JERSEY CENTRAL POWER & LIGHT COMPANY AND SUBSIDIARIES

UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021

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

	F	For the Three Months Ended March 31,				
(In millions)	2	2022		2021		
REVENUES	\$	486	\$	420		
	<u> </u>		<u> </u>			
OPERATING EXPENSES:						
Purchased power		229		223		
Other operating expenses		131		106		
Provision for depreciation		50		48		
Amortization of regulatory assets, net		28		90		
General taxes		5		6		
Gain on sale of Yards Creek		_		(109)		
Total operating expenses		443		364		
OPERATING INCOME		43		56		
OTHER INCOME (EXPENSE):						
Miscellaneous income, net		15		17		
Interest expense		(26)		(25)		
Capitalized financing costs		3		2		
Total other expense		(8)		(6)		
INCOME BEFORE INCOME TAXES		35		50		
INCOME TAXES		8		11		
NET INCOME	\$	27	\$	39		

JERSEY CENTRAL POWER & LIGHT COMPANY AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

Receivables	(In millions, except share amounts)	Marc	h 31, 2022		cember 31, 2021
Cash and cash equivelnts \$ 107 \$ Receivables- 279 Customers 280 Affiliated companies 280 Other, net of allowance for uncollectible accounts of \$6 in 2022 and 2021 30 Prepaid taxes and other 25 UTILITY PLANT: 461 In service 7,733 7,732 Less – Accountaled provision for depreciation 2,225 2,2 Construction work in progress 277 5,508 Construction work in progress 277 5,508 Condwill 1,811 1,811 Investments 271 5,508 Other 9,2177 2,2 Contraction work in progress 1,811 1,811 Investments 271 5,508 Other 9,2177 2,2 Construction work in progress 1,811 1,811 Investments 2,177 2,2 Goodwill 1,811 1,811 Investments 2,177 2,2 Short-term bory prowings - affiliated companies	ASSETS				
Receivables	CURRENT ASSETS:				
Customers	Cash and cash equivalents	\$	107	\$	170
Less — Allowance for uncollectible customer receivables 19 260 3					
Affiliated companies 39 Other, net of allowance for uncollectible accounts of \$6 in 2022 and 2021 30 Prepaid taxes and other 461 UTILITY PLANT: 461 In service 7,733 7,1 Less — Accumulated provision for depreciation 2,225 2,2 Construction work in progress 272 5,508 <t< td=""><td></td><td></td><td>279</td><td></td><td>257</td></t<>			279		257
Affilated companies 39 Other, net of allowance for uncollectible accounts of \$6 in 2022 and 2021 30 Prepaid taxes and other 25 25 25 25 25 25 25 25 25 25 25 25 25	Less — Allowance for uncollectible customer receivables				20
Chief. net of allowance for uncollectible accounts of \$6 in 2022 and 2021 25 25 25 25 25 25 25					237
Prepaid taxes and other	•				39
TREATMENT TREA					3′
UTILITY PLANT: T.73 7,7 In service 7,73 5,76 5,508	Prepaid taxes and other				26
In service	UTU ITV BI ANT		461		500
Less—Accumulated provision for depreciation 2,225 2, Construction work in progress 5,508 5, Construction work in progress 277 2 INVESTMENTS AND OTHER NONCURRENT ASSETS: 1,811 1,811 1,171 Goodwill investments 271 1 Other 95 2,177 2,177 2,1 CURRENT LIABILITIES AND CAPITALIZATION 3 3 3 CUrrently payable long-term debt 1 \$ 1 \$ 3 3 C 2 4 A			= =00		
S.508 S.50					7,685
Construction work in progress 5,780 5,78	Less — Accumulated provision for depreciation				2,212
NUMBER 1,811					5,473
NUMBENTS AND OTHER NONCURRENT ASSETS: Goodwill 1,811 1,1	Construction work in progress				251
Goodwill 1,811 1,811 Investments 271 2 Other 95 2,177 2, ELABILITIES AND CAPITALIZATION CURRENT LIABILITIES: Currently payable long-term debt \$ 1 \$ Short-term borrowings - affiliated companies 2 * Accounts payable Affiliated companies 1 *	INVESTMENTS AND OTHER MONSHIPPENT ASSETS		5,780		5,724
Divestments			4.044		4.044
Other 95 2,177 2, LIABILITIES AND CAPITALIZATION CURRENT LIABILITIES: Currently payable long-term debt \$ 1 \$ Short-term borrowings - affiliated companies 2 * Accounts payable Affiliated companies 1 *			•		1,811
CURRENT LIABILITIES AND CAPITALIZATION S					284
LIABILITIES AND CAPITALIZATION CURRENT LIABILITIES: Currently payable long-term debt \$ 1 \$ \$ 1 \$ \$ \$ 1 \$ \$ \$ 1 \$ \$ \$ 1 \$ <td< td=""><td>Other</td><td></td><td></td><td></td><td>94</td></td<>	Other				94
LIABILITIES AND CAPITALIZATION CURRENT LIABILITIES: Currently payable long-term debt \$ 1 \$ Short-term borrowings - affiliated companies 2 Accounts payable 1 Affiliated companies 1 Other 185 Accrued compensation and benefits 38 Customer deposits 35 Accrued taxes 24 Accrued interest 30 Other 76 Tommon stockholder's equity- 392 Common stockholder's equity- 2,729 Common stock, \$10 par value, authorized \$16,000,000 shares - 13,628,447 shares outstanding 136 Other paid-in capital 2,729 Accumulated other comprehensive loss (5) Retained earnings 1,057 Total common stockholder's equity 3,917 Total common stockholder's equity 3,917 Nong-term debt and other long-term obligations 891 NONCURRENT LIABILITIES: 891 Accumulated deferred income taxes 891 Nuclear fuel disposal costs 209		Φ.		_	2,189
