

CEZ GROUP

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

PREPARED IN ACCORDANCE WITH IFRS ACCOUNTING
STANDARDS AS ADOPTED BY THE EUROPEAN UNION
AS OF JUNE 30, 2025

CEZ GROUP CONSOLIDATED BALANCE SHEET AS OF JUNE 30, 2025

In CZK Millions

	Note	June 30, 2025	December 31, 2024
ASSETS:			
Plant in service		1,090,657	1,083,667
Less accumulated depreciation and impairment		(582,223)	(558,976)
Net plant in service		508,434	524,691
Nuclear fuel		18,959	20,712
Construction work in progress		43,855	35,301
Total property, plant and equipment		571,248	580,704
Investments in associates and joint-ventures		4,635	3,582
Restricted financial assets		30,052	27,619
Other non-current financial assets	5	17,830	16,402
Intangible assets		32,899	33,186
Deferred tax assets		3,000	1,644
Total other non-current assets		88,416	82,433
Total non-current assets		659,664	663,137
Cash and cash equivalents		70,675	40,324
Trade and other receivables		55,541	68,491
Income tax receivable		983	437
Materials and supplies		23,411	19,375
Fossil fuel stocks		463	1,382
Emission rights	6	3,663	29,478
Derivatives and other current financial assets	5	46,426	52,401
Other current assets		22,578	23,214
Assets classified as held for sale		-	3,735
Total current assets		223,740	238,837
Total assets		883,404	901,974

**CEZ GROUP
CONSOLIDATED BALANCE SHEET
AS OF JUNE 30, 2025**

continued

	Note	June 30, 2025	December 31, 2024
EQUITY AND LIABILITIES:			
Stated capital		53,799	53,799
Treasury shares		(1,334)	(1,334)
Retained earnings and other reserves		180,205	186,809
Total equity attributable to equity holders of the parent		232,670	239,274
Non-controlling interests		10,408	11,640
Total equity		243,078	250,914
Long-term debt, net of current portion	8	231,257	216,908
Provisions	9	185,779	181,350
Other long-term financial liabilities	10	11,808	14,057
Deferred tax liability		33,726	51,722
Other long-term liabilities		31	31
Total non-current liabilities		462,601	464,068
Short-term loans	11	19,140	2,552
Current portion of long-term debt	8	6,423	26,689
Trade payables		38,751	50,869
Income tax payable		19,352	2,914
Provisions	9	21,905	34,651
Derivatives and other short-term financial liabilities	10	55,542	47,623
Other short-term liabilities		16,612	18,308
Liabilities associated with assets classified as held for sale		-	3,386
Total current liabilities		177,725	186,992
Total equity and liabilities		883,404	901,974

CEZ GROUP

CONSOLIDATED STATEMENT OF INCOME

FOR THE SIX MONTHS ENDED JUNE 30, 2025

In CZK Millions

	Note	1-6/2025	1-6/2024	4-6/2025	4-6/2024
Sales of electricity, heat, gas and coal		109,183	113,714	46,411	50,042
Sales of services and other revenues		57,058	46,774	27,069	23,604
Other operating income		1,300	1,229	672	676
Total revenues and other operating income	12	167,541	161,717	74,152	74,322
Gains and losses from commodity derivative trading	13	3,217	3,447	1,372	2,139
Purchase of electricity, gas and other energies		(24,673)	(29,507)	(10,737)	(14,241)
Fuel and emission rights		(22,142)	(19,283)	(7,879)	(8,180)
Services		(21,027)	(18,462)	(11,355)	(9,809)
Salaries and wages		(22,009)	(19,573)	(11,266)	(10,100)
Material and supplies		(9,105)	(9,768)	(4,466)	(5,710)
Capitalization of expenses to the cost of assets and change in own inventories		4,298	2,493	2,146	1,587
Depreciation and amortization		(28,375)	(17,916)	(13,863)	(9,174)
Impairment of property, plant and equipment and intangible assets		(156)	(28)	(130)	(26)
Impairment of trade and other receivables		(58)	65	(100)	(78)
Other operating expenses		(2,047)	(1,852)	(903)	(1,045)
Income before other income (expenses) and income taxes		45,464	51,333	16,971	19,685
Interest on debt		(3,945)	(2,713)	(1,825)	(1,319)
Interest on provisions		(3,899)	(4,035)	(1,957)	(2,017)
Interest income		1,710	1,742	863	897
Share of profit (loss) from associates and joint-ventures		(58)	(31)	(28)	(34)
Impairment of financial assets		(2)	(6)	-	(1)
Other financial expenses		(1,412)	(1,187)	(399)	(113)
Other financial income		1,701	1,680	560	691
Total other income (expenses)		(5,905)	(4,550)	(2,786)	(1,896)
Income before income taxes		39,559	46,783	14,185	17,789
Income taxes		(23,086)	(25,726)	(10,464)	(10,286)
Net income		16,473	21,057	3,721	7,503
Net income attributable to:					
Equity holders of the parent		16,653	21,093	3,992	7,559
Non-controlling interests		(180)	(36)	(271)	(56)
Net income per share attributable to equity holders of the parent (CZK per share):					
Basic		31.0	39.3	7.4	14.1
Diluted		31.0	39.3	7.4	14.1

