

Annual Financial Report 2024

Name of the Entity: Doosan Škoda Power a.s.

(former Doosan Škoda Power s.r.o.)

Registered Office: Plzeň, Jižní Předměstí, Tylova 1/57, 301 00

Legal Status: Joint Stock Company

Corporate ID: 491 93 864

This version of annual financial report represents unofficial version of the official annual financial report published in XHTML format and translated into English. The Company made all the steps to ensure this version fully corresponds with the official version. In case of any difference in the presented information, opinions or interpretations the official version in XHTML format is legally binding.

The official annual financial report prepared in XHTML format is accessible on the following link:

https://www.doosanskodapower.com/cz/investment/ir_financial_reports

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I. Information on the Development of the Entity

Report on Business Activities and the Balance of its Assets

Information on Past Development

The Company is a leading global manufacturer of steam turbines. Its core activities include engineering, design, manufacturing, management, and delivery of steam turbines and machine room equipment to customers around the world. The Company offers a wide range of products with power outputs from 3 to 1 300 MW.

It provides an extensive portfolio of cutting-edge turbine designs, products, and services tailored to the power generation industry. In addition, it offers long-term service agreements and modernisation programmes to ensure continuous performance and the ongoing advancement of energy facilities.

The Company provides its products and services to customers across a broad spectrum of industries, including waste-to-energy, utilities, pulp and paper, mining, refineries, steel production, and the chemical sector. Its three primary sources of revenue are: (i) new product installations; (ii) service support including maintenance, repair, and overhaul services; and (iii) long-term service contracts. As a supplier to EPC (Engineering, Procurement, and Construction) contractors, the Company is committed to driving the energy transition and supporting the growing global demand for energy.

Headquartered in the Czech Republic, the Company operates a fully integrated facility where engineering, manufacturing, research and development, and management are housed under one roof. Supporting functions are provided by its subsidiary in India. The Company builds on the legacy of the original Škoda Works, proudly continuing a tradition of more than a century of engineering excellence in the Czech Republic.

The Company employs over 950 people in the Czech Republic, the majority of whom are based in Plzeň.

The main factors for the Company's growth in 2024:

- The Company is a firmly established part of the Doosan Group, with its collaboration with Doosan Enerbility playing a key role in supporting its ongoing growth and expansion;
- Increasing the share of service contracts including servicing of equipment from other manufacturers;
- Developing long-term relationships with both local and international customers;
- Expanding the portfolio of key component suppliers;
- Improving profitability through an established risk management process; and
- Stabilising energy prices.

In 2024, the dynamics of the Company's growth were adversely affected by the following factors:

- High competition in the steam turbine segment up to 50 MW;
- Political situation in the world, especially the war in Ukraine and the security situation in the Middle East;
- Supply chain uncertainty with the risk of delivery delays;
- Lack of qualified technical workforce on the labour market; and
- The shift away from coal-fired power plant construction in markets accessible to Doosan Škoda Power as part of the energy sector's transition toward lower CO₂ emissions—while this

presents a challenge, it also creates opportunities for the supply of low-emission and reliable sources of electricity.

The Company's objective is to achieve steady growth through long-term customer relationships, repeated orders and the development of Business Drivers in the low-emission energy sector.

A significant part of the Company's development will also be the servicing of its own turbines as well as those of other manufacturers.

The Company had no organisational branches abroad. In relation to implementing its own projects, it registered permanent establishments to this end.

Information on Anticipated Future Development

Values and Philosophy of Business Activities

The Company has set values and a business philosophy consistent with the entire Doosan Enerbility group. Its name is a combination of the words Energy and Sustainability and reflects the Company's commitment to enriching people's lives with energy that is also environmentally friendly. The Company also seeks to grow as a world-leading company that leads market changes in response to rapidly changing global economic and technological trends. Core values include innovation, integrity, collaboration, responsibility and sustainability.

Business Strategy

The Company aims to be a global leader in driving change within the energy sector, with steam turbines as its core product. Its strategy centers on delivering advanced steam turbines tailored for a variety of clean energy applications, including waste-to-energy, biomass, combined cycle power plants, large-scale conventional nuclear plants, concentrated solar power, and various industrial uses—all designed for high efficiency and flexibility.

The Company is also committed to shaping the future of energy with its steam turbines for small modular reactors (SMR) and energy storage systems, including air turbines. Its solutions for the Organic Rankine Cycle (ORC) optimise waste heat utilisation and support carbon dioxide-based applications, reinforcing the Company's dedication to leading the next generation of energy technologies.

In addition, the Company offers a broad range of services, providing comprehensive support for its own original equipment (OEM) systems as well as equipment from other manufacturers (non-OEM). The Company also offers long-term service contracts and performs upgrades and refurbishments, ensuring improved performance and extended lifespans for energy systems.

Through its strategic initiatives, the Company is focused on delivering sustainable and innovative energy solutions.

Investment Strategy and Development of New Products

Investments should focus primarily on enhancing overall capacity and competitiveness. This could involve medium-term investments in new facilities and equipment to further improve production efficiency, digitalisation, and information technologies designed to boost the Company's effectiveness and profitability. These investments may include remote monitoring of installed units, solutions for managing production flows, research and development for future applications, or smaller investments to scale up generator rotor production.

