

ČEZ, a. s.

SEPARATE FINANCIAL STATEMENTS

PREPARED IN ACCORDANCE WITH
INTERNATIONAL FINANCIAL REPORTING STANDARDS
AS OF SEPTEMBER 30, 2023

ČEZ, a. s.
BALANCE SHEET
AS OF SEPTEMBER 30, 2023

In CZK Millions

	September 30, 2023	December 31, 2022
ASSETS:		
Plant in service	528,248	514,654
Less accumulated depreciation and impairment	(307,686)	(287,171)
Net plant in service	220,562	227,483
Nuclear fuel, at amortized cost	13,400	11,873
Construction work in progress, net	14,814	13,473
Total property, plant and equipment	248,776	252,829
Restricted financial assets, net	16,733	15,215
Other non-current financial assets, net	175,887	157,686
Intangible assets, net	1,449	1,143
Investment properties, net	381	437
Deferred tax assets	-	47,885
Total other non-current assets	194,450	222,366
Total non-current assets	443,226	475,195
Cash and cash equivalents, net	5,362	33,012
Trade receivables, net	64,075	169,773
Income tax receivable	24,665	-
Materials and supplies, net	11,493	16,028
Fossil fuel stocks	2,036	300
Emission rights	5,651	21,216
Other current financial assets, net	131,684	304,894
Other current assets, net	13,960	8,582
Total current assets	258,926	553,805
Total assets	702,152	1,029,000

ČEZ, a. s.
BALANCE SHEET
AS OF SEPTEMBER 30, 2023

continued

	September 30, 2023	December 31, 2022
EQUITY AND LIABILITIES:		
Stated capital	53,799	53,799
Treasury shares	(1,334)	(1,334)
Retained earnings and other reserves	116,565	145,975
Total equity	169,030	198,440
Long-term debt, net of current portion	115,470	132,739
Provisions	127,002	122,067
Other long-term financial liabilities	8,198	38,659
Deferred tax liability	40,053	-
Total non-current liabilities	290,723	293,465
Short-term loans	2,245	52,933
Current portion of long-term debt	28,433	8,034
Trade payables	33,151	76,525
Income tax payable	-	15,117
Provisions	17,785	21,515
Other short-term financial liabilities	151,242	358,311
Other short-term liabilities	9,543	4,660
Total current liabilities	242,399	537,095
Total equity and liabilities	702,152	1,029,000

ČEZ, a. s.
STATEMENT OF INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

In CZK Millions

	1-9/2023	1-9/2022	7-9/2023	7-9/2022
Sales of electricity, heat and gas	148,107	134,734	41,036	53,963
Sales of services and other revenues	7,986	8,652	2,760	2,896
Other operating income	875	5,266	472	465
Total revenues and other operating income	156,968	148,652	44,268	57,324
Gains and losses from commodity derivative trading	12,914	17,998	5,529	2,158
Purchase of electricity, gas and other energies	(54,166)	(61,314)	(15,934)	(25,335)
Fuel and emission rights	(26,946)	(28,299)	(9,781)	(10,509)
Services	(8,923)	(6,613)	(4,181)	(2,472)
Salaries and wages	(7,336)	(6,576)	(2,706)	(2,443)
Materials and supplies	(1,871)	(1,602)	(639)	(481)
Capitalization of expenses to the cost of assets and change in own inventories	134	112	45	35
Depreciation and amortization	(14,539)	(13,312)	(4,916)	(4,790)
Impairment of property, plant and equipment and intangible assets	(1)	22	-	24
Impairment of trade and other receivables	69	(138)	12	(124)
Other operating expenses	(8,909)	(1,066)	3,251	(233)
Income before other income (expenses) and income taxes	47,394	47,864	14,948	13,154
Interest on debt, net of capitalized interest	(7,434)	(4,276)	(2,104)	(1,931)
Interest on provisions	(4,724)	(1,668)	(1,574)	(556)
Interest income	6,652	3,007	1,805	1,511
Impairment of financial assets	212	(60)	(29)	(105)
Other financial expenses	(1,330)	(2,928)	(944)	(1,210)
Other financial income	13,583	10,418	495	2,058
Total other income (expenses)	6,959	4,493	(2,351)	(233)
Income before income taxes	54,353	52,357	12,597	12,921
Income taxes	(29,514)	(8,502)	(10,594)	(2,468)
Net income	24,839	43,855	2,003	10,453