CEZ GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED JUNE 30, 2025

In CZK Millions

	Note	1-6/2025	1-6/2024	4-6/2025	4-6/2024
Net income		16,473	21,057	3,721	7,503
Change in fair value of cash flow hedges		4,570	4,799	(33)	(8,671)
Cash flow hedges reclassified to statement of income		(7,119)	(9,815)	(4,378)	(4,197)
Change in fair value of debt instruments		(141)	(561)	(48)	(385)
Disposal of debt instruments		-	5	-	1
Translation differences – subsidiaries		(584)	293	(302)	(242)
Translation differences – associates and joint-ventures		(53)	37	(27)	(35)
Disposal of translation differences		1,715	(28)	-	(19)
Share on other equity movements of associates and joint-ventures		2	(2)	3	(18)
Deferred tax related to other comprehensive income	14	3,349	3,829	3,555	8,160
Net other comprehensive income that may be reclassified to statement of income or to assets in subsequent periods		<u>1,739</u>	<u>(1,443)</u>	<u>(1,230)</u>	<u>(5,406)</u>
Total comprehensive income, net of tax		<u>18,212</u>	<u>19,614</u>	<u>2,491</u>	<u>2,097</u>
Total comprehensive income attributable to:					
Equity holders of the parent		18,412	19,635	2,772	2,167
Non-controlling interests		(200)	(21)	(281)	(70)

CEZ GROUP
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2025

In CZK Millions

	Note	Attributable to equity holders of the parent							Non-controlling interests	Total equity	
		Stated capital	Treasury shares	Translation difference	Cash flow hedge reserve	Debt instruments	Equity instruments and other reserves	Retained earnings			Total
Balance as at January 1, 2024		53,799	(1,334)	(3,468)	8,382	284	(2,324)	188,713	244,052	1,549	245,601
Net income		-	-	-	-	-	-	21,093	21,093	(36)	21,057
Other comprehensive income		-	-	287	(1,237)	(507)	-	(1)	(1,458)	15	(1,443)
Total comprehensive income		-	-	287	(1,237)	(507)	-	21,092	19,635	(21)	19,614
Dividends		-	-	-	-	-	-	(27,914)	(27,914)	(11)	(27,925)
Contribution from owners of non-controlling interests		-	-	-	-	-	-	-	-	8	8
Acquisition of subsidiaries		-	-	-	-	-	-	-	-	9	9
Changes of non-controlling interests without loss of control		-	-	-	-	-	-	(6)	(6)	4	(2)
Put options held by non-controlling interests		-	-	4	-	-	-	(8)	(4)	4	-
Balance as at June 30, 2024		<u>53,799</u>	<u>(1,334)</u>	<u>(3,177)</u>	<u>7,145</u>	<u>(223)</u>	<u>(2,324)</u>	<u>181,877</u>	<u>235,763</u>	<u>1,542</u>	<u>237,305</u>

**CEZ GROUP
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2025**

continued

	Note	Attributable to equity holders of the parent							Non-controlling interests	Total equity	
		Stated capital	Treasury shares	Translation difference	Cash flow hedge reserve	Debt instruments	Equity instruments and other reserves	Retained earnings			Total
Balance as at January 1, 2025		53,799	(1,334)	(2,978)	369	(367)	(1,377)	191,162	239,274	11,640	250,914
Net income		-	-	-	-	-	-	16,653	16,653	(180)	16,473
Other comprehensive income		-	-	1,097	771	(111)	-	2	1,759	(20)	1,739
Total comprehensive income		-	-	1,097	771	(111)	-	16,655	18,412	(200)	18,212
Dividends	7	-	-	-	-	-	-	(25,230)	(25,230)	(927)	(26,157)
Transfer of measurement of equity instruments on sale		-	-	-	-	-	1,375	(1,375)	-	-	-
Acquisition of subsidiaries		-	-	-	-	-	-	-	-	152	152
Changes of non-controlling interests without loss of control		-	-	-	-	-	-	104	104	(114)	(10)
Put options held by non-controlling interests		-	-	(4)	-	-	-	114	110	(143)	(33)
Balance as at June 30, 2025		<u>53,799</u>	<u>(1,334)</u>	<u>(1,885)</u>	<u>1,140</u>	<u>(478)</u>	<u>(2)</u>	<u>181,430</u>	<u>232,670</u>	<u>10,408</u>	<u>243,078</u>

CEZ GROUP

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED JUNE 30, 2025

In CZK Millions

	Note	1-6/2025	1-6/2024*
OPERATING ACTIVITIES:			
Income before income taxes		39,559	46,783
Adjustments of income before income taxes to cash generated from operations:			
Depreciation and amortization		28,375	17,916
Amortization of nuclear fuel		1,978	1,734
(Gains) and losses on non-current asset retirements		(1,321)	(85)
Foreign exchange rate loss (gain)		(200)	(1,099)
Interest expense, interest income and dividend income		2,223	888
Provisions		(9,746)	(7,956)
Impairment of property, plant and equipment and intangible assets		156	28
Other non-cash expenses and income		(7,556)	(7,373)
Share of (profit) loss from associates and joint-ventures		58	31
Changes in assets and liabilities:			
Receivables and contract assets		12,217	27,668
Materials, supplies and fossil fuel stocks		(3,170)	(1,851)
Receivables and payables from derivatives		(4,153)	13,759
Other assets		24,596	24,470
Trade payables		(8,802)	(18,269)
Other liabilities		(1,526)	(892)
Cash from operations		72,688	95,752
Income taxes paid		(23,246)	(25,129)
Interest paid, net of capitalized interest		(4,043)	(3,290)
Interest received		1,700	1,744
Dividends received		4	10
Net cash flow from operating activities		47,103	69,087
INVESTING ACTIVITIES:			
Acquisition of subsidiaries, associates and joint-ventures, net of cash acquired	4	(731)	(1,314)
Disposal of subsidiaries, associates and joint-ventures, net of cash disposed of	4.2	1,466	32
Additions to non-current assets before deducting grants, including capitalized interest		(29,294)	(22,746)
Proceeds from grants to non-current assets		224	501
Proceeds from sale of non-current assets		1,548	246
Loans made		(32)	(8)
Repayment of loans		22	79
Change in restricted financial assets		(2,595)	(2,301)
Net cash flow from investing activities		(29,392)	(25,511)

