

TRADING ON SHORT-TERM MARKETS EXCEEDS HISTORICAL HIGHS

Trading on the short-term markets organized by OTE, a.s., (hereafter OTE) in 2023 exceeded historical highs. On both electricity markets, the historical yearly maximum from 2021 was already exceeded before mid-December. In the period from 1/1/2023 to 12/12/2023, 24 623 GWh of electricity was traded on the day-ahead electricity market, which also exceeded the historical maximum from 2021 (24 364 GWh). During the same period, 5 296 GWh of electricity was traded on the intraday electricity market, and thus the traded amount for the entire year 2021 (5 212 GWh) has already been exceeded.

The record volumes of traded electricity confirm that the goals set by OTE are being met in the area of developing short-term electricity markets in the Czech Republic as well as within the European Single Day-Ahead and Intraday Coupling (SDAC and SIDC). The short-term electricity market has proven in recent years that it has become a fundamental pillar of the energy market stability, even in times of the biggest energy crisis, which we witnessed last and this year. OTE's involvement in the field of international cooperation contributes to the development of business opportunities, which thus provide greater opportunities for traders on the electricity market, stability of supply and energy security of the Czech Republic.

Trading on the **day-ahead market** follows the development trend of previous years, with an outlook of 6-7% growth this year. **For the period from 01/01/2023 to 12/12/2023**, the yearly base load (BL) of the electricity price was equal to 103.55 EUR/MWh, which is a 58% price drop compared to 2022, and this is a similar value to 2021 (100.66 EUR/MWh). On the **intraday electricity market**, OTE also expects an increase of 6% and an excess of the traded volume of 5.5 TWh. The yearly weighted average price for the above period is 108.39 EUR/MWh. This is a decrease of 56% compared to the last year, and more or less the same value as in 2021 (106.09 EUR/MWh).

It is also worth mentioning the record amount of electricity traded on the day-ahead electricity market was achieved twice in April 2023, when the limit of 110 GWh/day was exceeded. On 4/4/2021, 113.96 GWh were traded and 110.5 GWh were traded on the following day.

The course of trading on the intraday gas market is close to surpassing the previous maximum traded amount of gas from 2019 (4 670 GWh). An increase in volume of approx. 2% is expected. The current annual weighted average price for the above-mentioned period is 44.34 EUR/MWh, which is a 56% decrease compared to last year and a slight decrease compared to 2021 (46.25 EUR/MWh).

OTE values the trust of traders who sell and buy electricity and gas through its trading platforms.

Currently, 143 participants have access to the short-term electricity markets and 132 participants to the short-term gas market.

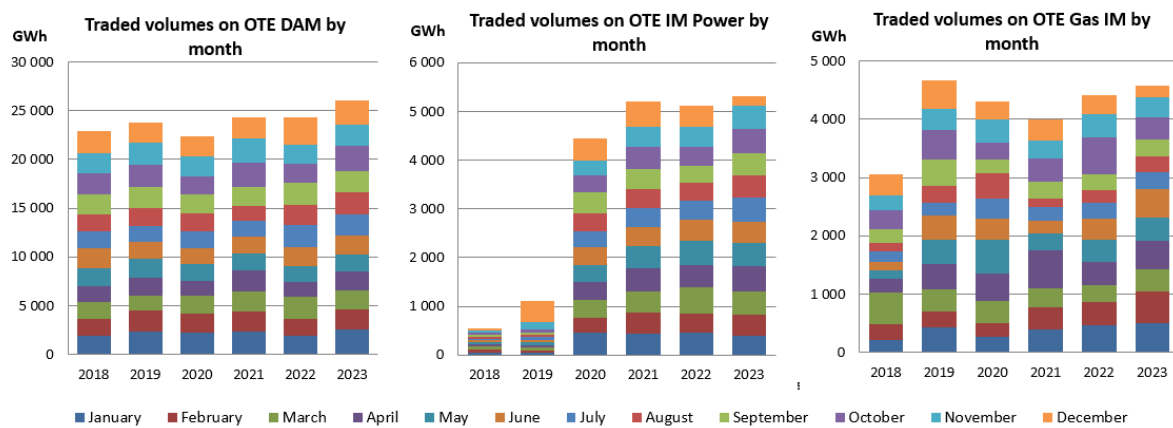


Figure 1 - Traded volume on the markets in all months (values of 2023 are shown up to 12/12/2023)

OTE, a.s.

OTE, a.s., (OTE, Market Operator) has been operating on the electricity market in the Czech Republic since 2002 and on the gas market since 2010. OTE is a provider of comprehensive services to individual participants in the electricity and gas market. According to §20a of Act No. 458/2000 Coll., on the conditions of business and on the performance of state administration in the energy sector and on the amendment of certain laws (Energy Act) as amended, OTE is the holder of a license for the activities of the market operator, which includes the electricity and gas market in the Czech Republic.

OTE organizes trading on the day-ahead and intraday electricity markets as well as on the intraday gas market. Participants in the electricity and gas market in the Czech Republic are also offered with continuous processing and exchange of data, information for clearing and financial settlement of imbalances between contractual and actual values of electricity and gas supplies and withdrawals and further OTE ensures the administrative change of the supplier of both commodities. At the same time, it manages the National Register of Greenhouse Gas Emissions. OTE is responsible for administering a support system to pay the support for supported energy sources.

OTE was appointed by the Energy Regulatory Office as a Nominated Electricity Market Operator (NEMO), to ensure a Single Day-Ahead and Intraday Market Coupling. Market Operator also reports market data from OTE's short-term markets to the ACER database (the Agency for the Cooperation of Energy Regulators).

For more information, please visit www.ote-cr.cz.