Risk Management Objectives and Methods

Doosan Škoda Power a.s. keeps perfecting its risk management system, the objective being to minimise adverse impacts on the course of contracts and the Company's financial performance. Risks arise from managing cross-border activities, exchange rate developments in foreign currencies, the scope of the supplied solution and particular specific conditions of the country and client.

We use well-established control and project management systems for the risk management over the course of the project's life cycle. Data collecting and information sharing allow primarily for effective supplier and customer communication. Data and information evaluation is a precondition for correct and effective decision-making.

The Company's Integrated Management System addresses risk prevention. The underlying principles include risk description, determining preventative measures, and an ongoing review of the course of risky activities, including their elimination.

We methodically divide risks as follows.

Business Risk

This group of risks contains currency, interest rate and price risks.

Currency risk represents the most significant exposure, as the majority of payments are made in foreign currencies. The Company eliminates this risk by inherent hedging and by hedging foreign exchange rates for an open position of each currency for the duration of each project.

Interest rate risk is minimal as we usually do not use funding from external sources.

The price risk requires a thorough review of the scope of the supply, specific customer requirement assessment, review of the budget costs of materials and own production, update prices of principal purchased items and activities both during the offer pre-negotiation and during the work performance.

Liquidity Risk

The Company maintains the determined level of liquidity through the systematic assessment and work with receivables, inventory and payables.

Operational Risk

In reviewing a new contract, the Company determines a risk mark-up. The amount of the risk mark-up reflects the level and scope of the supply, knowledge of the customer and conditions on the construction site but also the demandingness of technical solutions and contractual conditions.

Legal Risk

Given the complexity of contractual relations and possible legal disputes, we use the services of external legal advisors with experience in our industrial segment and detailed knowledge of local legal regulations. The Company has its own legal department, which, in many cases, coordinates the cooperation with external professionals from the Czech Republic and other countries.

II. Corporate Governance

Throughout 2024, the Company operated as a limited liability company. Its sole shareholder during this period was Doosan Power Systems S.A., a joint-stock company registered under number B 125754, with its registered office at 28 Boulevard F.W. Raiffeisen, L-2411, Luxembourg, Grand Duchy of Luxembourg. This shareholder exercised the powers of the General Meeting. The Company did not establish a Supervisory Board. The Company did not hold the status of a securities issuer in 2024.

For these reasons, in 2024, the Company was neither obligated nor did it voluntarily adhere to a specific Corporate Governance Code. However, it complied with all applicable and effective legal regulations and, within these limits, followed the principles of good governance for limited liability companies.

In 2024, the Company's statutory body consisted of four statutory executives: Sukjoo Kang, Hongook Park, Jeongtaek Lee, and Sanghoun Park until 24 January 2024, and Youngki Lim, Seungwoo Sohn, Donggil Kim, and Sanghoun Park from 24 January 2024. In making decisions, the executives acted in accordance with Act No. 90/2012 Coll. on Business Corporations, as amended (the "ABC"), Article 11 of the Company's Memorandum of Association, as amended until 31 December 2024 (the "Memorandum of Association"), and the Company's Approval and Signature Rules. The executives were responsible for all matters not reserved for the General Meeting by law or the Memorandum of Association. In addition to the matters specified in Article 11(5) of the Memorandum of Association, which required the approval of the majority of the Company's executives, the proper business management and other competencies were entrusted to the executive discharging the office of the Executive Director, Mr. Youngki Lim, and the executive discharging the office of the Executive Director for Financial Affairs, Mr. Sanghoun Park, both of whom were appointed by the General Meeting in accordance with Article 10(2) of the Memorandum of Association. In carrying out their duties, these executives acted in accordance with the Company's Approval and Signature Rules. At least two executives were always required to perform legal acts on behalf of the Company externally.

The competence of the General Meeting of the Company included the issues specified in Section 190 of the ABC, as well as: decisions on amendments to the content of the Memorandum of Association; decision on the dissolution of the Company with liquidation; appointment and recall of the liquidator; appointment of statutory executives, including appointment of a statutory executive to the position of Chief Executive, to the office of Executive Director, and to the office of Executive Director for Financial Affairs; approval of the granting and revocation of proxy; approval of the general principles of the Company's business in the form of an internal standard, the Approval and Signature Rules, which generally determine the division of competences relating to financial investments, all transactions essential to the Company's business, and the handling of the Company's substantial assets; approval of the Company's management principles, including internal approval procedures for significant acts and measures; and decisions on other matters that the ABC or the Memorandum of Association assigned to the competence of the General Meeting, or which the General Meeting of the Company reserved for its decision. As stated above, the powers of the Company's General Meeting in 2024 were exercised by its sole shareholder. The decisions of the sole shareholder in the exercise of the powers of the General Meeting had to be in writing. If the ABC or another legal regulation required that a decision of the General Meeting be certified by a public deed, the decisions of the sole shareholder had to be made in the form of a public deed. The sole shareholder was entitled to require the participation of the Company's statutory executives in the decision-making.