* The way of presentation of this statement was changed in 2024 (see Note 2.2.1). The prior year figures were changed accordingly to provide comparative information on the same basis and they do not fully correspond to the interim consolidated financial statements as at June 30, 2024.

CEZ GROUP
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2025

continued

	Note	1-6/2025	1-6/2024*
FINANCING ACTIVITIES:			
Proceeds from borrowings		160,342	164,346
Payments of borrowings		(144,340)	(175,756)
Payments of lease liabilities		(673)	(482)
Proceeds from other long-term liabilities		192	104
Payments of other long-term liabilities		(1,241)	(972)
Dividends paid to Company's shareholders		(86)	(195)
(Dividends paid) contributions received – owners of noncontrolling interests, net		(925)	(1)
Acquisition of non-controlling interests		(10)	(2)
Net cash flow from financing activities		<u>13,259</u>	<u>(12,958)</u>
Net effect of currency translation and allowances in cash		(714)	112
Net increase in cash and cash equivalents		30,256	30,730
Cash and cash equivalents at beginning of period		<u>40,419</u>	<u>10,892</u>
Cash and cash equivalents at end of period		<u><u>70,675</u></u>	<u><u>41,622</u></u>

Supplementary cash flow information:

Total cash paid for interest	4,543	3,576
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* The way of presentation of this statement was changed in 2024 (see Note 2.2.1). The prior year figures were changed accordingly to provide comparative information on the same basis and they do not fully correspond to the interim consolidated financial statements as at June 30, 2024.

CEZ GROUP

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF JUNE 30, 2025

1. The Company

ČEZ, a. s. ("ČEZ" or "the Company") is a Czech joint-stock company, owned 69.8% (69.9% of voting rights) at June 30, 2025 by the Czech Republic represented by the Ministry of Finance. The remaining shares of the Company are held by legal persons and individuals and they are traded on stock exchange markets in Prague and Warsaw. The address of the Company's registered office is Duhová 2/1444, Praha 4, 140 53, Czech Republic.

The Company is a parent company of the CEZ Group ("the Group"). CEZ Group is a vertically integrated energy group that is among the largest economic entities in the Czech Republic and Central Europe. The main business of the Group is the generation, distribution, trade and sale in the field of electricity and heat, coal mining, trading in commodities and providing of complex energy services, distribution, trade and sale in the field of natural gas and providing of electronic communications.

The "VISION 2030 – Clean Energy of Tomorrow" strategy is focused on dynamic transformation of the generation portfolio to low-emission one and achievement of full climate neutrality already by 2040. The strategy includes a commitment to fundamentally limit the production of heat and electricity from coal and fundamentally reduce the emission intensity by 2030. In areas of distribution and sales, the basic goal is to provide the most advantageous energy solutions and the best customer experience on the market. The goal to develop CEZ Group responsibly and sustainably in accordance with ESG principles is also among the main priorities.

2. Summary of Significant Accounting Policies

2.1. Financial Statements

The interim consolidated financial statements for the six months ended June 30, 2025 have been prepared in accordance with IAS 34 and have not been audited by an independent auditor. The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with [the Group's annual financial statement as of December 31, 2024](#).

2.2. Changes in Accounting Policies

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of [the Group's annual financial statement as of December 31, 2024](#).

As of January 1, 2025, the Group did not adopt any new or amended accounting standard IFRS that would have a significant impact on Group's interim consolidated financial statements.

2.2.1. Change of Presentation of Consolidated Statement of Cash Flows

As of December 31, 2024, the presentation of the statement of cash flows was changed to increase the relevance of information regarding cash flows associated to grants related to assets. The original line item Additions to non-current assets, including capitalized interest, is no longer affected by grants and the receipt of cash and cash equivalents related to grants is reported on a separate line item Proceeds from grants to non-current assets within investing activities. Operating activities are no longer affected by grants related to non-current assets. As a result, some items of the comparative period have been reclassified to be fully comparable with the current period.

The overview of performed adjustments of previous period is as follows (in CZK millions):

	<u>Adjustment 1-6/2024</u>
Consolidated statement of cash flows:	
Receivables and contract assets	(374)
Other liabilities	<u>(18)</u>
Cash from operations	<u>(392)</u>
Net cash flow from operating activities	<u>(392)</u>
Additions to non-current assets before deducting grants, including capitalized interest	(109)
Proceeds from grants to non-current assets	<u>501</u>
Net cash flow from investing activities	<u>392</u>
Net increase in cash and cash equivalents	<u><u>-</u></u>

3. Seasonality of Operations

The seasonality within the segments Generation, Distribution and Sales usually takes effect in such a way that the revenues and operating profits of these segments for the 1st and 4th quarters of a calendar year are slightly higher than the revenues and operating profits achieved in the remaining period.

