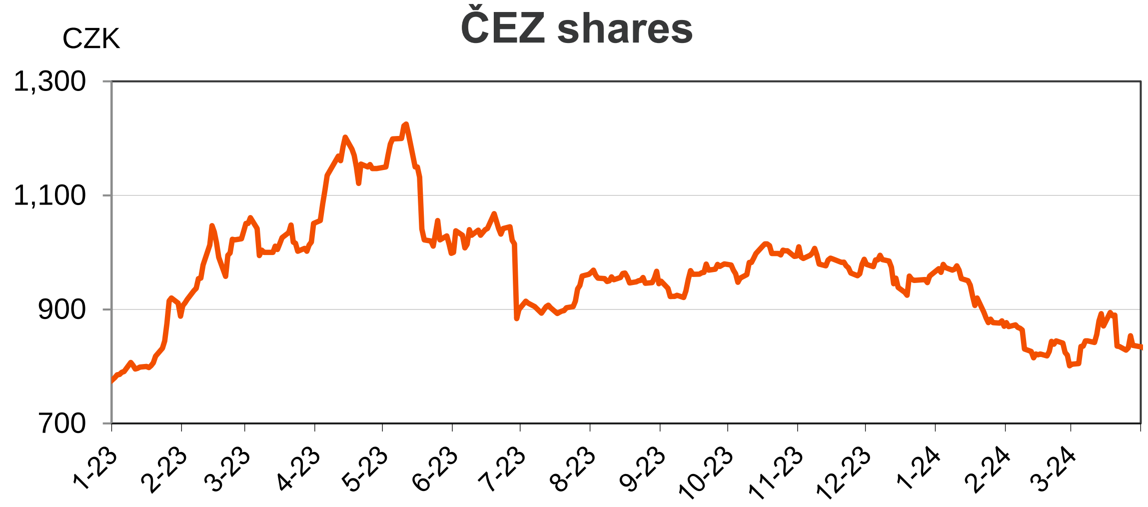
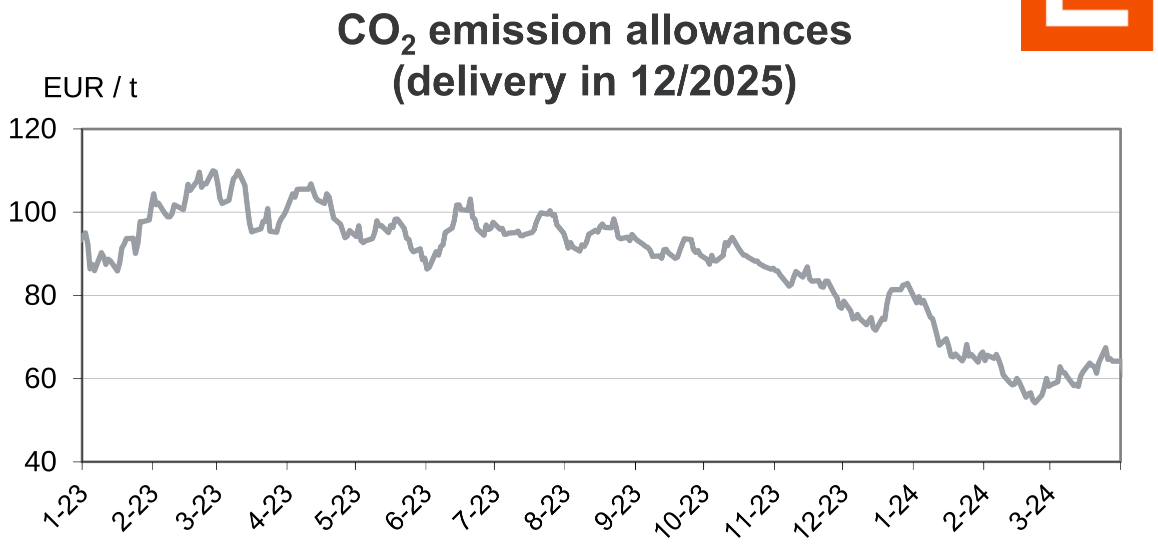
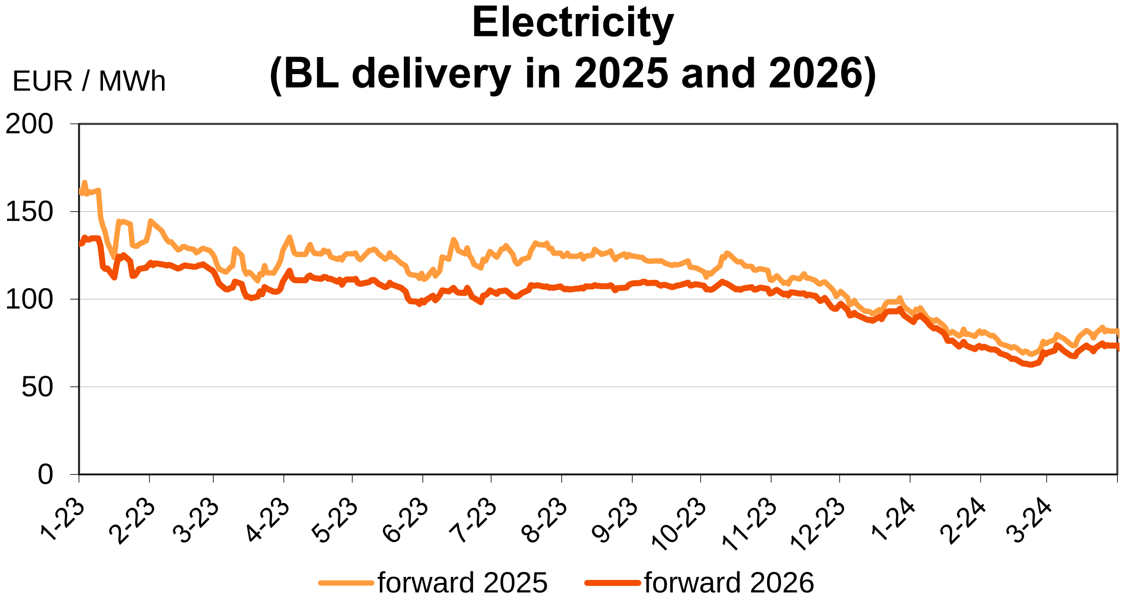