As the Company is not subject to Act No. 256/2004 Coll., on Capital Market Undertakings (the "ACMU"), it acted in accordance with general legal regulations and the principles of good governance applicable to a limited liability company, rather than in accordance with the ACMU.

Regarding the description of the main parameters of the internal control and risk management systems related to the financial reporting process, the Company has implemented an internal control system designed to manage and mitigate financial reporting risks. A total of 97 effective internal controls provided the Company with reasonable assurance that reliable financial statements for 2024 were prepared.

The Company's equity structure consisted of registered capital, a reserve fund, valuation differences from the revaluation of assets and liabilities, and the profit or loss for the current reporting period. In 2024, the Company was not an issuer of any securities. The registered capital held by the sole shareholder was fully paid up.

During 2024, the Company's registered capital was reduced from CZK 3,298,345,000 to CZK 1,450,000,000 with the aim of optimising the content and structure of the Company's balance sheet in preparation for the planned initial public offering of shares in 2025. In this context, additional steps were taken to enable the initial public offering, including the preparation of a transformation project to convert the Company into a joint-stock company, with the transformation scheduled to take effect on 1 January 2025.

As the Company was a limited liability company with a sole shareholder in 2024, no agreements were or could have been concluded between shareholders or similar holders of securities representing participation in the Company that would restrict the transferability of such shares or securities, or voting rights.

In 2024, the Company did not have any special rules governing the election or dismissal of members of its management body or the amendment of its Articles of Association (or Memorandum of Association) that differed from the provisions of the ABC, and its governing body was not vested with any special powers.

The Company did not enter into any agreements with members of its governing body or employees that would entitle them to performance by the Company in the event of termination of their office or employment in connection with a takeover bid.

In 2024, the Company did not operate any programme under which members of the management body or employees could acquire equity securities of the Company, options for such securities, or other rights related thereto. Consequently, no control system was established for such a programme.

III. Information on Post Balance Sheet Events that are Significant for the Purpose of the Annual Financial Report

Effective from 1 January 2025, the Company changed its legal form to a joint-stock company, changing its name to Doosan Škoda Power a.s., while the ownership structure remained unchanged and Doosan Power Systems S.A. continued to be the sole shareholder of the Company.

Along with this change, new bodies were created reflecting the requirements of legal regulation for this type of companies under the ABC, i.e. the Board of Directors, the Supervisory Board, and the Audit Committee. The original statutory executives of the Company, Youngki Lim, Seungwoo Sohn, Donggil Kim, and Sanghoun Park, became members of the Board of Directors, i.e. the personal continuity of the Company's management was maintained.

The newly established Supervisory Board serves as an independent body of the Company, primarily responsible for overseeing the activities of the Board of Directors. In accordance with the Company's Articles of Association, the Supervisory Board comprises six members, two-thirds

of whom are appointed and recalled by the General Meeting. As the Company employs more than 500 people, one-third of the members are appointed and recalled by the employees. Members of the Supervisory Board are appointed for a term of three years and may be reappointed. They may not simultaneously serve on the Board of Directors.

Under the Company's Articles of Association, the Audit Committee consists of three members, each appointed by the General Meeting for a three-year term. The powers and responsibilities of the Audit Committee are defined in Article 30 of the Articles of Association.

The Company complies with all applicable legal regulations, including the ABC and the ACMU. While the corporate governance regime is not mandatory in the Czech Republic, the Company adheres to the Corporate Governance Code issued by the Institute of Directors in September 2018, following the "comply or explain" principle. Any deviations from the Code are disclosed in the Prospectus, which is available on the Company's website.

Change in the Internal Organisational Structure

As of 1 January 2025, the Company revised its organizational structure: the Chief Financial Officer, Chief Commercial and Executive Officer, Chief Human Resources Officer, Chief Operating Officer, and Head of Strategy and Marketing are directly accountable to the Chief Executive Officer. The Directors of Sales, Service, and the Head of Technical Development report to the Chief Commercial and Executive Officer. The Directors of Project Implementation, Technical Department, and Procurement report to the Chief Operating Officer.

Change in Equity Structure

In January 2025, the reserve fund was dissolved. This step formed part of a broader effort to optimise the Company's balance sheet ahead of its initial public offering of share.

Initial Public Offering

On 15 January 2025, the Company announced its intention to enter the Prime Market of the Prague Stock Exchange through an initial public offering (IPO), comprising both existing and newly issued shares. A total of 10,527,000 shares with a nominal value of CZK 50 per share were offered, representing a 33% ownership interest in the Company's registered capital. The IPO was officially launched on 27 January 2025.

In connection with the IPO, 2,900,000 new shares were issued, increasing the registered capital to CZK 1,595,000,000.

The Company was successfully listed on the Prague Stock Exchange on 6 February 2025. Strong investor demand enabled the full placement of the offered shares, including the additional shares allocated for the stabilisation period.

The prospectus, along with detailed information and other documents related to the IPO, is available on the Company's website in the investor section:

https://www.doosanskodapower.com/cz/investment/ir_data

The IPO process was completed on 26 February 2025 with the settlement of the additional share volume following the stabilisation period.

