

ČEZ, a. s.

SEPARATE FINANCIAL STATEMENTS

PREPARED IN ACCORDANCE WITH
INTERNATIONAL FINANCIAL REPORTING STANDARDS
AS OF SEPTEMBER 30, 2022

ČEZ, a. s.
BALANCE SHEET
AS OF SEPTEMBER 30, 2022

In CZK Millions

	September 30, 2022	December 31, 2021
ASSETS:		
Plant in service	494,032	489,211
Less accumulated depreciation and impairment	(283,788)	(275,015)
Net plant in service	210,244	214,196
Nuclear fuel, at amortized cost	11,440	13,021
Construction work in progress, net	13,621	11,478
Total property, plant and equipment	235,305	238,695
Restricted financial assets, net	14,916	15,040
Other non-current financial assets, net	162,967	147,580
Intangible assets, net	997	1,047
Investment properties, net	412	406
Deferred tax assets	21,594	6,843
Total other non-current assets	200,886	170,916
Total non-current assets	436,191	409,611
Cash and cash equivalents, net	76,959	20,804
Trade receivables, net	207,911	136,039
Income tax receivable	532	-
Materials and supplies, net	29,748	10,415
Fossil fuel stocks	254	200
Emission rights	6,290	14,192
Other current financial assets, net	808,225	515,488
Other current assets, net	6,418	4,141
Total current assets	1,136,337	701,279
Total assets	1,572,528	1,110,890

ČEZ, a. s.
BALANCE SHEET
AS OF SEPTEMBER 30, 2022

continued

	September 30, 2022	December 31, 2021
EQUITY AND LIABILITIES:		
Stated capital	53,799	53,799
Treasury shares	(1,334)	(1,423)
Retained earnings and other reserves	(16,997)	64,052
Total equity	35,468	116,428
Long-term debt, net of current portion	132,078	89,189
Provisions	103,767	97,707
Other long-term financial liabilities	81,831	34,173
Total non-current liabilities	317,676	221,069
Short-term loans	51,954	25,115
Current portion of long-term debt	14,021	14,999
Trade payables	59,553	76,950
Income tax payable	-	1,696
Provisions	16,936	11,095
Other short-term financial liabilities	1,074,326	641,849
Other short-term liabilities	2,594	1,689
Total current liabilities	1,219,384	773,393
Total equity and liabilities	1,572,528	1,110,890

ČEZ, a. s.
STATEMENT OF INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

In CZK Millions

	1-9/2022	1-9/2021	7-9/2022	7-9/2021
Sales of electricity, heat and gas	134,734	67,672	53,963	23,371
Sales of services and other revenues	8,652	4,103	2,896	1,450
Other operating income	5,266	964	465	370
Total revenues and other operating income	148,652	72,739	57,324	25,191
Gains and losses from commodity derivative trading	17,998	(175)	2,158	2,052
Purchase of electricity, gas and other energies	(61,314)	(24,718)	(25,335)	(9,075)
Fuel and emission rights	(28,299)	(13,470)	(10,509)	(4,097)
Services	(6,613)	(6,407)	(2,472)	(2,476)
Salaries and wages	(6,576)	(5,564)	(2,443)	(1,912)
Materials and supplies	(1,602)	(1,509)	(481)	(455)
Capitalization of expenses to the cost of assets and change in own inventories	112	89	35	27
Depreciation and amortization	(13,312)	(11,643)	(4,790)	(4,757)
Impairment of property, plant and equipment and intangible assets	22	(25)	24	-
Impairment of trade and other receivables	(138)	12	(124)	(1)
Other operating expenses	(1,066)	(996)	(233)	(278)
Income before other income (expenses) and income taxes	47,864	8,333	13,154	4,219
Interest on debt, net of capitalized interest	(4,276)	(3,170)	(1,931)	(1,025)
Interest on provisions	(1,668)	(1,326)	(556)	(442)
Interest income	3,007	1,082	1,511	371
Impairment of financial assets	(60)	(5,067)	(105)	(565)
Other financial expenses	(2,928)	(335)	(1,210)	(51)
Other financial income	10,418	11,577	2,058	2,479
Total other income (expenses)	4,493	2,761	(233)	767
Income before income taxes	52,357	11,094	12,921	4,986
Income taxes	(8,502)	(1,277)	(2,468)	(672)
Net income	43,855	9,817	10,453	4,314

ČEZ, a. s.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

In CZK Millions

	1-9/2022	1-9/2021	7-9/2022	7-9/2021
Net income	43,855	9,817	10,453	4,314
Change in fair value of cash flow hedges	(185,678)	(52,844)	(75,776)	(36,649)
Cash flow hedges reclassified to statement of income	64,499	3,032	33,239	2,243
Change in fair value of debt financial instruments	(1,203)	(825)	(31)	(166)
Deferred tax related to other comprehensive income	23,253	9,621	8,088	6,569
Net other comprehensive income that may be reclassified to statement of income or to assets in subsequent periods	(99,129)	(41,016)	(34,480)	(28,003)
Total comprehensive income, net of tax	<u>(55,274)</u>	<u>(31,199)</u>	<u>(24,027)</u>	<u>(23,689)</u>