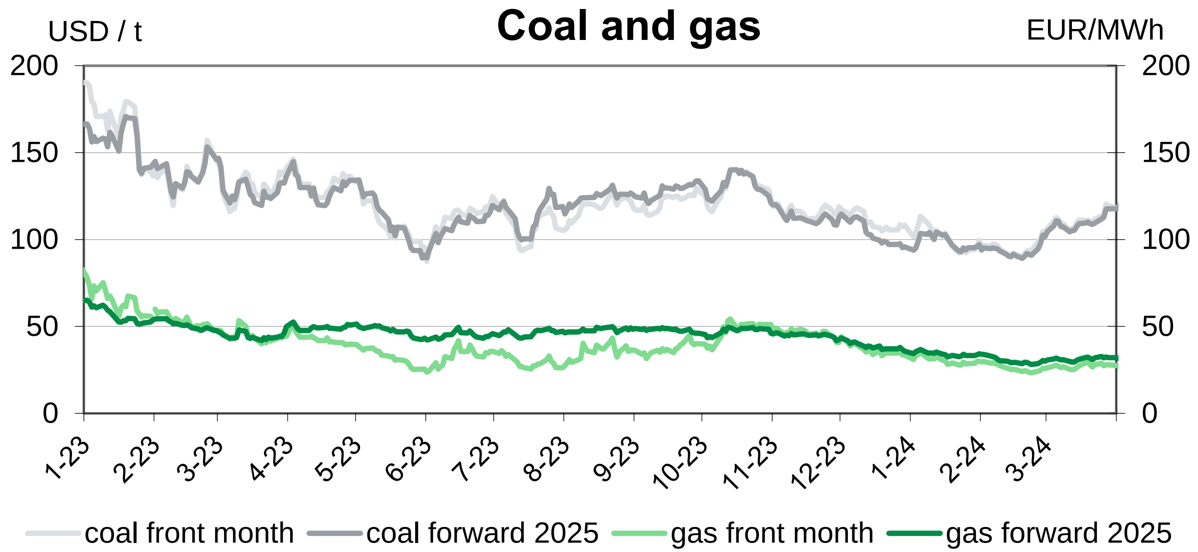
Market developments from January 1, 2023 to March 31, 2024









