

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)

<i>(In millions)</i>	For the Three Months Ended March 31,	
	2022	2021
REVENUES	\$ 486	\$ 420
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

<i>(In millions, except share amounts)</i>	March 31, 2022	December 31, 2021
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 107	\$ 170
Receivables-		
Customers	279	257
Less — Allowance for uncollectible customer receivables	19	20
	260	237
Affiliated companies	39	39
Other, net of allowance for uncollectible accounts of \$6 in 2022 and 2021	30	31
Prepaid taxes and other	25	26
	461	503
UTILITY PLANT:		
In service	7,733	7,685
Less — Accumulated provision for depreciation	2,225	2,212
	5,508	5,473
Construction work in progress	272	251
	5,780	5,724
INVESTMENTS AND OTHER NONCURRENT ASSETS:		
Goodwill	1,811	1,811
Investments	271	284
Other	95	94
	2,177	2,189
	<u>\$ 8,418</u>	<u>\$ 8,416</u>
LIABILITIES AND CAPITALIZATION		
CURRENT LIABILITIES:		
Currently payable long-term debt	\$ 1	\$ 1
Short-term borrowings - affiliated companies	2	72
Accounts payable		
Affiliated companies	1	1
Other	185	146
Accrued compensation and benefits	38	43
Customer deposits	35	37
Accrued taxes	24	26
Accrued interest	30	27
Other	76	58
	392	411
CAPITALIZATION:		
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	2,729	2,727
Accumulated other comprehensive loss	(5)	(5)
Retained earnings	1,057	1,050
Total common stockholder's equity	3,917	3,908
Long-term debt and other long-term obligations	2,147	2,147
	6,064	6,055
NONCURRENT LIABILITIES:		
Accumulated deferred income taxes	891	874
Nuclear fuel disposal costs	209	209
Retirement benefits	139	155
Regulatory liabilities	198	187
Other	525	525
	1,962	1,950
	<u>\$ 8,418</u>	<u>\$ 8,416</u>

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

<i>(In millions)</i>	For the Three Months Ended March 31,	
	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