

Disclosure of Inside Information

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CEZ wins arbitration against Gazprom

Gazprom must pay CEZ over one billion Czech korunas

An arbitration tribunal of the International Chamber of Commerce (ICC) has fully upheld the claim of CEZ, which demanded in an international arbitration that the Russian gas company Gazprom compensate it for damages exceeding CZK 1 billion. The damages were caused by Gazprom's significant reduction of gas supplies during 2022, which CEZ had ordered from Gazprom before the Russian invasion of Ukraine, and CEZ had to cover this shortfall with gas purchased at the then high prices. According to the ICC arbitration award, Gazprom must pay CEZ not only the aforementioned damages, but also default interest and reimbursement of the costs of the proceedings. If Gazprom fails to do so voluntarily, CEZ will proceed to enforce the arbitral award, i.e. it will enforce its claims by execution.