The difference between the subscription price of the newly issued shares (CZK 240 per share) and their nominal value (CZK 50 per share), net of IPO-related costs, has been recorded as share premium.

Company Shares

The Company's registered capital is comprised of 31,900,000 ordinary shares, each with a nominal value of CZK 50. All shares carry equal rights.

As part of the IPO, eligible employees of the Company were given the opportunity to purchase shares at a discounted price, provided they had been employed by the Company for at least one year. A total of 93,144 shares were allocated to employees under this scheme. These shares are subject to transfer restrictions for a period of 12 months from the date of acquisition.

Following the offering, Doosan Power Systems S.A. retained its position as the majority shareholder, holding a 67% ownership interest in the Company.

Changes in Corporate Bodies after 1 January 2025

In February 2025, elections to the Supervisory Board were held in accordance with the ABC and the Company's Articles of Association to appoint employee representatives and ensure the appropriate composition of the Board.

All changes have been duly registered in the Commercial Register maintained by the Regional Court in Plzeň. Further information is available in the Company's Articles of Association, which is published in the Collection of Deeds, and in the Prospectus accessible on the Company's website.

IV. Research and Development Activities

The Company's research and development activities are focused on enhancing the competitiveness of our products, improving efficiency, and reducing environmental impact over the long term. We continue to pursue a three-pronged vision: integration (incorporating new technologies into the steam cycle), tradition (steam turbines and their servicing), and innovation (replacing existing technologies). Our steam turbines for small modular reactors (SMRs) and advanced energy storage systems — including air turbines — reflect our dedication to shaping the energy landscape of the future. The development of a turbine based on the Organic Rankine Cycle and machinery utilising supercritical carbon dioxide further underscores our commitment to becoming a leader in next-generation energy technologies.

V. Activities in the Fields of Work Safety and Health Protection, Fire Prevention and Environmental Protection

In 2024, activities relating to work safety improvement and health protection, fire safety and environmental protection focused on the following:

- Meeting the requirements of the internationally recognised standard ISO 45001:2018, ISO 14001:2015 and ISO 9001:2015 – in September 2024 checked by the OHS, QMS and EMS recertification audit by TÜV Nord;
- Ensuring compliance with legal and other requirements – checked by the internal audit and the audit by TÜV NORD;
- Participating in the occupational health and safety “Safety Culture Award” competition under the auspices of the VSB - Technical University of Ostrava. The Company benefits from feedback on safety culture;
- Increasing staff awareness;
- Raising awareness of the psychology and safety culture among all senior staff, including management; All managerial staff underwent comprehensive retraining led by an external consultant from Kashioka Solutions s.r.o.;
- Improvement of labour conditions and the safety of individual machine devices;
- Improvement of the management system on projects and detached offices;
- Involvement of suppliers in the improvement process;

- Motivating the employees (Safety Floor Innovation projects and nominations for the 2024 Best Employee of the Year Award – OHS Policy Support and Compliance category);
- Involvement of the middle and senior management – safety walkabouts throughout the Company, regular OHS checks (Management Leader Tourship) involving the CEO and Production Manager;
- Production of an instructional video on the proper use of fall protection equipment on horizontal surfaces and the rotary kiln;
- Communication with employees – regular awareness of OHS among employees using the Jobka app and the OHS Newsletter published once a month;
- Streamlining the planning and coordination of our activities in terms of reviewing/checking work techniques and control documentation;
- Updating risk assessments based on feedback from managerial staff and safety inspections;
- Adding risk assessments in English for foreign suppliers/visitors;
- Enhancing safety on horizontal milling machines and crane tracks by installing fall protection devices and mirrors and barriers at blind spots in the workshop aisles;
- Creating a noise map of the production hall with a review of categorisation to prevent occupational diseases due to excessive noise and conducting control measurements of hazardous substances during rotor stretching;
- Staff development with regard to OHS through participating in professional OHS training and requalification courses;
- Increasing the level of OHS on construction sites through special training for construction managers, site coordinators, steam turbine operators and service managers – establishing responsibilities – guidelines for covering OHS duties on site;
- Supplementing instructions and documentation, such as the “Manual for Site Managers and Coordinators” for construction sites, including updates of necessary document templates;
- Project documentation – for each project with complete installation, including the modification of OHS conditions for contractors as per contract and company requirements;
- Preparation of OHS project documentation as per client’s requirements;
- Selection and control of an OHS specialist for projects to ensure compliance with the requirements of all stakeholders;
- Management of energy consumption with the objective of reducing greenhouse emission production;
- Savings of natural resources and environmental protection through increasing the effectiveness of our products and environmental protection in construction supplies;
- Reducing the Company’s energy intensity; and
- Consultations with the Fire Rescue Service of the Plzeň Region, combined with a fire drill and hands-on firefighting training for members of the fire prevention patrols, using all types of fire extinguishers available in the Company.

The improvement of work safety, fire prevention and environmental protection has always been one of the Company’s basic priorities.

