

ČEZ, a. s.

SEPARATE FINANCIAL STATEMENTS

PREPARED IN ACCORDANCE WITH
INTERNATIONAL FINANCIAL REPORTING STANDARDS
AS OF MARCH 31, 2021

ČEZ, a. s.
BALANCE SHEET
AS OF MARCH 31, 2021

In CZK Millions

	March 31, 2021	December 31, 2020
ASSETS:		
Plant in service	480,143	474,973
Less accumulated depreciation and impairment	(261,424)	(257,008)
Net plant in service	218,719	217,965
Nuclear fuel, at amortized cost	13,340	13,592
Construction work in progress, net	9,087	10,052
Total property, plant and equipment	241,146	241,609
Restricted financial assets, net	14,678	15,221
Other non-current financial assets, net	156,064	159,180
Intangible assets, net	1,003	3,367
Total other non-current assets	171,745	177,768
Total non-current assets	412,891	419,377
Cash and cash equivalents, net	20,494	1,009
Trade receivables, net	55,479	58,501
Income tax receivable	488	305
Materials and supplies, net	6,978	7,682
Fossil fuel stocks	209	223
Emission rights	51,425	34,323
Other current financial assets, net	104,281	76,976
Other current assets, net	3,208	2,787
Assets classified as held for sale, net	6,540	31,209
Total current assets	249,102	213,015
Total assets	661,993	632,392

ČEZ, a. s.
BALANCE SHEET
AS OF MARCH 31, 2021

continued

	March 31, 2021	December 31, 2020
EQUITY AND LIABILITIES:		
Stated capital	53,799	53,799
Treasury shares	(2,738)	(2,845)
Retained earnings and other reserves	147,321	150,491
Total equity	198,382	201,445
Long-term debt, net of current portion	113,561	113,929
Provisions	91,221	91,125
Other long-term financial liabilities	12,588	8,728
Deferred tax liability	7,744	8,235
Total non-current liabilities	225,114	222,017
Short-term loans	328	800
Current portion of long-term debt	27,798	27,514
Trade payables	62,295	63,093
Provisions	10,486	9,096
Other short-term financial liabilities	136,586	107,583
Other short-term liabilities	1,004	844
Total current liabilities	238,497	208,930
Total equity and liabilities	661,993	632,392

ČEZ, a. s.
STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2021

In CZK Millions

	1-3/2021	1-3/2020
Sales of electricity, heat and gas	24,751	24,459
Sales of services and other revenues	1,289	1,246
Other operating income	355	205
Total revenues and other operating income	26,395	25,910
Gains and losses from commodity derivative trading	(1,103)	5,834
Purchase of electricity, gas and other energies	(8,680)	(8,792)
Fuel and emission rights	(5,313)	(5,055)
Services	(1,574)	(1,736)
Salaries and wages	(1,729)	(1,694)
Materials and supplies	(452)	(597)
Capitalization of expenses to the cost of assets and change in own inventories	31	(26)
Depreciation and amortization	(3,201)	(3,695)
Impairment of property, plant and equipment and intangible assets	(25)	-
Impairment of trade and other receivables	(8)	(2)
Other operating expenses	(325)	(273)
Income before other income (expenses) and income taxes	4,016	9,874
Interest on debt, net of capitalized interest	(1,096)	(1,486)
Interest on provisions	(442)	(426)
Interest income	349	327
Impairment of financial assets	6	(2)
Other financial expenses	(6)	(173)
Other financial income	726	169
Total other income (expenses)	(463)	(1,591)
Income before income taxes	3,553	8,283
Income taxes	(674)	(1,576)
Net income	2,879	6,707

ČEZ, a. s.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2021

In CZK Millions

	1-3/2021	1-3/2020
Net income	2,879	6,707
Change in fair value of cash flow hedges	(5,707)	2,098
Cash flow hedges reclassified to statement of income	(518)	(1,346)
Change in fair value of debt financial instruments	(704)	(54)
Deferred tax related to other comprehensive income	1,316	(133)
Net other comprehensive income that may be reclassified to statement of income or to assets in subsequent periods	(5,613)	565
Total comprehensive income, net of tax	(2,734)	7,272

