

**ČEZ, a. s.**

SEPARATE FINANCIAL STATEMENTS

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

**ČEZ, a. s.**  
**BALANCE SHEET**  
**AS OF JUNE 30, 2022**

In CZK Millions

	June 30, 2022	December 31, 2021
<b>ASSETS:</b>		
Plant in service	489,791	489,211
Less accumulated depreciation and impairment	(283,006)	(275,015)
<b>Net plant in service</b>	<b>206,785</b>	<b>214,196</b>
Nuclear fuel, at amortized cost	12,298	13,021
Construction work in progress, net	12,175	11,478
<b>Total property, plant and equipment</b>	<b>231,258</b>	<b>238,695</b>
Restricted financial assets, net	14,878	15,040
Other non-current financial assets, net	151,679	147,580
Intangible assets, net	961	1,047
Investment properties, net	395	406
Deferred tax assets	15,974	6,843
<b>Total other non-current assets</b>	<b>183,887</b>	<b>170,916</b>
<b>Total non-current assets</b>	<b>415,145</b>	<b>409,611</b>
Cash and cash equivalents, net	41,337	20,804
Trade receivables, net	119,018	136,039
Materials and supplies, net	17,387	10,415
Fossil fuel stocks	230	200
Emission rights	9,119	14,192
Other current financial assets, net	787,317	515,488
Other current assets, net	7,142	4,141
<b>Total current assets</b>	<b>981,550</b>	<b>701,279</b>
<b>Total assets</b>	<b>1,396,695</b>	<b>1,110,890</b>

**ČEZ, a. s.**  
**BALANCE SHEET**  
**AS OF JUNE 30, 2022**

continued

	June 30, 2022	December 31, 2021
<b>EQUITY AND LIABILITIES:</b>		
Stated capital	53,799	53,799
Treasury shares	(1,354)	(1,423)
Retained earnings and other reserves	7,001	64,052
<b>Total equity</b>	<b>59,446</b>	<b>116,428</b>
Long-term debt, net of current portion	108,418	89,189
Provisions	97,840	97,707
Other long-term financial liabilities	73,440	34,173
<b>Total non-current liabilities</b>	<b>279,698</b>	<b>221,069</b>
Short-term loans	1,601	25,115
Current portion of long-term debt	13,046	14,999
Trade payables	54,505	76,950
Income tax payable	1,679	1,696
Provisions	13,191	11,095
Other short-term financial liabilities	971,115	641,849
Other short-term liabilities	2,414	1,689
<b>Total current liabilities</b>	<b>1,057,551</b>	<b>773,393</b>
<b>Total equity and liabilities</b>	<b>1,396,695</b>	<b>1,110,890</b>

**ČEZ, a. s.**  
**STATEMENT OF INCOME**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2022**

In CZK Millions

	1-6/2022	1-6/2021	4-6/2022	4-6/2021
Sales of electricity, heat and gas	80,771	44,301	30,406	19,550
Sales of services and other revenues	5,756	2,653	3,056	1,364
Other operating income	4,801	594	387	239
<b>Total revenues and other operating income</b>	<b>91,328</b>	<b>47,548</b>	<b>33,849</b>	<b>21,153</b>
Gains and losses from commodity derivative trading	15,840	(2,227)	2,802	(1,124)
Purchase of electricity, gas and other energies	(35,979)	(15,643)	(14,836)	(6,963)
Fuel and emission rights	(17,790)	(9,373)	(8,300)	(4,060)
Services	(4,141)	(3,931)	(2,357)	(2,357)
Salaries and wages	(4,133)	(3,652)	(2,228)	(1,923)
Materials and supplies	(1,121)	(1,054)	(631)	(602)
Capitalization of expenses to the cost of assets and change in own inventories	77	62	39	31
Depreciation and amortization	(8,522)	(6,886)	(4,265)	(3,685)
Impairment of property, plant and equipment and intangible assets	(2)	(25)	(2)	-
Impairment of trade and other receivables	(14)	13	(12)	21
Other operating expenses	(833)	(718)	(454)	(393)
<b>Income before other income (expenses) and income taxes</b>	<b>34,710</b>	<b>4,114</b>	<b>3,605</b>	<b>98</b>
Interest on debt, net of capitalized interest	(2,345)	(2,145)	(1,247)	(1,049)
Interest on provisions	(1,112)	(884)	(556)	(442)
Interest income	1,496	711	950	362
Impairment of financial assets	45	(4,502)	50	(4,508)
Other financial expenses	(1,718)	(284)	657	(278)
Other financial income	8,360	9,098	7,932	8,372
<b>Total other income (expenses)</b>	<b>4,726</b>	<b>1,994</b>	<b>7,786</b>	<b>2,457</b>
<b>Income before income taxes</b>	<b>39,436</b>	<b>6,108</b>	<b>11,391</b>	<b>2,555</b>
Income taxes	(6,034)	(605)	(701)	69
<b>Net income</b>	<b>33,402</b>	<b>5,503</b>	<b>10,690</b>	<b>2,624</b>