Electricity balance (GWh)

	Q1 2023	Q1 2024	Index 2024/2023
Generation net	**12,770**	**12,317**	**-4%**
Generated in-house (gross)	14,089	13,684	-3%
In-house and other consumption, including pumping in pumped-storage plants	-1,319	-1,367	+4%
Sold in the wholesale market (net)	**-5,605**	**-5,562**	**-1%**
Sold in the wholesale market	-23,113	-16,734	-28%
Purchased in the wholesale market	17,508	11,172	-36%
Grid losses	**-426**	**-420**	**-1%**
Sold to end customers	**-6,739**	**-6,335**	**-6%**

Electricity generation by source (GWh)

Emission-free	**9,248**	**8,948**	**-3%**
Nuclear	8,468	7,970	-6%
Water	646	835	+29%
Photovoltaic	19	32	+69%
Wind	114	111	-3%
Emission-generating	**4,841**	**4,736**	**-2%**
Coal and lignite	4,072	4,083	+0%
Natural gas	590	502	-15%
Biomass	179	151	-16%
Total	**14,089**	**13,684**	**-3%**
Of which: Renewables (water, sun, wind, biomass)	958	1,128	+18%

Sales of electricity to end customers (GWh)

Households	-2,413	-2,253	-7%
Commercial (low voltage)	-806	-749	-7%
Commercial and industrial (medium and high voltage)	-3,520	-3,332	-5%
Sold to end customers	**-6,739**	**-6,335**	**-6%**

Distribution of electricity (GWh)

	Q1 2023	Q1 2024	Index 2024/2023
Distribution of electricity to end customers	9,457	9,397	-1%

Electricity balance (GWh) by segment

Q1 2024	Generation		Distribution		Sale		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Generation net	**12,146**	**-4%**	**0**	**-**	**171**	**-**	**0**	**-**	**12,317**	**-4%**
Generated in-house (gross)	13,490	-3%	0	-	194	-	0	-	13,684	-3%
In-house and other consumption, including pumping in pumped-storage plants	-1,344	+4%	0	-	-23	-	0	-	-1,367	+4%
Sold in the wholesale market (net)	**-11,283**	**-6%**	**420**	**-**	**5,684**	**-**	**-383**	**+2%**	**-5,562**	**-1%**
Sold in the wholesale market	-22,075	-26%	0	-	-1,224	-	6,565	-25%	-16,734	-28%
Purchased in the wholesale market	10,792	-40%	420	-	6,908	-	-6,949	-23%	11,172	-36%
Grid losses	**0**	**-**	**-420**	**-**	**0**	**-**	**0**	**-**	**-420**	**-1%**
Sold to end customers	**-863**	**+26%**	**0**	**-**	**-5,855**	**-**	**383**	**+2%**	**-6,335**	**-6%**

Electricity generation by source (GWh) by segment

	Generation		Distribution		Sale		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Emission-free	**8,941**	**-3%**	**0**	**-**	**6**	**-**	**0**	**-**	**8,948**	**-3%**
Nuclear	7,970	-6%	0	-	0	-	0	-	7,970	-6%
Water	835	+29%	0	-	0	-	0	-	835	+29%
Photovoltaic	26	+37%	0	-	6	-	0	-	32	+69%
Wind	111	-3%	0	-	0	-	0	-	111	-3%
Emission-generating	**4,549**	**-3%**	**0**	**-**	**187**	**-**	**0**	**-**	**4,736**	**-2%**
Coal and lignite	4,083	+0%	0	-	0	-	0	-	4,083	+0%
Natural gas	334	-27%	0	-	168	-	0	-	502	-15%
Biomass	131	-20%	0	-	19	-	0	-	151	-16%
Total	**13,490**	**-3%**	**0**	**-**	**194**	**-**	**0**	**-**	**13,684**	**-3%**
Of which: Renewables (water, sun, wind, biomass)	1,102	**+17%**	0	**-**	26	**-**	0	**-**	1,128	**+18%**