VI. Labour Relations

2024 was primarily focused on recruiting new employees in line with the Company’s growth strategy and on stabilising key employees and replacing those who left as part of natural turnover. Intensive cooperation with universities and technical colleges continued and there were also awareness-raising activities to promote technical education across the education system. An in-house training centre was used within the Company to provide practical training for selected production positions. In justified cases, the Company made use of flexible working arrangements, including remote work. It does not apply a diversity policy to the issuer’s governing bodies; instead, the selection of members is based on criteria that best serve the interests of shareholders. In justified cases, the Company made use of flexible working arrangements, including remote work. It does not apply a diversity policy to the issuer’s governing bodies; instead, the selection of members is based on criteria that best serve the interests of shareholders.

VII. Corporate Social Responsibility (CSR)

This section follows up on the activities of sections IV, V and VI and concerns all activities that relate to community projects. The Company's social responsibility consists of activities that go beyond not only legal requirements but also ethical, commercial and social expectations. In general, CSR can be characterised as a commitment to make decisions and perform procedures that are desirable in terms of the values and goals of the Company. Within it, the Company takes over part of the responsibility for the welfare and sustainable development of modern society while at the same time expecting to remain competitive and profitable; those two goals are not contradictory. It is also a voluntary commitment to make its operations responsible to the environment and the society where the Company's business takes place.

These activities can be divided as follows:

1. Education, charity

- Support of technical education through donations to the Department of Power System Engineering of the University of West Bohemia;
- Promotion of technical education at secondary school and vocational school level by providing apprenticeships in its in-house training centre and extended support for technical education in the form of special interest groups in selected primary schools;
- Support for technical competitions at secondary schools and vocational training centers; and
- Support of youth sport and sport activities in cooperation with Viktoria Plzeň, as well as outside the club.

2. Social and environmental

a) HR:

- Respect for human rights of all parties involved;
- Equal work opportunities and labour relations;
- Improving the employees' quality of life;
- Communication between employees and the management;
- Talent support;
- Involvement and development within the community; and
- Employee code of conduct.

b) Ensuring fair operational practice:

- Human rights;
- Corruption prevention, including a whistleblowing line, whistleblower's protection process; and
- Fair competition.

c) Public contracts:

- Respect for human rights of the parties involved;
- Corruption prevention;
- Fair competition;
- Promotion of CSR in the supply chain; and
- Code of conduct for suppliers.

d) HSE:

- Health and safety of all stakeholders;
- Prevention of environmental pollution;
- Management of effective use of resources;
- Efforts to mitigate climate changes;
- Protecting the health and safety of customers; and
- Information security of the related parties.

e) R&D:

- Sustainable products.

f) Project management

- Increasing customer satisfaction.

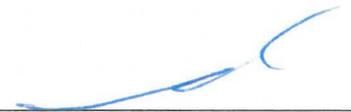
g) Legal:

- Human rights;
- Corruption prevention; and
- Fair competition.

VIII. Representation of Responsible Persons

To the best of our knowledge, we hereby represent that this Annual Report, including the Financial Statements and the Report on Relations, has been prepared in accordance with the Accounting Act and Czech Accounting Standards and provides a true and fair view of the Company's assets, liabilities, financial position, and financial performance, together with a description of the principal risks and uncertainties associated with its business operations.

24 April 2025



Sanghoun Park
Vice-chairman of the Board of Directors



Youngki Lim
Chairman of the Board of Directors

FINANCIAL PART

IX. Financial Statements for the Year Ended 31 December 2024

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

Name of the Company: Doosan Škoda Power a.s.
Registered Office: Tylova 1/57, Jižní Předměstí, 301 00 Plzeň
Legal Status: Joint Stock Company
Corporate ID: 491 93 864

Components of the Financial Statements:

Balance Sheet
Profit and Loss Account
Statement of Changes in Equity
Cash Flow Statement
Notes to the Financial Statements

These financial statements were prepared on 24 April 2025.

Statutory body of the reporting entity:	Signature
Youngki Lim Board of Directors Chairman	
Sanghoun Park Board of Directors Vice Chairman	

BALANCE SHEET
full version

Doosan Škoda Power a.s.
Corporate ID 491 93 864

As of
31.12.2024
(in CZK thousand)

