

ČEZ, a. s.

SEPARATE FINANCIAL STATEMENTS

PREPARED IN ACCORDANCE WITH
INTERNATIONAL FINANCIAL REPORTING STANDARDS
AS OF MARCH 31, 2022

ČEZ, a. s.
BALANCE SHEET
AS OF MARCH 31, 2022

In CZK Millions

	March 31, 2022	December 31, 2021
ASSETS:		
Plant in service	489,376	489,211
Less accumulated depreciation and impairment	(277,829)	(275,015)
Net plant in service	210,310	214,196
Nuclear fuel, at amortized cost	12,078	13,021
Construction work in progress, net	12,178	11,478
Total property, plant and equipment	234,566	238,695
Restricted financial assets, net	14,584	15,040
Other non-current financial assets, net	149,511	147,580
Intangible assets, net	912,	1,047
Investment properties, net	398	406
Deferred tax assets	6,750	6,843
Total other non-current assets	172,155	170,916
Total non-current assets	406,721	409,611
Cash and cash equivalents, net	47,082	20,804
Trade receivables, net	133,641	136,039
Materials and supplies, net	10,903	10,415
Fossil fuel stocks	245	200
Emission rights	12,331	14,192
Other current financial assets, net	617,932	515,488
Other current assets, net	3,326	4,141
Total current assets	879,460	701,279
Total assets	1,286,181	1,110,890

ČEZ, a. s.
BALANCE SHEET
AS OF MARCH 31, 2022

continued

	March 31, 2022	December 31, 2021
EQUITY AND LIABILITIES:		
Stated capital	53,799	53,799
Treasury shares	(1,406)	(1,423)
Retained earnings and other reserves	64,414	64,052
Total equity	116,807	116,428
Long-term debt, net of current portion	93,595	89,189
Provisions	97,607	97,707
Other long-term financial liabilities	49,540	34,173
Total non-current liabilities	240,742	221,069
Short-term loans	13,540	25,115
Current portion of long-term debt	18,967	14,999
Trade payables	69,188	76,950
Income tax payable	1,688	1,696
Provisions	14,811	11,095
Other short-term financial liabilities	807,252	641,849
Other short-term liabilities	3,186	1,689
Total current liabilities	928,632	773,393
Total equity and liabilities	1,286,181	1,110,890

ČEZ, a. s.
STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2022

In CZK Millions

	1-3/2022	1-3/2021
Sales of electricity, heat and gas	50,365	24,751
Sales of services and other revenues	2,700	1,289
Other operating income	4,414	355
Total revenues and other operating income	57,479	26,395
Gains and losses from commodity derivative trading	13,038	(1,103)
Purchase of electricity, gas and other energies	(21,143)	(8,680)
Fuel and emission rights	(9,490)	(5,313)
Services	(1,784)	(1,574)
Salaries and wages	(1,905)	(1,729)
Materials and supplies	(490)	(452)
Capitalization of expenses to the cost of assets and change in own inventories	38	31
Depreciation and amortization	(4,257)	(3,201)
Impairment of property, plant and equipment and intangible assets	-	(25)
Impairment of trade and other receivables	(2)	(8)
Other operating expenses	(379)	(325)
Income before other income (expenses) and income taxes	31,105	4,016
Interest on debt, net of capitalized interest	(1,098)	(1,096)
Interest on provisions	(556)	(442)
Interest income	546	349
Impairment of financial assets	(5)	6
Other financial expenses	(2,375)	(6)
Other financial income	428	726
Total other income (expenses)	(3,060)	(463)
Income before income taxes	28,045	3,553
Income taxes	(5,333)	(674)
Net income	22,712	2,879