Sales of electricity to end customers (GWh) by segment

	Generation		Distribution		Sale		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Households	0	-	0	-	-2,253	-	0	-	-2,253	-7%
Commercial (low voltage)	-1	+149%	0	-	-748	-	0	-	-749	-7%
Commercial and industrial (medium and high voltage)	-862	+26%	0	-	-2,853	-	383	+2%	-3,332	-5%
Sold to end customers	**-863**	**+26%**	**0**	**-**	**-5,855**	**-**	**383**	**+2%**	**-6,335**	**-6%**

Electricity balance (GWh) by country

Q1 2024	Czechia		Poland		Slovakia		Germany		Others		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Generation net	**11,928**	**-3%**	**237**	**-43%**	**0**	**>200%**	**100**	**-7%**	**51**	**>200%**	**0**	**-**	**12,317**	**-4%**
Generated in-house (gross)	13,234	-2%	297	-40%	2	+37%	100	-7%	51	>200%	0	-	13,684	-3%
In-house and other consumption, including pumping in pumped-storage plants	-1,306	+5%	-59	-22%	-2	+7%	0	-	0	-	0	-	-1,367	+4%
Sold in the wholesale market (net)	**-5,976**	**+6%**	**-237**	**-43%**	**7**	**>200%**	**-94**	**-12%**	**738**	**+31%**	**0**	**-**	**-5,562**	**-1%**
Sold in the wholesale market	-17,156	-26%	-243	-43%	0	-	-94	-12%	-31	-25%	789	+22%	-16,734	-28%
Purchased in the wholesale market	11,180	-36%	6	-52%	7	>200%	0	-	769	+27%	-789	+22%	11,172	-36%
Grid losses	**-420**	**-1%**	**0**	**-**	**0**	**-**	**0**	**-**	**0**	**-**	**0**	**-**	**-420**	**-1%**
Sold to end customers	**-5,532**	**-10%**	**0**	**-**	**-7**	**>200%**	**-6**	**-**	**-789**	**+38%**	**0**	**-**	**-6,335**	**-6%**

Electricity generation by source (GWh) by country

	Czechia		Poland		Slovakia		Germany		Others		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Emission-free	**8,830**	**-3%**	**1**	**-65%**	**0**	**-**	**100**	**-7%**	**17**	**>200%**	**0**	**-**	**8,948**	**-3%**
Nuclear	7,970	-6%	0	-	0	-	0	-	0	-	0	-	7,970	-6%
Water	834	+30%	1	-65%	0	-	0	-	0	-	0	-	835	+29%
Photovoltaic	26	+37%	0	-	0	-	6	-	0	-55%	0	-	32	+69%
Wind	0	-	0	-	0	-	94	-12%	17	>200%	0	-	111	-3%
Emission-generating	**4,404**	**+1%**	**296**	**-40%**	**2**		**0**	**-**	**34**	**>200%**	**0**	**-**	**4,736**	**-2%**
Coal and lignite	3,833	+5%	250	-38%	0	-	0	-	0	-	0	-	4,083	+0%
Natural gas	475	-19%	0	-	2	+37%	0	-	25	>200%	0	-	502	-15%
Biomass	97	+6%	45	-45%	0	-	0	-	9	+70%	0	-	151	-16%
Total	**13,234**	**-2%**	**297**	**-40%**	**2**	**+37%**	**100**	**-7%**	**51**	**>200%**	**0**	**-**	**13,684**	**-3%**
Of which: Renewables (water, sun, wind, biomass)	956	+26%	46	**-46%**	0	**-**	100	**-7%**	25	**+182%**	0	**-**	1,128	**+18%**

Sales of electricity to end customers (GWh) by country

	Czechia		Poland		Slovakia		Germany		Others		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Households	-2,253	-7%	0	-	0	-	0	-	0	-	0	-	-2,253	-7%
Commercial (low voltage)	-749	-7%	0	-	0	-	0	-	-1	+13%	0	-	-749	-7%
Commercial and industrial (medium and high voltage)	-2,531	-14%	0	-	-7	>200%	-6	-	-788	+38%	0	-	-3,332	-5%
Sold to end customers	**-5,532**	**-10%**	**0**	**-**	**-7**	**>200%**	**-6**	**-**	**-789**	**+38%**	**0**	**-**	**-6,335**	**-6%**

Distribution of electricity (GWh) by country

Q1 2024	Czechia		Poland		Slovakia		Germany		Others		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Distribution of electricity to end customers	9,391	-1%	0	-	7	-	0	-	0	-	0	-	9,397	-1%

Definitions and Calculations of Indicators Unspecified in IFRS

In accordance with the ESMA guidelines, ČEZ informs in more detail about indicators that are not normally reported in IFRS. Such indicators represent supplementary information in respect of financial data, providing report users with additional information for their assessment of the financial position and performance of CEZ Group. In general, these indicators are also commonly used in other commercial companies, not only in the energy sector.