Tylova 1/57
Jižní Předměstí
301 00 Plzeň

		31.12.2024			31.12.2023
		Gross	Adjustment	Net	Net
	TOTAL ASSETS	11 991 015	4 802 707	7 188 308	8 110 590
B.	Fixed assets	5 748 176	4 574 807	1 173 369	1 226 587
<i>B.I.</i>	<i>Intangible fixed assets</i>	<i>1 534 439</i>	<i>1 529 145</i>	<i>5 294</i>	<i>7 102</i>
B.I.2.	Valuable rights	1 509 665	1 507 145	2 520	3 109
B.I.2.1.	Software	548 898	546 378	2 520	3 109
B.I.2.2.	Other valuable rights	960 767	960 767		
B.I.4.	Other intangible fixed assets	22 000	22 000		
B.I.5.	Prepayments for intangible fixed assets and intangible fixed assets under construction	2 774		2 774	3 993
B.I.5.2.	Intangible fixed assets under construction	2 774		2 774	3 993
<i>B.II.</i>	<i>Tangible fixed assets</i>	<i>4 210 544</i>	<i>3 045 562</i>	<i>1 164 982</i>	<i>1 216 626</i>
B.II.1.	Land and structures	1 487 407	595 989	891 418	920 250
B.II.1.1.	Land	227 705		227 705	227 705
B.II.1.2.	Structures	1 259 702	595 989	663 713	692 545
B.II.2.	Tangible movable assets and sets of tangible movable assets	2 686 422	2 443 875	242 547	269 940
B.II.4.	Other tangible fixed assets	29		29	29
B.II.4.3.	Other tangible fixed assets	29		29	29
B.II.5.	Prepayments for tangible fixed assets and tangible fixed assets under construction	36 686	5 698	30 988	26 407
B.II.5.1.	Prepayments for tangible fixed assets				4
B.II.5.2.	Tangible fixed assets under construction	36 686	5 698	30 988	26 403
<i>B.III.</i>	<i>Non-current financial assets</i>	<i>3 193</i>	<i>100</i>	<i>3 093</i>	<i>2 859</i>
B.III.1.	Equity investments - controlled or controlling entity	3 093		3 093	2 859
B.III.5.	Other non-current securities and investments	100	100		
C.	Current assets	6 230 881	227 900	6 002 981	6 877 498
<i>C.I.</i>	<i>Inventories</i>	<i>3 182 809</i>	<i>46 856</i>	<i>3 135 953</i>	<i>2 170 357</i>
C.I.1.	Material	232 038	41 628	190 410	149 849
C.I.2.	Work in progress and semifinished goods	2 593 866	5 228	2 588 638	1 808 991
C.I.5.	Prepayments for inventories	356 905		356 905	211 517
<i>C.II.</i>	<i>Receivables</i>	<i>2 195 632</i>	<i>181 044</i>	<i>2 014 588</i>	<i>2 667 038</i>
<i>C.II.1.</i>	<i>Long-term receivables</i>	<i>45 840</i>		<i>45 840</i>	<i>145 934</i>
C.II.1.1.	Trade receivables	43 612		43 612	132 692
C.II.1.5.	Receivables - other	2 228		2 228	13 242
C.II.1.5.4.	Sundry receivables	2 228		2 228	13 242
<i>C.II.2.</i>	<i>Short-term receivables</i>	<i>2 149 792</i>	<i>181 044</i>	<i>1 968 748</i>	<i>2 521 104</i>
C.II.2.1.	Trade receivables	1 413 339	181 044	1 232 295	1 075 851
C.II.2.2.	Receivables - controlled or controlling entity				1 050 000
C.II.2.4.	Receivables - other	736 453		736 453	395 253
C.II.2.4.3.	State - tax assets	98 866		98 866	23 396
C.II.2.4.4.	Short-term prepayments made	6 167		6 167	6 807
C.II.2.4.5.	Estimated receivables	622 134		622 134	325 035
C.II.2.4.6.	Sundry receivables	9 286		9 286	40 015
<i>C.IV.</i>	<i>Cash</i>	<i>852 440</i>		<i>852 440</i>	<i>2 040 103</i>
C.IV.1.	Cash on hand	37		37	21
C.IV.2.	Cash at bank	852 403		852 403	2 040 082
D.	Other assets	11 958		11 958	6 505
D.1.	Deferred expenses	8 458		8 458	5 050
D.2.	Complex deferred expenses	3 002		3 002	
D.3.	Accrued income	498		498	1 455

		31.12.2024	31.12.2023
	TOTAL LIABILITIES & EQUITY	7 188 308	8 110 590
A.	Equity	2 091 343	4 156 288
<i>A.I.</i>	<i>Share capital</i>	1 450 000	3 298 345
A.I.1.	Share capital	1 450 000	3 298 345
<i>A.II.</i>	<i>Share premium and capital funds</i>	-90 961	51 621
A.II.2.	Capital funds	-90 961	51 621
A.II.2.2.	Gains or losses from the revaluation of assets and liabilities (+/-)	-90 961	51 621
<i>A.III.</i>	<i>Funds from profit</i>	329 834	329 834
A.III.1.	Other reserve funds	329 834	329 834
<i>A.V.</i>	<i>Profit or loss for the current period (+/-)</i>	402 470	476 488
B.+C.	Liabilities	5 096 965	3 953 925
B.	Reserves	474 529	529 719
B.II.	Income tax reserve	0	85 795
B.IV.	Other reserves	474 529	443 924
C.	Payables	4 622 436	3 424 206
<i>C.I.</i>	<i>Long-term payables</i>	120 533	125 628
C.I.4.	Trade payables	10 151	11 990
C.I.8.	Deferred tax liability	41 495	89 168
C.I.9.	Payables - other	68 887	24 470
C.I.9.3.	Sundry payables	68 887	24 470
<i>C.II.</i>	<i>Short-term payables</i>	4 501 903	3 298 578
C.II.3.	Short-term prepayments received	3 486 663	2 534 333
C.II.4.	Trade payables	380 392	284 059
C.II.8.	Other payables	634 848	480 186
C.II.8.3.	Payables to employees	54 703	48 252
C.II.8.4.	Social security and health insurance payables	28 967	25 196
C.II.8.5.	State - tax liabilities and subsidies	14 454	152 683
C.II.8.6.	Estimated payables	459 262	220 765
C.II.8.7.	Sundry payables	77 462	33 290
D.	Other liabilities		377
D.2.	Deferred income		377

