

**ČEZ, a. s.**

SEPARATE FINANCIAL STATEMENTS

PREPARED IN ACCORDANCE WITH  
INTERNATIONAL FINANCIAL REPORTING STANDARDS  
AS OF JUNE 30, 2021

**ČEZ, a. s.**  
**BALANCE SHEET**  
**AS OF JUNE 30, 2021**

In CZK Millions

	June 30, 2021	December 31, 2020
<b>ASSETS:</b>		
Plant in service	480,386	474,973
Less accumulated depreciation and impairment	(264,831)	(257,008)
<b>Net plant in service</b>	<b>215,555</b>	<b>217,965</b>
Nuclear fuel, at amortized cost	12,504	13,592
Construction work in progress, net	10,193	10,052
<b>Total property, plant and equipment</b>	<b>238,252</b>	<b>241,609</b>
Restricted financial assets, net	15,598	15,221
Other non-current financial assets, net	151,326	159,180
Intangible assets, net	894	3,367
<b>Total other non-current assets</b>	<b>167,818</b>	<b>177,768</b>
<b>Total non-current assets</b>	<b>406,070</b>	<b>419,377</b>
Cash and cash equivalents, net	18,522	1,009
Trade receivables, net	41,154	58,501
Income tax receivable	648	305
Materials and supplies, net	7,525	7,682
Fossil fuel stocks	214	223
Emission rights	56,587	34,323
Other current financial assets, net	243,229	76,976
Other current assets, net	3,557	2,787
Assets classified as held for sale, net	6,540	31,209
<b>Total current assets</b>	<b>377,976</b>	<b>213,015</b>
<b>Total assets</b>	<b>784,046</b>	<b>632,392</b>

**ČEZ, a. s.**  
**BALANCE SHEET**  
**AS OF JUNE 30, 2021**

continued

	June 30, 2021	December 31, 2020
<b>EQUITY AND LIABILITIES:</b>		
Stated capital	53,799	53,799
Treasury shares	(1,447)	(2,845)
Retained earnings and other reserves	113,950	150,491
<b>Total equity</b>	<b>166,302</b>	<b>201,445</b>
Long-term debt, net of current portion	95,639	113,929
Provisions	91,334	91,125
Other long-term financial liabilities	15,542	8,728
Deferred tax liability	5,935	8,235
<b>Total non-current liabilities</b>	<b>208,450</b>	<b>222,017</b>
Short-term loans	4,597	800
Current portion of long-term debt	23,705	27,514
Trade payables	54,035	63,093
Provisions	6,820	9,096
Other short-term financial liabilities	319,362	107,583
Other short-term liabilities	775	844
<b>Total current liabilities</b>	<b>409,294</b>	<b>208,930</b>
<b>Total equity and liabilities</b>	<b>784,046</b>	<b>632,392</b>

**ČEZ, a. s.**  
**STATEMENT OF INCOME**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2021**

In CZK Millions

	1-6/2021	1-6/2020	4-6/2021	4-6/2020
Sales of electricity, heat and gas	44,301	41,926	19,550	17,467
Sales of services and other revenues	2,653	2,510	1,364	1,264
Other operating income	594	710	239	505
<b>Total revenues and other operating income</b>	<b>47,548</b>	<b>45,146</b>	<b>21,153</b>	<b>19,236</b>
Gains and losses from commodity derivative trading	(2,227)	6,001	(1,124)	167
Purchase of electricity, gas and other energies	(15,643)	(15,337)	(6,963)	(6,545)
Fuel and emission rights	(9,373)	(8,380)	(4,060)	(3,325)
Services	(3,931)	(3,895)	(2,357)	(2,159)
Salaries and wages	(3,652)	(3,535)	(1,923)	(1,841)
Materials and supplies	(1,054)	(986)	(602)	(389)
Capitalization of expenses to the cost of assets and change in own inventories	62	1	31	27
Depreciation and amortization	(6,886)	(7,474)	(3,685)	(3,779)
Impairment of property, plant and equipment and intangible assets	(25)	-	-	-
Impairment of trade and other receivables	13	(8)	21	(6)
Other operating expenses	(718)	(665)	(393)	(392)
<b>Income before other income (expenses) and income taxes</b>	<b>4,114</b>	<b>10,868</b>	<b>98</b>	<b>994</b>
Interest on debt, net of capitalized interest	(2,145)	(2,915)	(1,049)	(1,429)
Interest on provisions	(884)	(852)	(442)	(426)
Interest income	711	627	362	300
Impairment of financial assets	(4,502)	(875)	(4,508)	(873)
Other financial expenses	(284)	(616)	(278)	(443)
Other financial income	9,098	11,197	8,372	11,028
<b>Total other income (expenses)</b>	<b>1,994</b>	<b>6,566</b>	<b>2,457</b>	<b>8,157</b>
<b>Income before income taxes</b>	<b>6,108</b>	<b>17,434</b>	<b>2,555</b>	<b>9,151</b>
Income taxes	(605)	(1,594)	69	(18)
<b>Net income</b>	<b>5,503</b>	<b>15,840</b>	<b>2,624</b>	<b>9,133</b>