ČEZ, a. s.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2022

In CZK Millions

	<u>1-3/2022</u>	<u>1-3/2021</u>
Net income	22,712	2,879
Change in fair value of cash flow hedges	(41,713)	(5,707)
Cash flow hedges reclassified to statement of income	14,669	(518)
Change in fair value of debt financial instruments	(536)	(704)
Deferred tax related to other comprehensive income	<u>5,240</u>	<u>1,316</u>
Net other comprehensive income that may be reclassified to statement of income or to assets in subsequent periods	<u>(22,340)</u>	<u>(5,613)</u>
Total comprehensive income, net of tax	<u><u>372</u></u>	<u><u>(2,734)</u></u>

ČEZ, a. s.
STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2022

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, 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>
Balance as at January 1, 2022	53,799	(1,423)	(67,248)	(652)	(,1,687)	133,639	116,428
Net income	-	-	-	-	-	22,712	22,712
Other comprehensive income	-	-	(,21,906)	(434)	-	-	(22,340)
Total comprehensive income	-	-	(21,906)	(434)	-	22,712	372
Sale of treasury shares	-	17	-	-	-	(10)	7
Exercised and forfeited share options	-	-	-	-	(1)	1	-
Balance as at March 31, 2022	<u>53,799</u>	<u>(1,406)</u>	<u>(89,154)</u>	<u>(1,086)</u>	<u>(1,688)</u>	<u>156,342</u>	<u>116,807</u>

ČEZ, a. s.
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2022

In CZK Millions

	<u>1-3/2022</u>	<u>1-3/2021</u>
OPERATING ACTIVITIES:		
Income before income taxes	28,045	3,553
Adjustments of income before income taxes to cash generated from operations:		
Depreciation and amortization	4,257	3,201
Amortization of nuclear fuel	1,036	1,031
(Gains) and losses on non-current asset retirements	(31)	(125)
Foreign exchange rate loss (gain)	2,348	(524)
Interest expense, interest income and dividend income	552	747
Provisions	3,524	1,343
Impairment of property, plant and equipment and intangible assets	-	25
Other impairment and other non-cash expenses and income	15,531	(7,488)
Changes in assets and liabilities:		
Receivables and contract assets	(2,396)	2,388
Materials, supplies and fossil fuel stocks	(564)	701
Receivables and payables from derivatives	(17,666)	5,310
Other assets	1,909	(11,249)
Trade payables	(6,123)	1,197
Other liabilities	1,505	143
Cash generated from operations	<u>31,927</u>	<u>253</u>
Income taxes paid	(8)	(164)
Interest paid, net of capitalized interest	(529)	(552)
Interest received	326	163
Net cash flow from operating activities	<u>31,716</u>	<u>(300)</u>
INVESTING ACTIVITIES:		
Acquisition of subsidiaries, associates and joint-ventures	(679)	(342)
Proceeds from disposal of subsidiaries, associates and joint-ventures and original investments repayments	501	25,071
Additions to non-current assets, including capitalized interest	(2,805)	(2,099)
Proceeds from sale of non-current assets	35	4
Loans made	-	(338)
Repayments of loans	289	984
Change in restricted financial assets	(79)	(53)
Net cash flow from investing activities	<u>(2,738)</u>	<u>23,227</u>

ČEZ, a. s.
STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2022

continued

	<u>1-3/2022</u>	<u>1-3/2021</u>
FINANCING ACTIVITIES:		
Proceeds from borrowings	70,482	26,914
Payments of borrowings	(71,200)	(27,705)
Payments of lease liabilities	(43)	(45)
Change in payables/receivables from Group cashpooling	(1,783)	(2,650)
Dividends paid	(26)	(29)
Sale of treasury shares	8	44
Net cash flow from financing activities	<u>(2,562)</u>	<u>(3,471)</u>
Net effect of currency translation and allowances in cash	<u>(138)</u>	<u>29</u>
Net increase in cash and cash equivalents	26,278	19,485
Cash and cash equivalents at beginning of period	<u>20,804</u>	<u>1,009</u>
Cash and cash equivalents at end of period	<u><u>47,082</u></u>	<u><u>20,494</u></u>

Supplementary cash flow information:

Total cash paid for interest	563	586
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