

**JERSEY CENTRAL POWER & LIGHT COMPANY AND SUBSIDIARIES**  
**UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2021 AND 2020**

**JERSEY CENTRAL POWER & LIGHT COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**(UNAUDITED)**

| <i>(In millions)</i>                                | For the Three Months<br>Ended March 31, |         |
|---|---|---------|
|   | 2021                                    | 2020    |
| <b>REVENUES</b>                                     | \$ 420                                  | \$ 378  |
| <b>OPERATING EXPENSES:</b>                          |   |         |
| Purchased power                                     | 223                                     | 191     |
| Other operating expenses                            | 106                                     | 96      |
| Provision for depreciation                          | 48                                      | 41      |
| Amortization of regulatory assets, net              | 90                                      | 1       |
| General taxes                                       | 6                                       | 4       |
| Gain on sale of Yards Creek                         | (109)                                   | —       |
| Total operating expenses                            | 364                                     | 333     |
| <b>OPERATING INCOME</b>                             | 56                                      | 45      |
| <b>OTHER INCOME (EXPENSE):</b>                      |   |         |
| Miscellaneous income, net                           | 17                                      | 15      |
| Pension and OPEB mark-to-market adjustment          | —                                       | (61)    |
| Interest expense                                    | (25)                                    | (23)    |
| Capitalized financing costs                         | 2                                       | 2       |
| Total other expense                                 | (6)                                     | (67)    |
| <b>INCOME (LOSS) BEFORE INCOME TAXES (BENEFITS)</b> | 50                                      | (22)    |
| <b>INCOME TAXES (BENEFITS)</b>                      | 11                                      | (5)     |
| <b>NET INCOME (LOSS)</b>                            | \$ 39                                   | \$ (17) |

**JERSEY CENTRAL POWER & LIGHT COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(UNAUDITED)

| <i>(In millions, except share amounts)</i>   | March 31,<br>2021 | December 31,<br>2020 |
|--|-------------------|----------------------|
| <b>ASSETS</b>  |                   |                      |
| <b>CURRENT ASSETS:</b>   |                   |                      |
| Cash and cash equivalents  | \$ 160            | \$ —                 |
| Restricted cash  | 5                 | 6                    |
| Receivables-   |                   |                      |
| Customers  | 201               | 242                  |
| Less — Allowance for uncollectible customer receivables                                    | 19                | 20                   |
|  | 182               | 222                  |
| Affiliated companies   | 56                | 33                   |
| Other  | 27                | 35                   |
| Notes receivable from associated companies   | —                 | 38                   |
| Prepaid taxes and other  | 28                | 26                   |
|  | 458               | 360                  |
| <b>UTILITY PLANT:</b>  |                   |                      |
| In service   | 7,463             | 7,393                |
| Less — Accumulated provision for depreciation  | 2,173             | 2,148                |
|  | 5,290             | 5,245                |
| Construction work in progress  | 247               | 237                  |
|  | 5,537             | 5,482                |
| <b>UTILITY PLANT - HELD FOR SALE</b>   | —                 | 45                   |
| <b>INVESTMENTS AND OTHER NONCURRENT ASSETS:</b>  |                   |                      |
| Goodwill   | 1,811             | 1,811                |
| Investments  | 284               | 286                  |
| Other  | 96                | 96                   |
|  | 2,191             | 2,193                |
|  | <u>\$ 8,186</u>   | <u>\$ 8,080</u>      |
| <b>LIABILITIES AND CAPITALIZATION</b>  |                   |                      |
| <b>CURRENT LIABILITIES:</b>  |                   |                      |
| Currently payable long-term debt   | \$ 5              | \$ 9                 |
| Short-term borrowings-   |                   |                      |
| Affiliated companies   | 4                 | —                    |
| Other  | 450               | 450                  |
| Accounts payable   |                   |                      |
| Affiliated companies   | 1                 | 2                    |
| Other  | 163               | 161                  |
| Accrued compensation and benefits  | 44                | 53                   |
| Customer deposits  | 41                | 43                   |
| Accrued interest   | 30                | 23                   |
| Other  | 39                | 36                   |
|  | 777               | 777                  |
| <b>CAPITALIZATION:</b>   |                   |                      |
| Common stockholder's equity-   |                   |                      |
| Common stock, \$10 par value, authorized 16,000,000 shares - 13,628,447 shares outstanding | 136               | 136                  |
| Other paid-in capital  | 2,723             | 2,722                |
| Accumulated other comprehensive loss   | (5)               | (5)                  |
| Retained earnings  | 893               | 854                  |
| Total common stockholder's equity  | 3,747             | 3,707                |
| Long-term debt and other long-term obligations   | 1,653             | 1,653                |
|  | 5,400             | 5,360                |
| <b>NONCURRENT LIABILITIES:</b>   |                   |                      |
| Accumulated deferred income taxes  | 809               | 796                  |
| Nuclear fuel disposal costs  | 209               | 209                  |
| Retirement benefits  | 262               | 276                  |
| Regulatory liabilities   | 216               | 125                  |
| Other  | 513               | 537                  |
|  | 2,009             | 1,943                |
|  | <u>\$ 8,186</u>   | <u>\$ 8,080</u>      |