**ČEZ, a. s.**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2021**

In CZK Millions

	1-6/2021	1-6/2020	4-6/2021	4-6/2020
<b>Net income</b>	5,503	15,840	2,624	9,133
Change in fair value of cash flow hedges	(16,195)	(2,798)	(10,488)	(4,896)
Cash flow hedges reclassified to statement of income	789	(596)	1,307	750
Change in fair value of debt financial instruments	(659)	513	45	567
Deferred tax related to other comprehensive income	3,052	547	1,736	680
<b>Net other comprehensive income that may be reclassified to statement of income or to assets in subsequent periods</b>	<u>(13,013)</u>	<u>(2,334)</u>	<u>(7,400)</u>	<u>(2,899)</u>
<b>Total comprehensive income, net of tax</b>	<u><u>(7,510)</u></u>	<u><u>13,506</u></u>	<u><u>(4,776)</u></u>	<u><u>6,234</u></u>

**ČEZ, a. s.**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED JUNE 30, 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
<b>Balance as at January 1, 2020</b>	53,799	(2,885)	(2,867)	277	(156)	155,311	203,479
Net income	-	-	-	-	-	15,840	15,840
Other comprehensive income	-	-	(2,750)	416	-	-	(2,334)
<b>Total comprehensive income</b>	-	-	(2,750)	416	-	15,840	13,506
Effect of business combination	-	-	-	-	3	-	3
Dividends	-	-	-	-	-	(18,206)	(18,206)
Sale of treasury shares	-	40	-	-	-	(25)	15
Exercised and forfeited share options	-	-	-	-	(8)	8	-
<b>Balance as at June 30, 2020</b>	<u>53,799</u>	<u>(2,845)</u>	<u>(5,617)</u>	<u>693</u>	<u>(161)</u>	<u>152,928</u>	<u>198,797</u>
<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>

**ČEZ, a. s.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2021**

In CZK Millions

	<u>1-6/2021</u>	<u>1-6/2020</u>
<b>OPERATING ACTIVITIES:</b>		
<b>Income before income taxes</b>	6,108	17,434
<b>Adjustments of income before income taxes to cash generated from operations:</b>		
Depreciation and amortization	6,886	7,474
Amortization of nuclear fuel	1,966	1,975
(Gains) and losses on non-current asset retirements	(169)	(13)
Foreign exchange rate loss (gain)	(749)	(414)
Interest expense, interest income and dividend income	(6,189)	(8,403)
Change in provisions	(2,309)	(1,776)
Impairment of property, plant and equipment and intangible assets	25	-
Other impairment and other non-cash expenses and income	(14,036)	(2,334)
<b>Changes in assets and liabilities:</b>		
Receivables and contract assets	15,476	14,063
Materials, supplies and fossil fuel stocks	152	(591)
Receivables and payables from derivatives	13,820	2,993
Other assets	(4,577)	2,647
Trade payables	(4,630)	(13,923)
Other liabilities	(87)	288
<b>Cash generated from operations</b>	<u>11,687</u>	<u>19,420</u>
Income taxes paid	(327)	(11)
Interest paid, net of capitalized interest	(2,438)	(3,492)
Interest received	403	343
Dividends received	515	1,707
<b>Net cash provided by operating activities</b>	<u>9,840</u>	<u>17,967</u>
<b>INVESTING ACTIVITIES:</b>		
Acquisition of subsidiaries, associates and joint-ventures	(668)	(2,009)
Proceeds from disposal of subsidiaries, associates and joint-ventures and original investments repayments	25,791	66
Additions to non-current assets, including capitalized interest	(4,872)	(4,144)
Proceeds from sale of non-current assets	45	972
Loans made	(474)	(529)
Repayments of loans	1,588	929
Change in restricted financial assets	(907)	(619)
<b>Net cash provided by (used in) investing activities</b>	<u>20,503</u>	<u>(5,334)</u>

**ČEZ, a. s.**  
**STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2021**

continued

	<u>1-6/2021</u>	<u>1-6/2020</u>
<b>FINANCING ACTIVITIES:</b>		
Proceeds from borrowings	90,276	38,487
Payments of borrowings	(104,374)	(55,738)
Payments of lease liabilities	(88)	(736)
Change in payables/receivables from group cashpooling	970	2,963
Dividends paid	(43)	(30)
Sale of treasury shares	649	15
<b>Net cash used in financing activities</b>	<u>(12,610)</u>	<u>(15,039)</u>
Net effect of currency translation and allowances in cash	(220)	382
<b>Net increase (decrease) in cash and cash equivalents</b>	17,513	(2,024)
<b>Cash and cash equivalents at beginning of period</b>	<u>1,009</u>	<u>3,516</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>18,522</u></u>	<u><u>1,492</u></u>
 Supplementary cash flow information:		
Total cash paid for interest	2,594	3,651