CURRENT LIABILITIES: Currently payable long-term debt \$ 1 \$ Short-term borrowings - affiliated companies 2 Accounts payable 8 Affiliated companies 1 Other 185 Accrued compensation and benefits 38 Customer deposits 35 Accrued taxes 24 Accrued interest 30 Other 76 Other 76 Common stockholder's equity- 392 Common stock, \$10 par value, authorized 16,000,000 shares - 13,628,447 shares outstanding 136 Other paid-in capital 2,729 2,729 Accumulated other comprehensive loss (5) Retained earnings 1,057 1,1 Total common stockholder's equity 3,917 3, Long-term debt and other long-term obligations 2,147 2, NONCURRENT LIABILITIES: 891 M Moculear fuel disposal costs 209 4 Nuclear fuel disposal costs 209 4 Retirement benefits 139 <td>LIADULTIES AND CARITALIZATION</td> <td>3</td> <td>8,418</td> <td>2</td> <td>8,416</td>	LIADULTIES AND CARITALIZATION	3	8,418	2	8,416
Currently payable long-term debt \$ 1 Short-term borrowings - affiliated companies 2 Accounts payable 1 Affiliated companies 1 Other 185 Accrued compensation and benefits 38 Customer deposits 35 Accrued taxes 24 Accrued interest 30 Other 76 Cherrow 392 Common stockholder's equity- 392 Common stockk, \$10 par value, authorized \$16,000,000 shares - \$13,628,447 shares outstanding 136 Other paid-in capital 2,729 2,729 Accumulated other comprehensive loss (5) 1,057 1,1 Total common stockholder's equity 3,917 3,3 Long-term debt and other long-term obligations 2,147 2, NONCURRENT LIABILITIES: 891 8 Accumulated deferred income taxes 891 8 Nuclear fuel disposal costs 209 8 Retirement benefits 139 198 Other 525 1 <td></td> <td></td> <td></td> <td></td> <td></td>					
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Accounts payable 1 Affiliated companies 1 Other 185 Accrued compensation and benefits 38 Customer deposits 35 Accrued taxes 24 Accrued interest 30 Other 76 CAPITALIZATION: 392 Common stockholder's equity- 392 Common stock, \$10 par value, authorized 16,000,000 shares - 13,628,447 shares outstanding 136 Other paid-in capital 2,729 2,729 Accumulated other comprehensive loss (5) 1,057 1,1 Total common stockholder's equity 3,917 3,3 Long-term debt and other long-term obligations 2,147 2, NONCURRENT LIABILITIES: 891 1 Accumulated deferred income taxes 891 1 Nuclear fuel disposal costs 209 2 Retirement benefits 139 1 Regulatory liabilities 198 1 Other 525 4		φ		Ф	72
Affiliated companies 1 Other 185 Accrued compensation and benefits 38 Customer deposits 35 Accrued taxes 24 Accrued interest 30 Other 76 CAPITALIZATION: Common stockholder's equity- Common stock, \$10 par value, authorized 16,000,000 shares - 13,628,447 shares outstanding 136 Other paid-in capital 2,729 2,729 Accumulated other comprehensive loss (5) Retained earnings 1,057 1,1 Total common stockholder's equity 3,917 3,3 Long-term debt and other long-term obligations 2,147 2, NONCURRENT LIABILITIES: 8 4 Accumulated deferred income taxes 891 4 Nuclear fuel disposal costs 209 2 Retirement benefits 139 8 Regulatory liabilities 198 1 Other 1,962 1,962 1,962			2		12
Other 185 Accrued compensation and benefits 38 Customer deposits 35 Accrued taxes 24 Accrued interest 30 Other 76 CAPITALIZATION: Common stockholder's equity- Common stock, \$10 par value, authorized 16,000,000 shares - 13,628,447 shares outstanding 136 Other paid-in capital 2,729 2,729 Accumulated other comprehensive loss (5) 5 Retained earnings 1,057 1,057 Total common stockholder's equity 3,917 3,3 Long-term debt and other long-term obligations 2,147 2, NONCURRENT LIABILITIES: 891 6,064 6,0 Nuclear fuel disposal costs 891 8 1,000 Retirement benefits 139 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 1,000 <td< td=""><td></td><td></td><td>1</td><td></td><td>•</td></td<>			1		•
Accrued compensation and benefits 38 Customer deposits 35 Accrued taxes 24 Accrued interest 30 Other 76 CAPITALIZATION: Common stockholder's equity- Common stock, \$10 par value, authorized \$16,000,000 shares - \$13,628,447 shares outstanding 136 Other paid-in capital 2,729 2,7 Accumulated other comprehensive loss (5) Retained earnings 1,057 1, Total common stockholder's equity 3,917 3, Long-term debt and other long-term obligations 2,147 2, NONCURRENT LIABILITIES: 891 6, Nuclear fuel disposal costs 209 2 Retirement benefits 139 2 Regulatory liabilities 198 2 Other 525 4	•				146
Customer deposits 35 Accrued taxes 24 Accrued interest 30 Other 76 CAPITALIZATION: 392 Common stockholder's equity-					43