**ČEZ, a. s.**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2022**

In CZK Millions

	1-6/2022	1-6/2021	4-6/2022	4-6/2021
<b>Net income</b>	33,402	5,503	10,690	2,624
Change in fair value of cash flow hedges	(109,902)	(16,195)	(68,189)	(10,488)
Cash flow hedges reclassified to statement of income	31,260	789	16,591	1,307
Change in fair value of debt financial instruments	(1,172)	(659)	(636)	45
Deferred tax related to other comprehensive income	15,165	3,052	9,925	1,736
<b>Net other comprehensive income that may be reclassified to statement of income or to assets in subsequent periods</b>	<u>(64,649)</u>	<u>(13,013)</u>	<u>(42,309)</u>	<u>(7,400)</u>
<b>Total comprehensive income, net of tax</b>	<u><u>(31,247)</u></u>	<u><u>(7,510)</u></u>	<u><u>(31,619)</u></u>	<u><u>(4,776)</u></u>

**ČEZ, a. s.**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED JUNE 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
<b>Balance as at January 1, 2021</b>	53,799	(2,845)	(7,146)	441	(1,018)	158,214	201,445
Net income	-	-	-	-	-	5,503	5,503
Other comprehensive income	-	-	(12,479)	(534)	-	-	(13,013)
<b>Total comprehensive income</b>	-	-	(12,479)	(534)	-	5,503	(7,510)
Effect of merger	-	-	-	-	30	(403)	(373)
Dividends	-	-	-	-	-	(27,909)	(27,909)
Sale of treasury shares	-	1,398	-	-	-	(749)	649
Exercised and forfeited share options	-	-	-	-	(53)	53	-
<b>Balance as at June 30, 2021</b>	<u>53,799</u>	<u>(1,447)</u>	<u>(19,625)</u>	<u>(93)</u>	<u>(1,041)</u>	<u>134,709</u>	<u>166,302</u>
<b>Balance as at January 1, 2022</b>	53,799	(1,423)	(67,248)	(652)	(1,687)	133,639	116,428
Net income	-	-	-	-	-	33,402	33,402
Other comprehensive income	-	-	(63,700)	(949)	-	-	(64,649)
<b>Total comprehensive income</b>	-	-	(63,700)	(949)	-	33,402	(31,247)
Dividends	-	-	-	-	-	(25,767)	(25,767)
Sale of treasury shares	-	69	-	-	-	(37)	32
Exercised and forfeited share options	-	-	-	-	(3)	3	-
<b>Balance as at June 30, 2022</b>	<u>53,799</u>	<u>(1,354)</u>	<u>(130,948)</u>	<u>(1,601)</u>	<u>(1,690)</u>	<u>141,240</u>	<u>59,446</u>

**ČEZ, a. s.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2022**

In CZK Millions

	<u>1-6/2022</u>	<u>1-6/2021</u>
<b>OPERATING ACTIVITIES:</b>		
<b>Income before income taxes</b>	39,436	6,108
<b>Adjustments of income before income taxes to cash generated from operations:</b>		
Depreciation and amortization	8,522	6,886
Amortization of nuclear fuel	1,930	1,966
(Gains) and losses on non-current asset retirements	(74)	(169)
Foreign exchange rate loss (gain)	1,665	(749)
Interest expense, interest income and dividend income	(6,597)	(6,189)
Provisions	2,044	(2,309)
Impairment of property, plant and equipment and intangible assets	2	25
Other non-cash expenses and income including valuation allowances	31,991	(14,036)
<b>Changes in assets and liabilities:</b>		
Receivables and contract assets	10,609	15,476
Materials, supplies and fossil fuel stocks	(7,035)	152
Receivables and payables from derivatives	(32,570)	13,820
Other assets	6,064	(4,577)
Trade payables	(21,550)	(4,630)
Other liabilities	723	(87)
<b>Cash generated from operations</b>	<u>35,160</u>	<u>11,687</u>
Income taxes paid	(18)	(327)
Interest paid, net of capitalized interest	(2,767)	(2,438)
Interest received	1,204	403
Dividends received	-	515
<b>Net cash flow from operating activities</b>	<u>33,579</u>	<u>9,840</u>
<b>INVESTING ACTIVITIES:</b>		
Acquisition of subsidiaries, associates and joint-ventures	(2,381)	(668)
Proceeds from disposal of subsidiaries, associates and joint-ventures and original investments repayments	512	25,791
Additions to non-current assets, including capitalized interest	(5,254)	(4,872)
Proceeds from sale of non-current assets	414	45
Loans made	-	(474)
Repayments of loans	981	1,588
Change in restricted financial assets	(1,022)	(907)
<b>Net cash flow from investing activities</b>	<u>(6,750)</u>	<u>20,503</u>

**ČEZ, a. s.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2022**

continued

	<u>1-6/2022</u>	<u>1-6/2021</u>
<b>FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	101,931	90,276
Payments of borrowings	(106,553)	(104,374)
Payments of lease liabilities	(88)	(88)
Proceeds from other long-term liabilities	16	-
Payments of other long-term liabilities	(1)	-
Change in payables/receivables from Group cashpooling	(1,498)	970
Dividends paid	(71)	(43)
Sale of treasury shares	32	649
	<u>(6,232)</u>	<u>(12,610)</u>
<b>Net cash flow from financing activities</b>		
Net effect of currency translation and allowances in cash	(64)	(220)
	<u>20,533</u>	<u>17,513</u>
<b>Net increase in cash and cash equivalents</b>		
<b>Cash and cash equivalents at beginning of period</b>	<u>20,804</u>	<u>1,009</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>41,337</u></u>	<u><u>18,522</u></u>
 Supplementary cash flow information:		
Total cash paid for interest	2,934	2,594