

**CETIN a.s.**

**SHORTENED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2021**

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## CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME

In CZK million	For the period ended	
	30 September 2021	30 September 2020
Revenues	13,360	14,245
Other income from non-telecommunication services	159	167
Expenses	(6,827)	(7,797)
<b>Earnings before impairment loss, interest, tax, depreciation and amortization (EBITDA)</b>	<b>6,692</b>	<b>6,615</b>
Depreciation and amortisation	(3,938)	(3,584)
Impairment loss	(45)	(77)
<b>Operating profit (EBIT)</b>	<b>2,709</b>	<b>2,954</b>
Finance income	79	13
Finance costs	(421)	(682)
<b>Profit before tax</b>	<b>2,367</b>	<b>2,285</b>
Corporate income tax	(475)	(465)
<b>Profit for the period</b>	<b>1,892</b>	<b>1,820</b>
<b>Other comprehensive income</b>		
<b>Items that may be reclassified subsequently to profit or loss</b>		
Translation differences	-	1
Gains / (losses) on valuation differences from cash flow hedges	(56)	(510)
Related deferred tax	11	97
<b>Other comprehensive income, net of tax</b>	<b>(45)</b>	<b>(412)</b>
<b>Total comprehensive income, net of tax</b>	<b>1,847</b>	<b>1,408</b>
Profit attributable to:		
Equity holders of the Company	1,892	1,820
Total comprehensive income attributable to:		
Equity holders of the Company	1,847	1,408

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In CZK million	As at	
	30 September 2021	31 December 2020
<b>ASSETS</b>		
Property, plant and equipment	47,333	48,204
Intangible assets	1,914	1,826
Goodwill	16	16
Right of use assets	4,815	4,920
Other assets	435	415
<b>Non-current assets</b>	<b>54,513</b>	<b>55,381</b>
Inventories	75	67
Receivables, including derivative	3,937	3,686
Income tax receivable	-	1
Cash and cash equivalents	713	1,411
<b>Current assets</b>	<b>4,725</b>	<b>5,165</b>
<b>Non-current assets held for sale</b>	<b>5</b>	<b>-</b>
<b>Total assets</b>	<b>59,243</b>	<b>60,546</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	3,102	3,102
Reserves	43	88
Other funds	14,620	14,620
Retained earnings	1,919	2,567
<b>Total equity</b>	<b>19,684</b>	<b>20,377</b>
Long-term financial debts	4,850	4,844
Deferred tax liability	5,946	6,087
Non-current provisions for liabilities and charges	329	376
Lease liability	4,142	4,259
Non-current other liabilities, including derivative	1,563	1,575
<b>Non-current liabilities</b>	<b>16,830</b>	<b>17,141</b>
Short-term financial debts	16,167	16,412
Trade and other payables	5,528	5,555
Lease liability	812	809
Income tax liability	105	136
Provisions for liabilities and charges	117	116
<b>Current liabilities</b>	<b>22,729</b>	<b>23,028</b>
<b>Total liabilities</b>	<b>39,559</b>	<b>40,169</b>
<b>Total equity and liabilities</b>	<b>59,243</b>	<b>60,546</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

In CZK million	For the period ended	
	30 September 2021	30 September 2020
Profit for the year	1,892	1,820
Non-cash adjustments for:		
Depreciation and amortisation	3,938	3,584
Impairment loss	45	77
Profit on sale of property, plant and equipment	(24)	(52)
Net finance expenses	418	357
Foreign exchange losses (net)	(76)	312
Other non-cash adjustments	(36)	4
Tax expense	475	465
<b>Operating cash flow before working capital changes</b>	<b>6,632</b>	<b>6,567</b>
<b>Working capital adjustments:</b>		
Change in trade and other receivables	295	797
Change in inventories	(8)	(3)
Change in trade and other payables	(461)	(1,146)
Change in provisions	(5)	(57)
<b>Cash flows from operating activities</b>	<b>6,453</b>	<b>6,158</b>
Interest received	2	13
Income tax paid	(635)	(346)
<b>Net cash flow from operating activities</b>	<b>5,820</b>	<b>5,825</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangibles	(2,804)	(3,290)
Proceeds from sales of property, plant and equipment and intangible assets	22	54
Investment in subsidiaries	-	(5)
<b>Net cash used in investing activities</b>	<b>(2,782)</b>	<b>(3,241)</b>
<b>Cash flows from financing activities</b>		
Interest paid	-	(3)
Interest paid from lease liability	(107)	(117)
Upfront fees	(46)	(50)
Cash collateral placed due to derivatives transactions	(514)	169
Dividends paid	(2,536)	(2,794)
Lease payments	(526)	(507)
<b>Net cash used in financing activities</b>	<b>(3,729)</b>	<b>(3,302)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(691)</b>	<b>(718)</b>
Cash and cash equivalents at beginning of year	1,411	1,726
Effect of foreign exchange rate movements on cash and cash equivalents	(7)	2
<b>Cash and cash equivalents at the period end</b>	<b>713</b>	<b>1,010</b>

## **NOTES TO SHORTENED CONSOLIDATED FINANCIAL STATEMENTS**

### **GENERAL INFORMATION**

CETIN a.s. Group (Group) consists of CETIN a.s. (Company) and its subsidiaries: CZECH TELECOM Germany GmbH i. L., CETIN Finance B.V. and CETIN služby s.r.o.

With effect from 1 February 2021 the subsidiary STEL-INVEST s.r.o. was, as part of a domestic merger, merged with the Company. The decisive date of this merger was 1 January 2021.

CETIN a.s. was incorporated by a spin-off from the company O2 Czech Republic a.s. and registered on 1 June 2015 with decisive day of incorporation 1 January 2015.

The Company has the form of a joint stock company and is incorporated and domiciled in the Czech Republic. The address of its registered office is Českomoravská 2510/19, Praha 9, 190 00, Czech Republic.

The majority shareholder of the Company as of 30 September 2021 is CETIN Group B.V. (part of the PPF Group).

The Company is the leading telecommunications provider in the Czech market providing fully integrated services. It is understood as the access, aggregation and backbone infrastructure, mediating the access of customers of other operators to their fixed and mobile voice, data and video services.

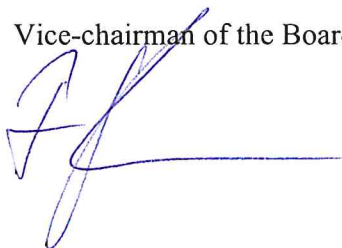
The shortened consolidated financial statements are not audited.

The Group's consolidated financial statements for the period ended 30 September 2021 fairly represent Group's financial condition and operations as of 30 September 2021.

The shortened consolidated financial statements were approved by the Board of Directors on 10 November 2021 and signed on behalf of the Company:

**Filip Cába**

Vice-chairman of the Board of Directors



**Michal Frankl**

Member of the Board