4. Changes in the Group Structure

The following table summarizes the cash flows related to acquisitions in the first six months of 2025 (in CZK millions):

Cash outflow on acquisition of the subsidiaries	305
Cash outflow on investments and contributions to joint-ventures	295
Payments of payables from acquisitions of previous periods	173
Less:	
Cash and cash equivalents acquired on acquisition of the subsidiaries	<u>(42)</u>
Total acquisition of subsidiaries, associates and joint-ventures, net of cash acquired	<u><u>731</u></u>

4.1. Acquisitions of Subsidiaries in the First Six Months of 2025

On January 22, 2025, the Group acquired a 100% interest in German company INC Innovative Netzconzepte GmbH, which focuses on implementation of network infrastructure.

On May 6, 2025, the Group acquired 100% interests in Spanish companies TREXCOM ENERGÍAS RENOVABLES, S.L. and REVISIONES Y CONTROL DE CARTAGENA, S.L. (hereinafter "Companies of BELECTRIC ESPAÑA group"), which focus on the development of solar projects and battery storage, their maintenance and electrical installations.

The fair values of acquired identifiable assets and liabilities and the purchase considerations have been stated provisionally and could be adjusted in the subsequent period. The following table presents the current best estimate of fair values of acquired identifiable assets and liabilities, which are part of the business combination transaction, as of the date of acquisition (in CZK millions):

	INC Innovative Netzconzepte	Companies of BELECTRIC ESPAÑA group	Total
Share being acquired	100%	100%	
Property, plant and equipment	18	14	32
Intangible assets	38	39	77
Other long-term financial assets	-	14	14
Cash and cash equivalents	25	17	42
Materials and supplies	11	15	26
Trade and other receivables	11	35	46
Other long-term debt, net of current portion	(13)	(9)	(22)
Deferred tax liability	(12)	(10)	(22)
Short-term provisions	-	(24)	(24)
Other current liabilities	(26)	(31)	(57)
Total net assets	52	60	112
Share of net assets acquired	52	60	112
Goodwill	156	118	274
Total purchase consideration	208	178	386
Liabilities from acquisition of the subsidiary	(81)	-	(81)
Cash outflow on acquisition in 2025	127	178	305
Less: Cash and cash equivalents in the subsidiary acquired	(25)	(17)	(42)
Cash outflow in 2025, net	<u>102</u>	<u>161</u>	<u>263</u>

If the acquisitions had taken place at the beginning of the year 2025, net income for CEZ Group as of June 30, 2025 would have been CZK 16,460 million and the revenues and other operating income from continuing operations would have been CZK 167,581 million. The amount of goodwill recognized as a result of the business combination comprise the value of expected synergies arising from the acquisition.

From the acquisition date, the newly acquired subsidiaries have contributed the following balances to the Group's statement of income (in CZK millions):

	INC Innovative Netzconzepte	Companies of BELECTRIC ESPAÑA group	Total
Revenues and other operating income	53	24	77
Income before other income (expense) and income taxes	14	2	16
Net income	8	3	11
Net income attributable:			
Equity holders of the parent	8	3	11
Non-controlling interests	-	-	-

4.2. Sale of Shares in Polish Companies

On November 11, 2024, the Group concluded the contract for sale of interest in Polish companies CEZ Polska sp. z o.o. (including its interest in CEZ Chorzów S.A. and CEZ Skawina S.A.) and CEZ Produkty Energetyczne Polska sp. z o.o. Since September 30, 2024, the Group classified assets and liabilities of these companies as assets and associated liabilities classified as held for sale. The transaction was settled after the approval of the Polish competition authority on February 6, 2025. The buyer is ResInvest Group based on an auction process initiated in March 2024. The total sale price for the shares in the Polish companies was paid in full and the Group transferred control over the sold subsidiaries.

The following table provides an overview of the impacts related to the derecognition of Polish companies from consolidation, with the derecognized net assets broken down by operating segments (in CZK millions):

Sold interest	100%
Tangible and intangible assets	303
Deferred tax asset	36
Another non-current assets	273
Cash and cash equivalents	1,806
Trade and other receivables	1,351
Derivatives and other current financial assets	47
Fossil fuel stocks	346
Emission rights	366
Another current assets	220
Long-term liabilities	(190)
Trade payables	(602)
Income tax payable	(467)
Current provisions	(2,526)
Derivatives and other short-term financial liabilities	(133)
Another short-term liabilities	(118)
Total net assets	712
Disposal of translation differences	1,715
Total cost of sale of the Group	2,427
Revenue from sale	3,397
Gain on sale	970

Gain on sale from sale of interest in stated Polish companies is presented in the statement of income as part of the line-item Other financial income.