ČEZ, a. s.
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 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	-	-	-	-	-	9,817	9,817
Other comprehensive income	-	-	(40,348)	(668)	-	-	(41,016)
Total comprehensive income	-	-	(40,348)	(668)	-	9,817	(31,199)
Effect of merger	-	-	-	-	30	(403)	(373)
Dividends	-	-	-	-	-	(27,909)	(27,909)
Sale of treasury shares	-	1,398	-	-	-	(749)	649
Exercised and forfeited share options	-	-	-	-	(54)	54	-
Balance as at September 30, 2021	<u>53,799</u>	<u>(1,447)</u>	<u>(47,494)</u>	<u>(227)</u>	<u>(1,042)</u>	<u>139,024</u>	<u>142,613</u>
Balance as at January 1, 2022	53,799	(1,423)	(67,248)	(652)	(1,687)	133,639	116,428
Net income	-	-	-	-	-	43,855	43,855
Other comprehensive income	-	-	(98,155)	(974)	-	-	(99,129)
Total comprehensive income	-	-	(98,155)	(974)	-	43,855	(55,274)
Dividends	-	-	-	-	-	(25,727)	(25,727)
Sale of treasury shares	-	89	-	-	-	(48)	41
Exercised and forfeited share options	-	-	-	-	(4)	4	-
Balance as at September 30, 2022	<u>53,799</u>	<u>(1,334)</u>	<u>(165,403)</u>	<u>(1,626)</u>	<u>(1,691)</u>	<u>151,723</u>	<u>35,468</u>

ČEZ, a. s.
STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

In CZK Millions

	<u>1-9/2022</u>	<u>1-9/2021</u>
OPERATING ACTIVITIES:		
Income before income taxes	52,357	11,094
Adjustments of income before income taxes to cash generated from operations:		
Depreciation and amortization	13,312	11,643
Amortization of nuclear fuel	2,881	2,959
(Gains) and losses on non-current asset retirements	(21)	(2,401)
Foreign exchange rate loss (gain)	2,765	(977)
Interest expense, interest income and dividend income	(6,177)	(5,522)
Provisions	5,217	(1,467)
Impairment of property, plant and equipment and intangible assets	(22)	25
Other non-cash expenses and income including valuation allowances	68,080	(16,422)
Changes in assets and liabilities:		
Receivables and contract assets	(77,289)	(16,384)
Materials, supplies and fossil fuel stocks	(19,421)	(3,451)
Receivables and payables from derivatives	(45,840)	15,899
Other assets	4,308	(1,828)
Trade payables	(16,098)	11,842
Other liabilities	903	(69)
Cash generated from operations	<u>(15,045)</u>	<u>4,941</u>
Income taxes paid	(2,229)	(15)
Interest paid, net of capitalized interest	(4,123)	(3,122)
Interest received	2,453	640
Dividends received	7,446	7,605
Net cash flow from operating activities	<u>(11,498)</u>	<u>10,049</u>
INVESTING ACTIVITIES:		
Acquisition of subsidiaries, associates and joint-ventures	(3,081)	(1,501)
Proceeds from disposal of subsidiaries, associates and joint-ventures and original investments repayments	909	36,205
Additions to non-current assets, including capitalized interest	(11,026)	(7,545)
Proceeds from sale of non-current assets	901	129
Loans made	(5,000)	(473)
Repayments of loans	1,272	2,088
Change in restricted financial assets	(1,164)	(951)
Net cash flow from investing activities	<u>(17,189)</u>	<u>27,952</u>

ČEZ, a. s.
STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

continued

	<u>1-9/2022</u>	<u>1-9/2021</u>
FINANCING ACTIVITIES:		
Proceeds from borrowings	271,709	191,207
Payments of borrowings	(201,239)	(197,370)
Payments of lease liabilities	(131)	(129)
Proceeds from other long-term liabilities	16	-
Payments of other long-term liabilities	(2)	-
Change in payables/receivables from Group cashpooling	15,040	(2,181)
Dividends paid	(86)	(27,645)
Sale of treasury shares	42	649
	<u>85,349</u>	<u>(35,469)</u>
Net cash flow from financing activities		
Net effect of currency translation and allowances in cash	(507)	(201)
	<u>56,155</u>	<u>2,331</u>
Net increase in cash and cash equivalents		
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>76,959</u></u>	<u><u>3,340</u></u>
 Supplementary cash flow information:		
Total cash paid for interest	4,334	3,327