Accrued taxes 24 Accrued interest 30 Other 76 392 4 CAPITALIZATION: Common stockholder's equity- Common stock, \$10 par value, authorized 16,000,000 shares - 13,628,447 shares outstanding 136 Other paid-in capital 2,729 2,729 Accumulated other comprehensive loss (5) Retained earnings 1,057 1,1 Total common stockholder's equity 3,917 3,3 Long-term debt and other long-term obligations 2,147 2,1 Long-term debt and other long-term obligations 891 6,064 6,0 NONCURRENT LIABILITIES: 891 6 6,004 6,0 Nuclear fuel disposal costs 209 2 2 2 2 2 2 2 2 2 2 3	•				3
Accrued interest 30 Other 76 392 4 CAPITALIZATION: Common stockholder's equity- Common stock, \$10 par value, authorized 16,000,000 shares - 13,628,447 shares outstanding 136 Other paid-in capital 2,729 2,7 Accumulated other comprehensive loss (5) Retained earnings 1,057 1,0 Total common stockholder's equity 3,917 3, Long-term debt and other long-term obligations 2,147 2, NONCURRENT LIABILITIES: 891 6,064 6,0 Nuclear fuel disposal costs 209 3 Nuclear fuel disposal costs 209 3 Retirement benefits 139 3 Regulatory liabilities 198 3 Other 525 5 Other 1,962 1,962	· · · · · · · · · · · · · · · · · · ·				26
Other 76 CAPITALIZATION: Common stockholder's equity- Common stock, \$10 par value, authorized 16,000,000 shares - 13,628,447 shares outstanding 136 Other paid-in capital 2,729 2,729 Accumulated other comprehensive loss (5) 1,057 <th< td=""><td></td><td></td><td></td><td></td><td>27</td></th<>					27
CAPITALIZATION: Common stockholder's equity- Common stock, \$10 par value, authorized 16,000,000 shares - 13,628,447 shares outstanding 136 Other paid-in capital 2,729 2,729 Accumulated other comprehensive loss (5) Retained earnings 1,057 1,0 Total common stockholder's equity 3,917 3,9 Long-term debt and other long-term obligations 2,147 2, NONCURRENT LIABILITIES: Accumulated deferred income taxes 891 4 Nuclear fuel disposal costs 209 2 Retirement benefits 139 2 Regulatory liabilities 198 3 Other 525 1,962 1,962					58
CAPITALIZATION: Common stockholder's equity- 3.628,447 shares outstanding 136 Common stock, \$10 par value, authorized 16,000,000 shares - 13,628,447 shares outstanding 2,729 2,729 Other paid-in capital 2,729 </td <td>Otter</td> <td>_</td> <td></td> <td></td> <td>41</td>	Otter	_			41
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Common stock, \$10 par value, authorized 16,000,000 shares - 13,628,447 shares outstanding 136 Other paid-in capital 2,729 2,7 Accumulated other comprehensive loss (5) Retained earnings 1,057 1, Total common stockholder's equity 3,917 3, Long-term debt and other long-term obligations 2,147 2, NONCURRENT LIABILITIES: 6,064 6,0 Nuclear fuel disposal costs 891 8 Nuclear fuel disposal costs 209 2 Retirement benefits 139 Regulatory liabilities 198 Other 525 5 1,962 1,962 1,962					
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Accumulated other comprehensive loss (5) Retained earnings 1,057 1, Total common stockholder's equity 3,917 3, Long-term debt and other long-term obligations 2,147 2, NONCURRENT LIABILITIES: 891 6,064 6,0 Nuclear fuel disposal costs 209 2 Retirement benefits 139 139 Regulatory liabilities 198 198 Other 525 1,962	•				2,727
Retained earnings 1,057 1, Total common stockholder's equity 3,917 3, Long-term debt and other long-term obligations 2,147 2, NONCURRENT LIABILITIES: 891 8 Accumulated deferred income taxes 891 8 Nuclear fuel disposal costs 209 2 Retirement benefits 139 Regulatory liabilities 198 Other 525 3 1,962 1,962 1,962	•				2,121
Total common stockholder's equity 3,917 3, Long-term debt and other long-term obligations 2,147 2, 6,064 6,0 NONCURRENT LIABILITIES: 891 8 Accumulated deferred income taxes 891 8 Nuclear fuel disposal costs 209 2 Retirement benefits 139 Regulatory liabilities 198 Other 525 5 1,962 1,962 1,962					1,050
Long-term debt and other long-term obligations 2,147 2, 6,064 6,0 NONCURRENT LIABILITIES: 891 8 Accumulated deferred income taxes 891 8 Nuclear fuel disposal costs 209 2 Retirement benefits 139 Regulatory liabilities 198 198 Other 525 1 1,962 1,962 1,962	<u> </u>				3,908
NONCURRENT LIABILITIES: 891 8 Accumulated deferred income taxes 891 8 Nuclear fuel disposal costs 209 2 Retirement benefits 139 Regulatory liabilities 198 3 Other 525 3 1,962 1,962 1,9	• •		•		2,147
NONCURRENT LIABILITIES: 891 8 Accumulated deferred income taxes 891 8 Nuclear fuel disposal costs 209 2 Retirement benefits 139 Regulatory liabilities 198 Other 525 5 1,962 1,962 1,962	Long-term dept and other long-term obligations				6,055
Accumulated deferred income taxes 891	NONCURRENT LIABILITIES:		0,004		0,000
Nuclear fuel disposal costs 209 Retirement benefits 139 Regulatory liabilities 198 Other 525 1,962 1,962			891		874
Retirement benefits 139 Regulatory liabilities 198 Other 525 1,962 1,962					209
Regulatory liabilities 198 Other 525 1,962 1,962	·				155
Other <u>525</u>					187
1,962 1,000					525
	Oli loi				1,950
\$ 8,418 \$ 8,		\$		\$	8,416