The following table shows the cash flows related to the sale and derecognition of the Polish companies from consolidation (in CZK millions):

Revenue from sale	3,397
Less: Cash from sale received in 2024	<u>(125)</u>
Cash from sale received in 2025	3,272
Cash disposed of on derecognition from consolidation	<u>(1,806)</u>
Total cash flow from sale of Polish companies in 2025	<u><u>1,466</u></u>

4.3. The Loss of Control over the Company Elektrárna Dukovany II

On April 30, 2025, based on The First Implementation Agreement between the state and the companies Elektrárna Dukovany II, a. s., and ČEZ, the Government of the Czech Republic decided that the state buys interest of 79.98% in the company Elektrárna Dukovany II, a. s., which is preparing the construction of a new nuclear power plant in the Dukovany site. The settlement of this transaction was made on May 5, 2025. The Group lost control over the company Elektrárna Dukovany II, a. s., and kept the interest of 20.02% representing the significant influence. The following table shows the summary of impacts of the sale (in CZK millions):

Lands	322
Construction work in progress	3,284
Other non-current assets	36
Trade and other receivables	2
Other current assets	18
Long-term liabilities	(52)
Trade payables	(76)
Other short-term liabilities	<u>(67)</u>
Total net assets of former subsidiary disposed from the balance sheet (100%)	3,467
Less items newly recognized on the balance sheet of the Group:	
Effect of intercompany balances:	
Trade and other receivables	(42)
Trade payables	2
Payables from cash pooling	821
Other	1
Fair value of the remaining interest 20.02%, which is kept by the Group	<u>(903)</u>
Total of derecognized and newly recognized items	3,346
Revenue from sale of 79.98% interest	<u>3,607</u>
Gain on sale	<u><u>261</u></u>

The gain on sale of controlling interest in the company Elektrárna Dukovany II, a. s., is presented in the statement of income as part of the line-item Other financial income and contains the gain CZK 52 million attributable to measuring investment retained by the Group in the former subsidiary. The sale of the controlling interest and loss of the control is associated with no cash flows as of June 30, 2025, the receivable from the sale is due on March 31, 2026.

5. Derivatives and Other Financial Assets

The overview of derivatives and other financial assets at June 30, 2025 and December 31, 2024 is as follows (in CZK millions):

	June 30, 2025			December 31, 2024		
	Non-current assets	Current assets	Total	Non-current assets	Current assets	Total
Other financial receivables	1,581	193	1,774	1,561	115	1,676
Debt financial assets	3	-	3	-	-	-
Receivables from sale of subsidiaries, associates and joint-ventures ¹⁾	-	3,603	3,603	-	-	-
Investment in finance lease	188	43	231	206	47	253
Total financial assets at amortized cost	1,772	3,839	5,611	1,767	162	1,929
Equity financial assets – investments in Inven Capital, SICAV, a.s., ČEZ sub-funds	3,499	-	3,499	3,501	-	3,501
Commodity and other derivatives	1,712	23,875	25,587	2,093	32,071	34,164
Total financial assets at fair value through profit or loss	5,211	23,875	29,086	5,594	32,071	37,665
Investment in Rolls-Royce SMR Limited ²⁾	2,991	-	2,991	-	-	-
Other equity financial assets	437	5	442	342	6	348
Total equity financial assets	3,428	5	3,433	342	6	348
Cash flow hedge derivatives	7,419	14,047	21,466	8,699	17,085	25,784
Debt financial assets	-	4,660	4,660	-	3,077	3,077
Total financial assets at fair value through other comprehensive income	10,847	18,712	29,559	9,041	20,168	29,209
Total	17,830	46,426	64,256	16,402	52,401	68,803

¹⁾ Contains receivable from sale of 79.98% interest in the company Elektrárna Dukovany II, a. s., (Note 4.3), including the impairment according to the expected credit loss model in the amount of CZK (4) million.

²⁾ The acquisition of interest in the company Rolls-Royce SMR Limited was made during the first three months of the year 2025.

6. Emission rights

The composition of emission rights and green and similar certificates at June 30, 2025 and December 31, 2024 (in CZK millions):

	June 30, 2025	December 31, 2024		
	Current	Non-current	Current	Total
Emission rights for own use	2,321	4	27,102	27,106
Emission rights held for trading	1,341	-	2,369	2,369
Green and similar certificates	1	-	7	7
Total	<u>3,663</u>	<u>4</u>	<u>29,478</u>	<u>29,482</u>

Non-current emission rights for own use are part of intangible assets.

7. Dividends

On June 23, 2025, the Shareholders Meeting of ČEZ, a. s., approved the dividends per share before tax of CZK 47. The total amount of dividend approved for distribution to shareholders net of treasury shares amounts to CZK 25,230 million.

8. Long-term Debt

Long-term debt at June 30, 2025 and December 31, 2024 is as follows (in CZK millions):

	June 30, 2025	December 31, 2024
3.005% Eurobonds, due 2038 (JPY 12,000 million)	1,768	1,866
2.845% Eurobonds, due 2039 (JPY 8,000 million)	1,179	1,245
4.875% Eurobonds, due 2025 (EUR 750 million)	-	19,540
4.375% Eurobonds, due 2042 (EUR 50 million)	1,270	1,265
4.500% Eurobonds, due 2047 (EUR 50 million)	1,276	1,262
4.383% Eurobonds, due 2047 (EUR 80 million)	2,044	2,044
3.000% Eurobonds, due 2028 (EUR 725 million)	18,113	18,731
0.875% Eurobonds, due 2026 (EUR 750 million)	18,611	18,840
2.375% Eurobonds, due 2027 (EUR 600 million)	14,892	15,323
4.250% Eurobonds, due 2032 (EUR 750 million)	18,507	19,230
4.125% Eurobonds, due 2031 (EUR 700 million)	17,814	17,759
4.125% Eurobonds, due 2033 (EUR 750 million)	18,520	-
5.625% U.S. bonds, due 2042 (USD 300 million)	6,381	7,319
4.500% Registered bonds, due 2030 (EUR 40 million)	1,009	1,003
4.700% Registered bonds, due 2032 (EUR 40 million)	999	1,040
4.270% Registered bonds, due 2047 (EUR 61 million)	1,528	1,522
3.550% Registered bonds, due 2038 (EUR 30 million)	748	774
1.000% Registered bonds, due 2027 (EUR 600 million) ¹⁾	14,097	14,142
0.875% Registered bonds, due 2031 (EUR 500 million) ¹⁾	10,548	10,681
0.450% Registered bonds, due 2029 (EUR 500 million) ¹⁾	10,193	10,229
4.750% CZK bonds, due 2026 (CZK 6,750 million) ²⁾	6,869	6,871
Total bonds and debentures	166,366	170,686
Less: Current portion	(1,891)	(21,597)
Bonds and debentures, net of current portion	164,475	149,089
Long-term bank and other loans, lease liabilities:	71,314	72,911
Less: Current portion	(4,532)	(5,092)
Long-term bank and other loans, lease payables, net of current portion	66,782	67,819
Total long-term debt	237,680	243,597
Less: Current portion	(6,423)	(26,689)
Total long-term debt, net of current portion	231,257	216,908

