

**CETIN a.s.**

**SHORTENED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 MARCH 2020**

<b>TABLE OF CONTENT</b>	<b>Page</b>
<b>CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME .....</b>	<b>1</b>
<b>CONSOLIDATED STATEMENT OF FINANCIAL POSITION.....</b>	<b>2</b>
<b>CONSOLIDATED STATEMENT OF CASH FLOWS.....</b>	<b>3</b>
<b>NOTES TO SHORTENED CONSOLIDATED FINANCIAL STATEMENTS.....</b>	<b>4</b>
<b>GENERAL INFORMATION .....</b>	<b>4</b>

**CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME**

In CZK million	For the period ended	
	31 March 2020	31 March 2019
Revenues	4,941	4,303
Other income from non-telecommunication services	60	32
Expenses	<u>(2,866)</u>	<u>(2,251)</u>
<b>Earnings before impairment loss, interest, tax, depreciation and amortization (EBITDA)</b>	<b>2,135</b>	<b>2,084</b>
Depreciation and amortisation	(1,172)	(1,151)
Impairment loss	<u>(20)</u>	<u>(5)</u>
<b>Operating profit (EBIT)</b>	<b>943</b>	<b>928</b>
Finance income	9	5
Finance costs	<u>(385)</u>	<u>(132)</u>
<b>Profit before tax</b>	<b>567</b>	<b>801</b>
Corporate income tax	<u>(115)</u>	<u>(167)</u>
<b>Profit for the period</b>	<b>452</b>	<b>634</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	(467)	22
Related deferred tax	89	(4)
<b>Other comprehensive income, net of tax</b>	<u><b>(377)</b></u>	<u><b>18</b></u>
<b>Total comprehensive income, net of tax</b>	<b>75</b>	<b>652</b>
Profit attributable to:		
Equity holders of the Company	452	634
Total comprehensive income attributable to:		
Equity holders of the Company	75	652

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

In CZK million	As at	
	31 March 2020	31 December 2019
<b>ASSETS</b>		
Property, plant and equipment	48,360	48,629
Intangible assets	1,754	1,757
Goodwill	11	11
Right of use assets	5,036	5,120
Other assets	878	731
<b>Non-current assets</b>	<b>56,039</b>	<b>56,248</b>
Inventories	59	61
Receivables, including derivative	4,092	4,011
Income tax receivable	17	1
Cash and cash equivalents	2,458	1,726
<b>Current assets</b>	<b>6,626</b>	<b>5,799</b>
<b>Non-current assets held for sale</b>	<b>13</b>	<b>15</b>
<b>Total assets</b>	<b>62,678</b>	<b>62,062</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	3,102	3,102
Reserves	128	505
Other funds	14,620	14,620
Retained earnings	3,270	2,816
<b>Total equity</b>	<b>21,120</b>	<b>21,043</b>
Long-term financial debts	21,895	20,694
Deferred tax liability	6,102	6,202
Non-current provisions for liabilities and charges	350	355
Lease liability	4,226	4,364
Non-current other liabilities, including derivative	1,600	1,923
<b>Non-current liabilities</b>	<b>34,173</b>	<b>33,538</b>
Short-term financial debts	99	23
Trade and other payables	6,352	6,537
Lease liability	841	834
Income tax liability	1	10
Provisions for liabilities and charges	92	77
<b>Current liabilities</b>	<b>7,385</b>	<b>7,481</b>
<b>Total liabilities</b>	<b>41,558</b>	<b>41,019</b>
<b>Total equity and liabilities</b>	<b>62,678</b>	<b>62,062</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS**

In CZK million	For the period ended	
	31 March 2020	31 March 2019
Profit for the year	452	634
Non-cash adjustments for:		
Depreciation and amortisation	1,172	1,151
Impairment loss	20	5
Profit on sale of property, plant and equipment	(30)	(3)
Net finance expenses	109	110
Foreign exchange losses (net)	267	17
Other non-cash adjustments	1	7
Tax expense	115	167
<b>Operating cash flow before working capital changes</b>	<b>2,106</b>	<b>2,088</b>
<b>Working capital adjustments:</b>		
Change in trade and other receivables	(28)	207
Change in inventories	2	5
Change in trade and other payables	(152)	(446)
Change in provisions	9	38
<b>Cash flows from operating activities</b>	<b>1,937</b>	<b>1,892</b>
Interest received	8	-
Income tax paid	(151)	(158)
<b>Net cash flow from operating activities</b>	<b>1,794</b>	<b>1,734</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangibles	(967)	(780)
Proceeds from sales of property, plant and equipment and intangible assets	5	9
<b>Net cash used in investing activities</b>	<b>(962)</b>	<b>(771)</b>
<b>Cash flows from financing activities</b>		
Interest paid	1	-
Interest paid from lease liability	(39)	(42)
Cash collateral placed due to derivatives transactions	169	(10)
Dividends paid	-	(1,900)
Lease payments	(241)	(185)
<b>Net cash used in financing activities</b>	<b>(112)</b>	<b>(2,137)</b>
<b>Net increase in cash and cash equivalents</b>	<b>720</b>	<b>(1,174)</b>
Cash and cash equivalents at beginning of year	1,726	1,650
Effect of foreign exchange rate movements on cash and cash equivalents	12	6
<b>Cash and cash equivalents at the period end</b>	<b>2,458</b>	<b>482</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, CETIN Finance B.V., CETIN služby s.r.o. and STEL-INVEST s.r.o. As at 30 November 2019 the subsidiary CZECH TELECOM Austria GmbH was liquidated.

As at 1 January 2020 the Company changed its name from Česká telekomunikační infrastruktura a.s. to CETIN a.s.

Česká telekomunikační infrastruktura a.s. was incorporated by a spin –off (Separation) 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, Libeň, 190 00 Praha 9, Czech Republic.

The majority shareholder of the Company as at 31 March 2020 is PPF Infrastructure 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 31 March 2020 fairly represent Group's financial condition and operations as at 31 March 2020.

The shortened consolidated financial statements were approved by the Board of Directors on 13 May 2020 and signed on behalf of the Company:



**Juraj Šedivý**  
Chairman of the Board



**Filip Čába**  
Vice-chairman of the Board