JERSEY CENTRAL POWER & LIGHT COMPANY AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF CASH FLOWS

		For the Three Months Ended March 31,			
(In millions)	2022	2021			
CASH FLOWS FROM OPERATING ACTIVITIES:					
Net income	\$ 27	\$ 39			
Adjustments to reconcile net income to net cash from operating activities-					
Depreciation and amortization	76	136			
Deferred income taxes and investment tax credits, net	11	8			
Gain on sale of Yards Creek	_	(109			
Retirement benefits, net of payments	(19)	(19			
Changes in current assets and liabilities-					
Receivables	(22)	25			
Prepaid taxes and other current assets	1	(2			
Accounts payable	39	1			
Accrued taxes	(2)	3			
Accrued interest	3	7			
Accrued compensation and benefits	(9)	(12			
Customer deposits	(2)	(2			
Other current liabilities	3	2			
Collateral, net	13	(2			
Other	9	(14			
Net cash provided from operating activities	128	61			
CASH FLOWS FROM FINANCING ACTIVITIES:					
New financing-					
Short-term borrowings - affiliated companies, net	_	4			
Redemptions and repayments-					
Long-term debt	_	(4			
Short-term borrowings - affiliated companies, net	(70)	_			
Common stock dividend payments	(20)	_			
Other		(1			
Net cash used for financing activities	(90)	(1			
CASH FLOWS FROM INVESTING ACTIVITIES:					
Property additions	(84)	(86			
Proceeds from sale of Yards Creek	_	155			
Loans to affiliated companies, net	_	38			
Sales of investment securities held in trusts	6	4			
Purchases of investment securities held in trusts	(9)	(7			
Asset removal costs	(9)	(5			
Other	(5)				
Net cash provided from (used for) investing activities	(101)	99			
Net change in cash, cash equivalents, and restricted cash	(63)	159			
Cash, cash equivalents, and restricted cash at beginning of period	170	6			
Cash, cash equivalents, and restricted cash at end of period	\$ 107	\$ 165			