¹⁾ Bonds were recognized at fair value as part of the acquisition of the GasNet Group. The effective interest rate is the market interest rate at the date of acquisition and is in the range of 3.9–4.4%.

²⁾ This is a floating interest rate bond 1% + 6M PRIBOR.

9. Provisions

The following table provides an overview of provisions as at June 30, 2025, and December 31, 2024 (in CZK millions):

	June 30, 2025			December 31, 2024		
	Non-current	Current	Total	Non-current	Current	Total
Nuclear provisions	146,500	2,259	148,759	142,736	2,375	145,111
Provision for demolition and dismantling of fossil-fuel power plants	15,327	305	15,632	15,112	548	15,660
Provision for reclamation of mines and mining damages	15,834	210	16,044	15,654	210	15,864
Provision for waste storage reclamation	789	15	804	778	15	793
Provision for CO ₂ emissions	-	13,976	13,976	-	25,860	25,860
Provision for employee benefits	5,598	401	5,999	5,478	452	5,930
Other provisions	1,731	4,739	6,470	1,592	5,191	6,783
Total	185,779	21,905	207,684	181,350	34,651	216,001

10. Derivatives and Other Financial Liabilities

Derivatives and other financial liabilities at June 30, 2025 and December 31, 2024 are as follows (in CZK millions):

	June 30, 2025		
	Long-term liabilities	Short-term liabilities	Total
Payables from non-current assets purchase	621	-	621
Payables to owners for profit distribution	-	25,989	25,989
Other	890	2,010	2,900
Financial liabilities at amortized cost	1,511	27,999	29,510
Cash flow hedge derivatives	5,492	2,656	8,148
Commodity and other derivatives	3,769	24,665	28,434
Liabilities from put options held by non-controlling interests	786	27	813
Contingent consideration from the acquisition of subsidiaries	250	195	445
Financial liabilities at fair value	10,297	27,543	37,840
Total	11,808	55,542	67,350

	December 31, 2024		
	Long-term liabilities	Short-term liabilities	Total
Payables from non-current assets purchase	634	-	634
Other	1,636	2,144	3,780
Financial liabilities at amortized cost	2,270	2,144	4,414
Cash flow hedge derivatives	7,159	1,794	8,953
Commodity and other derivatives	3,626	43,370	46,996
Liabilities from put options held by non-controlling interests	749	38	787
Contingent consideration from the acquisition of subsidiaries	253	277	530
Financial liabilities at fair value	11,787	45,479	57,266
Total	14,057	47,623	61,680

11. Short-term Loans

Short-term loans at June 30, 2025 and December 31, 2024 are as follows (in CZK millions):

	June 30, 2025	December 31, 2024
Bank loans	18,464	2,071
Bank overdrafts	676	481
Total	19,140	2,552

12. Revenues and Other Operating Income

The composition of revenues and other operating income for the first six months ended June 30, 2025 and 2024 is as follows (in CZK millions):

	1-6/2025	1-6/2024
<u>Sales of electricity:</u>		
Sales of electricity to end customers	34,855	37,737
Sales of electricity through energy exchange and other organized markets	33,500	18,400
Sales of electricity to traders	5,239	14,486
Sales to distribution and transmission companies	211	232
Other sales of electricity	8,979	14,847
Effect of hedging – presales of electricity	7,744	8,836
Effect of hedging – currency risk hedging	397	726
	90,925	95,264
<u>Sales of gas, coal and heat:</u>		
Sales of gas	8,502	8,644
Sales of coal	2,553	2,010
Sales of heat	7,203	7,796
	18,258	18,450
Total sales of electricity, heat, gas and coal	109,183	113,714
<u>Sales of services and other revenues:</u>		
Distribution services - electricity	23,554	22,849
Distribution services - gas	10,496	23
Ancillary services of transmission grid	758	1,338
Other services	20,823	21,197
Rental income	126	112
Revenues from goods sold	420	415
Other revenues	881	840
	57,058	46,774
<u>Other operating income:</u>		
Contractual fines and interest fees for delays	78	179
Gain on sale of property, plant and equipment	133	114
Gain on sale of material	121	113
Granted certificates and guarantees of origin	11	16
Other	957	807
	1,300	1,229
Total revenues and other operating income	167,541	161,717

Revenues from contracts with customers for the six months ended June 30, 2025 and 2024 were CZK 157,974 million and CZK 150,814 million, respectively, and can be linked to the above figures as follows:

	<u>1-6/2025</u>	<u>1-6/2024</u>
Sales of electricity, heat, gas and coal	109,183	113,714
Sales of services and other revenues	57,058	46,774
Total revenues	166,241	160,488
Adjustments:		
Effect of hedging – presales of electricity	(7,744)	(8,836)
Effect of hedging – currency risk hedging	(397)	(726)
Rental income	(126)	(112)
Revenues from contracts with customers	<u>157,974</u>	<u>150,814</u>

13. Gains and Losses from Commodity Derivative Trading

The composition of gains and losses from commodity derivative trading for the six months ended June 30, 2025 and 2024 is as follows (in CZK millions):

	<u>1-6/2025</u>	<u>1-6/2024</u>
Gain from electricity derivative trading	4,046	4,481
Loss from gas derivative trading	(577)	(361)
Loss from oil derivative trading	(21)	(14)
Gain from coal derivative trading	-	7
Loss from emission rights derivative trading	(231)	(666)
Total gains and losses from commodity derivative trading	<u>3,217</u>	<u>3,447</u>

Reported gains and losses from derivative trading consist of trades with commodities for the purpose of speculative trading, but also trades concluded for the purpose of hedging the gross margin from electricity generation, where changes in their fair value do not enter the hedge accounting scheme mainly due to the uncertainty of the hedged deliveries of electricity from generation sources (where the expected deliveries of electricity may not be produced eventually, but trading positions on electricity and related positions for emission allowances and fuels will be closed, e.g. for deliveries from the Počerady CCGT power plant). Given the high volatility of commodity market prices, these trades have a significant impact on reported gains and losses from derivative trading.

14. Income Taxes

Tax effects relating to each component of other comprehensive income are the following (in CZK millions):

	1-6/2025			1-6/2024		
	Before tax amount	Tax effect	Net of tax amount	Before tax amount	Tax effect	Net of tax amount
Change in fair value of cash flow hedges	4,570	(1,948)	2,622	4,799	(3,276)	1,523
Cash flow hedges reclassified to statement of income	(7,119)	5,267	(1,852)	(9,815)	7,056	(2,759)
Change in fair value of debt instruments	(141)	30	(111)	(561)	50	(511)
Disposal of debt instruments	-	-	-	5	(1)	4
Translation differences – subsidiaries	(584)	-	(584)	293	-	293
Translation differences – associates and joint-ventures	(53)	-	(53)	37	-	37
Disposal of translation differences	1,715	-	1,715	(28)	-	(28)
Share on other equity movements of associates and joint-ventures	2	-	2	(2)	-	(2)
Total	(1,610)	3,349	1,739	(5,272)	3,829	(1,443)

15. Segment Information

The Group reports its result using four reportable operating segments:

- Generation
- Distribution
- Sales
- Mining

The segments are defined across the countries in which CEZ Group operates. Segment is a functionally autonomous part of CEZ Group that serves a single part of the value chain of the Group.

The Group accounts for intersegment revenues and transfers as if the revenues or transfers were to third parties, that is, at current market prices or where the regulation applies at regulated prices.

In segment reporting, IFRS 16 is applied to external leases from the Group's perspective, but it is not applied to leases between individual operating segments, although in some cases the asset is leased to another segment internally.

The Group evaluates the performance of its segments based on earnings before interest, taxes, depreciation and amortization (EBITDA). The reconciliation of EBITDA to income before other income (expenses) and income taxes summarizes the following table (in CZK millions):

	1-6/2025	1-6/2024
Income before other income (expenses) and income taxes	45,464	51,333
Depreciation and amortization	28,375	17,916
Impairment of property, plant and equipment and intangible assets	156	28
Gains and losses on sale of property, plant and equipment, net ¹⁾	(106)	(113)
EBITDA	73,889	69,164

- 1) Gains on sale of property, plant and equipment are presented in the statement of income as part of the line-item Other operating income (Note 12). Losses on sale of property, plant and equipment are presented in the statement of income as part of the line-item Other operating expenses.

The Group follows and analyses results of individual segments also based on the ratio of Gross margin, which is defined as follows (in CZK millions):

	1-6/2025	1-6/2024
Operating income	167,541	161,717
Gains and losses from commodity derivative trading	3,217	3,447
Purchase of electricity, gas and other energies	(24,673)	(29,507)
Fuel and emission rights	(22,142)	(19,283)
Services	(21,027)	(18,462)
Capitalization of expenses to the cost of assets and change in own inventories	4,298	2,493
Levy on revenues above price caps ¹⁾	-	46
Other ²⁾	(799)	(2,471)
Gross margin	106,415	97,980

- 1) Levy on revenues above price caps is part of the statement of income line-item Other operating expenses.

- 2) Other includes relevant part of the material costs (part of the statement of income line-item Material and supplies) and excludes part of the statement of income line-item Services, which refers to repair and maintenance services and other services that have rather overhead nature.