ČEZ, a. s.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

In CZK Millions

	1-9/2023	1-9/2022	7-9/2023	7-9/2022
Net income	24,839	43,855	2,003	10,453
Change in fair value of cash flow hedges	62,332	(185,678)	8,257	(75,776)
Cash flow hedges reclassified to statement of income	18,570	64,499	3,247	33,239
Change in fair value of debt financial instruments	475	(1,203)	(410)	(31)
Deferred tax related to other comprehensive income	(58,363)	23,253	(8,816)	8,088
Net other comprehensive income that may be reclassified to statement of income or to assets in subsequent periods	23,014	(99,129)	2,278	(34,480)
Total comprehensive income, net of tax	47,853	(55,274)	4,281	(24,027)

ČEZ, a. s.
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

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, 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 June 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>
Balance as at January 1, 2023	53,799	(1,334)	(22,429)	(1,300)	(1,987)	171,691	198,440
Net income	-	-	-	-	-	24,839	24,839
Other comprehensive income	-	-	22,663	351	-	-	23,014
Total comprehensive income	-	-	22,663	351	-	24,839	47,853
Effect of business combinations	-	-	-	-	95	452	547
Dividends	-	-	-	-	-	(77,810)	(77,810)
Balance as at June 30, 2023	<u>53,799</u>	<u>(1,334)</u>	<u>234</u>	<u>(949)</u>	<u>(1,892)</u>	<u>119,172</u>	<u>169,030</u>

ČEZ, a. s.
STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

In CZK Millions

	<u>1-9/2023</u>	<u>1-9/2022</u>
OPERATING ACTIVITIES:		
Income before income taxes	54,353	52,357
Adjustments of income before income taxes to cash generated from operations:		
Depreciation and amortization	14,539	13,312
Amortization of nuclear fuel	2,775	2,881
(Gains) and losses on non-current asset retirements	92	(21)
Foreign exchange rate loss (gain)	(555)	2,765
Interest expense, interest income and dividend income	(11,366)	(6,177)
Provisions	(3,318)	5,217
Impairment of property, plant and equipment and intangible assets	1	(22)
Other non-cash expenses and income	19,733	68,080
Changes in assets and liabilities:		
Receivables and contract assets	98,284	(77,289)
Materials, supplies and fossil fuel stocks	3,666	(19,421)
Receivables and payables from derivatives	(12,810)	(45,840)
Other assets	20,499	4,308
Trade payables	(41,280)	(16,098)
Other liabilities	4,891	903
Cash from operations	<u>149,504</u>	<u>(15,045)</u>
Income taxes paid	(40,204)	(2,229)
Interest paid, net of capitalized interest	(7,789)	(4,123)
Interest received	6,113	2,453
Dividends received	6,226	7,446
Net cash flow from operating activities	<u>113,850</u>	<u>(11,498)</u>
INVESTING ACTIVITIES:		
Acquisition of subsidiaries, associates and joint-ventures	(9,919)	(3,081)
Proceeds from disposal of subsidiaries, associates and joint-ventures and original investments repayments	235	909
Additions to non-current assets, including capitalized interest	(12,983)	(11,026)
Proceeds from sale of non-current assets	847	901
Loans made	(5,147)	(5,000)
Repayments of loans	7,844	1,272
Change in restricted financial assets	(1,317)	(1,164)
Net cash flow from investing activities	<u>(20,440)</u>	<u>(17,189)</u>

ČEZ, a. s.
STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

continued

	<u>1-9/2023</u>	<u>1-9/2022</u>
FINANCING ACTIVITIES:		
Proceeds from borrowings	79,984	271,709
Payments of borrowings	(127,138)	(201,239)
Payments of lease liabilities	(186)	(131)
Proceeds from other long-term liabilities	5	16
Payments of other long-term liabilities	(1,816)	(2)
Change in payables/receivables from Group cashpooling	5,586	15,040
Dividends paid	(77,082)	(86)
Sale of treasury shares	-	42
Net cash flow from financing activities	<u>(120,647)</u>	<u>85,349</u>
Net effect of currency translation and allowances in cash	(413)	(507)
Net increase (decrease) in cash and cash equivalents	(27,650)	56,155
Cash and cash equivalents at beginning of period	<u>33,012</u>	<u>20,804</u>
Cash and cash equivalents at end of period	<u><u>5,362</u></u>	<u><u>76,959</u></u>
 Supplementary cash flow information:		
Total cash paid for interest	8,143	4,334