ČEZ, a. s.
STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2021

In CZK Millions

	Stated capital	Treasury shares	Cash flow hedge reserve	Debt financial instruments	Equity financial instruments and other reserves	Retained earnings	Total equity
Balance as at January 1, 2020	53,799	(2,885)	(2,867)	277	(156)	155,311	203,479
Net income	-	-	-	-	-	6,707	6,707
Other comprehensive income	-	-	609	(44)	-	-	565
Total comprehensive income	-	-	609	(44)	-	6,707	7,272
Effect of business combination	-	-	-	-	3	-	3
Sale of treasury shares	-	28	-	-	-	(18)	10
Exercised share options	-	-	-	-	(1)	1	-
Balance as at March 31, 2020	<u>53,799</u>	<u>(2,857)</u>	<u>(2,258)</u>	<u>233</u>	<u>(154)</u>	<u>162,001</u>	<u>210,764</u>
Balance as at January 1, 2021	53,799	(2,845)	(7,146)	441	(1,018)	158,214	201,445
Net income	-	-	-	-	-	2,879	2,879
Other comprehensive income	-	-	(5,043)	(570)	-	-	(5,613)
Total comprehensive income	-	-	(5,043)	(570)	-	2,879	(2,734)
Effect of merger	-	-	-	-	30	(403)	(373)
Sale of treasury shares	-	107	-	-	-	(63)	44
Exercised and forfeited share options	-	-	-	-	(5)	5	-
Balance as at March 31, 2021	<u>53,799</u>	<u>(2,738)</u>	<u>(12,189)</u>	<u>(129)</u>	<u>(993)</u>	<u>160,632</u>	<u>198,382</u>

ČEZ, a. s.
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2021

In CZK Millions

	<u>1-3/2021</u>	<u>1-3/2020</u>
OPERATING ACTIVITIES:		
Income before income taxes	3,553	8,283
Adjustments of income before income taxes to cash generated from operations:		
Depreciation and amortization	3,201	3,695
Amortization of nuclear fuel	1,031	1,026
(Gains) and losses on non-current asset retirements	(125)	(3)
Foreign exchange rate loss (gain)	(524)	(165)
Interest expense, interest income and dividend income	747	1,159
Provisions	1,343	1,636
Impairment of property, plant and equipment and intangible assets	25	-
Other impairment and other non-cash expenses and income	(7,488)	3,024
Changes in assets and liabilities:		
Receivables and contract assets	2,388	2,252
Materials, supplies and fossil fuel stocks	701	297
Receivables and payables from derivatives	5,310	(8,673)
Other assets	(11,249)	2,338
Trade payables	1,197	(8,319)
Other liabilities	143	276
Cash generated from operations	<u>253</u>	<u>6,826</u>
Income taxes paid	(164)	(4)
Interest paid, net of capitalized interest	(552)	(394)
Interest received	163	203
Net cash provided by operating activities	<u>(300)</u>	<u>6,631</u>
INVESTING ACTIVITIES:		
Acquisition of subsidiaries, associates and joint-ventures	(342)	(45)
Proceeds from disposal of subsidiaries, associates and joint-ventures and original investments repayments	25,071	66
Additions to non-current assets, including capitalized interest	(2,099)	(2,171)
Proceeds from sale of non-current assets	4	964
Loans made	(338)	(249)
Repayments of loans	984	555
Change in restricted financial assets	(53)	(60)
Total cash used in investing activities	<u>23,227</u>	<u>(940)</u>

ČEZ, a. s.
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2021

continued

	<u>1-3/2021</u>	<u>1-3/2020</u>
FINANCING ACTIVITIES:		
Proceeds from borrowings	26,914	30,953
Payments of borrowings	(27,705)	(32,216)
Payments of lease liabilities	(45)	(365)
Change in payables/receivables from Group cashpooling	(2,650)	1,803
Dividends paid	(29)	(22)
Sale of treasury shares	44	10
Net cash used in financing activities	<u>(3,471)</u>	<u>163</u>
Net effect of currency translation and allowances in cash	29	490
Net increase in cash and cash equivalents	19,485	6,344
Cash and cash equivalents at beginning of period	<u>1,009</u>	<u>3,516</u>
Cash and cash equivalents at end of period	<u><u>20,494</u></u>	<u><u>9,860</u></u>
 Supplementary cash flow information:		
Total cash paid for interest	586	409