The following tables summarize segment information by operating segments for the six months ended June 30, 2025 and 2024 and at December 31, 2024 (in CZK millions):

June 30, 2025:	Gene- ration	Distribu- tion ¹⁾	Sales	Mining	Combined	Elimina- tion	Consoli- dated
Revenues and other operating income – other than intersegment	60,112	34,074	70,473	2,882	167,541	-	167,541
Revenues and other operating income – intersegment	38,994	288	6,070	4,840	50,192	(50,192)	-
Total revenues and other operating income	99,106	34,362	76,543	7,722	217,733	(50,192)	167,541
Thereof:							
Sales of electricity, heat, gas and coal	91,568	8	56,724	6,944	155,244	(46,061)	109,183
Sales of services and other revenues	6,522	34,159	19,256	736	60,673	(3,615)	57,058
Other operating income	1,016	195	563	42	1,816	(516)	1,300
Revenues and other operating income, including result from commodity derivative trading	102,115	34,363	76,751	7,721	220,950	(50,192)	170,758
Total sales of electricity, including the result of electricity trading ²⁾	82,885	8	44,191	-	127,084	(32,113)	94,971
Gross margin	56,927	27,305	18,356	7,567	110,155	(3,740)	106,415
EBITDA	42,305	19,803	7,706	4,173	73,987	(98)	73,889
Depreciation and amortization	(15,938) ³⁾	(9,365)	(1,541)	(1,531) ³⁾	(28,375)	-	(28,375)
Impairment of property, plant and equipment and intangible assets	(2)	(153)	(3)	2	(156)	-	(156)
Income before other income (expenses) and income taxes	26,422	10,312	6,171	2,657	45,562	(98)	45,464
Interest on debt and provisions	(6,135)	(1,870)	(243)	(334)	(8,582)	738	(7,844)
Interest income	1,617	147	433	251	2,448	(738)	1,710
Share of profit (loss) from associates and joint-ventures	(18)	5	10	(55)	(58)	-	(58)
Income taxes	(15,850)	(2,823)	(3,796)	(573)	(23,042)	(44)	(23,086)
Net income	16,974	5,570	2,210	2,076	26,830	(10,357)	16,473
Identifiable assets	289,812	255,027	17,110	9,720	571,669	(421)	571,248
Investment in associates and joint-ventures	3,752	40	260	583	4,635	-	4,635
Unallocated assets							307,521
Total assets							883,404
Capital expenditure	11,047	9,250	1,988	626	22,911	(124)	22,787

¹⁾ Significant changes of Distribution segment resulting from comparison of first six months of 2024 and 2025 are mainly due to acquisition of companies from GasNet Group.

²⁾ The item contains the line Total sales of electricity (Note 12) and the line Gain from electricity derivative trading (Note 13).

³⁾ The significant year-to-year increase of depreciation and amortization of Generation and Mining segments is mainly due to the change of depreciation method of coal assets. Since October 1, 2024, the Group depreciates coal assets using a method in which depreciation decreases evenly over the remaining useful life (see also Note 2.4 of the Group's annual financial statement as of December 31, 2024).

June 30, 2024:	Gene- ration	Distribu- tion	Sales	Mining	Combined	Elimina- tion	Consoli- dated
Revenues and other operating income – other than intersegment	56,971	22,753	79,651	2,342	161,717	-	161,717
Revenues and other operating income – intersegment	47,012	209	8,159	5,163	60,543	(60,543)	-
Total revenues and other operating income	103,983	22,962	87,810	7,505	222,260	(60,543)	161,717
Thereof:							
Sales of electricity, heat, gas and coal	96,507	-	66,651	6,756	169,914	(56,200)	113,714
Sales of services and other revenues	6,660	22,800	20,707	660	50,827	(4,053)	46,774
Other operating income	816	162	452	89	1,519	(290)	1,229
Revenues and other operating income, including result from commodity derivative trading	107,442	22,962	87,798	7,505	225,707	(60,543)	165,164
Total sales of electricity, including the result of electricity trading ¹⁾	87,397	-	54,722	-	142,119	(42,374)	99,745
Gross margin	64,775	15,905	13,177	7,457	101,314	(3,334)	97,980
EBITDA	50,808	10,436	3,783	4,145	69,172	(8)	69,164
Depreciation and amortization	(11,674)	(3,896)	(1,293)	(1,053)	(17,916)	-	(17,916)
Impairment of property, plant and equipment and intangible assets	(4)	(24)	-	-	(28)	-	(28)
Income before other income (expenses) and income taxes	39,203	6,529	2,507	3,102	51,341	(8)	51,333
Interest on debt and provisions	(6,130)	(638)	(197)	(367)	(7,332)	584	(6,748)
Interest income	1,115	237	598	376	2,326	(584)	1,742
Share of profit (loss) from associates and joint-ventures	(17)	-	22	(36)	(31)	-	(31)
Income taxes	(23,173)	(1,300)	(587)	(677)	(25,737)	11	(25,726)
Net income	18,977	4,827	1,946	2,526	28,276	(7,219)	21,057
Capital expenditure	9,787	8,777	1,476	671	20,711	(208)	20,503
December 31, 2024:	Gene- ration	Distribu- tion	Sales	Mining	Combined	Elimina- tion	Consoli- dated
Identifiable assets	298,623	255,188	16,653	10,632	581,096	(392)	580,704
Investment in associates and joint-ventures	2,669	35	274	604	3,582	-	3,582
Unallocated assets							317,688
Total assets							<u>901,974</u>

¹⁾ The item contains the line Total sales of electricity (Note 12) and the line Gain from electricity derivative trading (Note 13).

16. Events after the Balance Sheet Date

On July 7, 2025, through an additional investment in Rolls-Royce SMR Limited, the Group increased its interest to 20.25%, as part of the announced strategic partnership. With this step, the Group gained the right to nominate one member of the board of directors and acquired significant influence in the company. The Group's investment in the associated company Rolls-Royce SMR Limited has been accounted for using the equity method from this date.