PROFIT AND LOSS ACCOUNT
structured by the nature of expense method

Doosan Škoda Power a.s.
Corporate ID 491 93 864

Year ended
31.12.2024
(in CZK thousand)

Tylova 1/57
Jižní Předměstí
301 00 Plzeň

		Year ended 31.12.2024	Year ended 31.12.2023
I.	Sales of products and services	4 328 604	4 326 978
A.	Purchased consumables and services	3 594 015	3 330 540
A.2.	Consumed material and energy	2 208 524	1 886 507
A.3.	Services	1 385 491	1 444 033
B.	Change in internally produced inventory (+/-)	-781 541	-213 121
C.	Own work capitalised (-)	-4 883	-8 735
D.	Staff costs	1 117 833	999 405
D.1.	Payroll costs	811 464	724 513
D.2.	Social security and health insurance costs and other charges	306 369	274 892
D.2.1.	Social security and health insurance costs	272 262	243 478
D.2.2.	Other charges	34 107	31 414
E.	Adjustments to values in operating activities	66 994	97 756
E.1.	<i>Adjustments to values of intangible and tangible fixed assets</i>	119 597	127 988
E.1.1.	Adjustments to values of intangible and tangible fixed assets - permanent	119 597	127 988
E.2.	Adjustments to values of inventories	10 059	-6 845
E.3.	Adjustments to values of receivables	-62 662	-23 387
III.	Other operating income	117 734	132 065
III.1.	Sales of fixed assets	40	56
III.2.	Sales of material	236	167
III.3.	Sundry operating income	117 458	131 842
F.	Other operating expenses	125 251	47 472
F.2.	Material sold	163	213
F.3.	Taxes and charges	12 538	6 817
F.4.	Reserves relating to operating activities and complex deferred expenses	30 605	-31 098
F.5.	Sundry operating expenses	81 945	71 540
*	Operating profit or loss (+/-)	328 669	205 726
IV.	Income from non-current financial assets - equity investments	21 943	
IV.1.	Income from equity investments - controlled or controlling entity	21 943	
VI.	Interest income and similar income	176 440	248 975
VI.1.	Interest income and similar income - controlled or controlling entity	123 191	187 939
VI.2.	Other interest income and similar income	53 249	61 036
VII.	Other financial income	259 072	312 299
K.	Other financial expenses	267 660	143 830
*	Financial profit or loss (+/-)	189 795	417 444
**	Profit or loss before tax (+/-)	518 464	623 170
L.	Income tax	115 994	146 682
L.1.	Due income tax	125 766	152 012
L.2.	Deferred income tax (+/-)	-9 772	-5 330
**	Profit or loss net of tax (+/-)	402 470	476 488
***	Profit or loss for the current period (+/-)	402 470	476 488
*	Net turnover for the current period	4 328 604	

**STATEMENT OF
CHANGES IN EQUITY**

**Doosan Škoda Power a.s.
Corporate ID 491 93 864**

Year ended
31.12.2024
(in CZK thousand)

Tylova 1/57
Jižní Předměstí
301 00 Plzeň

	Share capital	Gain or losses from the revaluation of assets and liabilities	Funds from profit, reserve fund	Accumulated profits or losses brought forward	Profit or loss for the current period	TOTAL EQUITY
Balance at 31 December 2022	3 298 345	181 765	329 834	1 630 549	564 842	6 005 335
Distribution of profit or loss				564 842	-564 842	
Profit shares/dividends declared				-2 195 391		-2 195 391
Change in the revaluation gain/loss		-130 144				-130 144
Profit or loss for the current period					476 488	476 488
Balance at 31 December 2023	3 298 345	51 621	329 834		476 488	4 156 288
Distribution of profit or loss				476 488	-476 488	
Change in share capital	-1 848 345					-1 848 345
Profit shares/dividends declared				-476 488		-476 488
Change in the revaluation gain/loss		-142 582				-142 582
Profit or loss for the current period					402 470	402 470
Balance at 31 December 2024	1 450 000	-90 961	329 834		402 470	2 091 343

CASH FLOW STATEMENT

Doosan Škoda Power a.s.
Corporate ID 491 93 864

Year ended
31.12.2024
(in CZK thousand)