Below are the definitions of individual indicators, including the specification of components that are not directly available in the financial statements or notes to the consolidated financial statements.

Indicator	
EBITDA	Purpose: It is a basic indicator of the operational performance of publicly traded companies, which is monitored by international analysts, creditors, investors and shareholders. The EBITDA value indicates the generated cash flow from operating activities for the past period, i.e., it is the basic source for investment and financial expenses. Definition: Included in the notes to the financial statements, the point "Information on segments".
Adjusted Net Income (After-Tax Income, Adjusted)	Purpose: This is a supporting indicator, intended primarily for investors, creditors and shareholders, which allows interpreting the achieved financial results with the exclusion of extraordinary, usually nonrecurring effects that are generally unrelated to ordinary financial performance and value creation in a given period. Definition: Net income (after-tax income) +/- additions to and reversals of impairment of property, plant and equipment and intangible assets, including impairment of goodwill +/- additions to and reversals of impairments of developed projects +/- other extraordinary effects that are generally unrelated to ordinary financial performance and value creation in a given period +/- effects of the above on income tax.
Net Debt	Purpose: The indicator shows the real level of a company's financial debt, i.e., the carrying amount of debt net of cash, cash equivalents, and highly liquid financial assets held. The indicator is primarily used to assess the overall appropriateness of the indebtedness, e.g., in comparison with selected income or balance sheet indicators. Definition: Long-Term Debt, Net of Current Portion + Current Portion of Long-Term Debt + Short-Term Loans – (Cash and Cash Equivalents + Highly Liquid Financial Assets). The components of the indicator, except for Highly Liquid Financial Assets, are reported individually on the balance sheet, with items related to assets held for sale are presented separately on the balance sheet.

Indicator	
Net Debt / EBITDA	Purpose: This indicates a company's capability to pay back its debt as well as its ability to take on additional debt to grow its business. CEZ Group uses this indicator primarily to assess the adequacy of its capital structure to the structure and stability of its expected cash flows. Definition: Net Debt / EBITDA, where Net Debt is the amount at the end of the reported period. EBITDA is the running total for the past 12 months. March 31 value therefore contains Net Debt as at March 31 and EBITDA for the period from April 1 of the previous year until March 31 of the current year.

Most of the indicators' components are directly calculated in the company's consolidated financial statements. Components not included in the financial statements relate to the Adjusted net income and Net Debt indicators (including derived indicator Net Debt / EBITDA) and are calculated as follows:

Adjusted Net Income Indicator – calculation for period in question:

Adjusted Net Income (After-Tax Income, Adjusted)	Unit	Q1 2023	Q1 2024
Net income	CZK billions	10.8	13.6
Impairment of property, plant and equipment and intangible assets (including goodwill write-off) 1)	CZK billions	-0.0	0.0
Impairments of developed projects 2)	CZK billions	–	–
Effects of additions to or reversals of impairments on income tax 3)	CZK billions	0.0	-0.0
Other extraordinary effects	CZK billions	–	–
Adjusted net income	**CZK billions**	**10.8**	**13.6**

1) Corresponds to the total value reported in the row Impairment of Property, Plant and Equipment and Intangible Assets in the Consolidated Statement of Income
2) Included in the row Other operating expenses in the Consolidated Statement of Income
3) Included in the row Income taxes in the Consolidated Statement of Income

Highly Liquid Financial Assets – Component of the Net Debt Indicator (in CZK billions):

	as at Dec 31, 2023	as at Mar 31, 2024
Current debt financial assets	6.7	6.2
Noncurrent debt financial assets	-	-
Current term deposits	0.1	0.1
Noncurrent term deposits	-	-
Short-term equity securities	0.0	0.0
Highly liquid financial assets, total	**6.7**	**6.3**

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