**JERSEY CENTRAL POWER & LIGHT COMPANY AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(UNAUDITED)**

| <i>(In millions)</i>   | <b>For the Three Months<br/>Ended March 31,</b> |              |
|--|---|--------------|
|  | <b>2021</b>                                     | <b>2020</b>  |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                               |   |              |
| Net income   | \$ 39   | \$ (17)      |
| Adjustments to reconcile net income to net cash from operating activities- |   |              |
| Depreciation and amortization  | 136   | 41           |
| Asset removal costs charged to income                                      | —   | 4            |
| Deferred income taxes and investment tax credits, net                      | 8   | (7)          |
| Retirement benefits, net of payments                                       | (19)  | (15)         |
| Pension and OPEB mark-to-market adjustment                                 | —   | 61           |
| Gain on sale of Yards Creek  | (109)   | —            |
| Changes in current assets and liabilities-                                 |   |              |
| Receivables  | 25  | 33           |
| Prepaid taxes and other current assets                                     | (2)   | —            |
| Accounts payable   | 1   | (9)          |
| Accrued interest   | 7   | 7            |
| Customer deposits  | (2)   | —            |
| Accrued compensation and benefits  | (12)  | (8)          |
| Other current liabilities  | 5   | 3            |
| Other  | (16)  | 1            |
| Net cash provided from operating activities                                | <u>61</u>                                       | <u>94</u>    |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>                               |   |              |
| New financing-   |   |              |
| Short-term borrowings - affiliated companies, net                          | 4   | 25           |
| Redemptions and repayments-  |   |              |
| Long-term debt   | (4)   | (4)          |
| Other  | (1)   | —            |
| Net cash provided from (used for) financing activities                     | <u>(1)</u>                                      | <u>21</u>    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                               |   |              |
| Property additions   | (86)  | (108)        |
| Proceeds from sale of Yards Creek  | 155   | —            |
| Loans to affiliated companies, net   | 38  | —            |
| Sales of investment securities held in trusts                              | 4   | 12           |
| Purchases of investment securities held in trusts                          | (7)   | (14)         |
| Asset removal costs  | (5)   | (5)          |
| Net cash provided from (used for) investing activities                     | <u>99</u>                                       | <u>(115)</u> |
| Net change in cash, cash equivalents, and restricted cash                  | 159   | —            |
| Cash, cash equivalents, and restricted cash at beginning of period         | 6   | 8            |
| Cash, cash equivalents, and restricted cash at end of period               | <u>\$ 165</u>                                   | <u>\$ 8</u>  |