Tylova 1/57
Jižní Předměstí
301 00 Plzeň

		Year ended 31.12.2024	Year ended 31.12.2023
P.	Opening balance of cash and cash equivalents	2 040 103	1 399 907
	<i>Cash flows from ordinary activities (operating activities)</i>		
Z.	Profit or loss before tax	518 464	623 170
A.1.	Adjustments for non-cash transactions	-64 681	-144 446
A.1.1.	Depreciation of fixed assets	119 597	127 988
A.1.2.	Change in provisions and reserves	-21 998	-61 330
A.1.3.	Profit/(loss) on the sale of fixed assets	-40	-56
A.1.4.	Revenues from profit shares	-19 749	
A.1.5.	Interest expense and interest income	-176 440	-248 975
A.1.6.	Adjustments for other non-cash transactions	33 949	37 927
A.*	Net operating cash flow before changes in working capital	453 783	478 724
A.2.	Change in working capital	-138 895	497 643
A.2.1.	Change in operating receivables and other assets	-259 115	-403 191
A.2.2.	Change in operating payables and other liabilities	1 095 875	1 056 541
A.2.3.	Change in inventories	-975 655	-155 707
A.**	Net cash flow from operations before tax	314 888	976 367
A.3.	Interest paid		
A.4.	Interest received	53 756	304 478
A.5.	Income tax paid from ordinary operations	-242 921	-125 588
A.6.	Received profit shares	19 749	
A.***	Net operating cash flows	145 472	1 155 257
	<i>Cash flows from investing activities</i>		
B.1.	Fixed assets expenditures	-58 342	-49 726
B.2.	Proceeds from fixed assets sold	40	56
B.3.	Loans and borrowings to related parties		1 730 000
B.***	Net investment cash flows	-58 302	1 680 330
	<i>Cash flow from financial activities</i>		
C.2.	Impact of changes in equity	-1 274 833	-2 195 391
C.2.1.	Cash increase in share capital	-798 345	
C.2.6.	Profit shares/dividends paid	-476 488	-2 195 391
C.***	Net financial cash flows	-1 274 833	-2 195 391
F.	Net increase or decrease in cash and cash equivalents	-1 187 663	640 196
R.	Closing balance of cash and cash equivalents	852 440	2 040 103

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Name of the Company:	Doosan Škoda Power a.s. (formerly Doosan Škoda Power s.r.o.)
Registered Office:	Tylova 1/57, Jižní Předměstí, 301 00 Plzeň
Legal Form:	Joint Stock Company
Corporate ID:	491 93 864

Doosan Škoda Power a.s.

Notes to the Financial Statements (unconsolidated)

Year Ended 31 December 2024

(CZK thousand)

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Doosan Škoda Power a.s.

Notes to the Financial Statements (unconsolidated)

Year Ended 31 December 2024
(CZK thousand)

1. General Information and Principal Activities

Formation and Description of the Company

Doosan Škoda Power a.s. (formerly Doosan Škoda Power s.r.o.) (hereinafter the “Company”) was formed by the Deed of Association as a limited liability company on 27 April 1993 and was incorporated following its registration in the Register of Companies of the Court in Plzeň on 1 July 1993.

On 7 December 2009, Doosan Heavy Industries Czech a.s. became the Company’s owner. It was subsequently renamed to Doosan Power Systems Czech Investment a.s. On 5 December 2012, Doosan Power Systems S.A. (Grand Duchy of Luxembourg) became a new owner.

On 1 January 2025, the legal form of the Company was changed to a joint stock company. On 6 February 2025, the Company was listed on the Prague Stock Exchange and became a public interest entity (refer to Note 27, Post balance sheet events).

The Company’s principal activities during the year ended 31 December 2024 included the production of turbines, supplies of power generation plants and provision of services in the energy sector.

Owners of the Company

As of 31 December 2024, the owner of the Company is:	Ownership percentage
Doosan Power Systems S.A. (Grand Duchy of Luxembourg)	100%

Registered office

Doosan Škoda Power a.s.
Tylova 1/57
301 00 Plzeň
Czech Republic

Corporate ID

49193864

Statutory executives as of 31 December 2024

Seungwoo Sohn
Youngki Lim
Sanghoun Park
Donggil Kim

Board of Directors since 1 January 2025

Youngki Lim	Chairman
Sanghoun Park	Vice-Chairman
Seungwoo Sohn	Member
Donggil Kim	Member

Doosan Škoda Power a.s.

Notes to the Financial Statements (unconsolidated)

Year Ended 31 December 2024

(CZK thousand)

Changes in the Register of Companies

During 2024, the following changes were recorded in the corporate details held in the Register of Companies:

As of 9 May, statutory executives Hongook Park, Jeongtaek Lee and Sukjoo Kang were removed from the Register of Companies, their positions ceased to exist as of 24 January 2024. As of that date, new statutory executives Seungwoo Sohn, Youngki Lim and Donggil Kim were recorded in the Register of Companies. As of 5 December 2024, a decrease in the share capital to CZK 1,450,000 thousand and the information that the share capital is paid in full were recorded in the Register of Companies.

Organisational Structure

The statutory body of the Company included four statutory executives as of 31 December 2024. One statutory executive acted as the Company's CEO, the other acted as the Company's CFO. The COO and the heads of Finance, Human Resources, Technical Division, Realisation, Corporate Strategy and Marketing, and Risk Management reported directly to the CEO. The heads of Sales and Procurement reported to the COO.

Starting from 1 January 2025, the Company adjusted the organisational structure: the head of Finance, the Executive Director and the Sales Director, the head of HR, the COO and the head of Strategy and Marketing report directly to the CEO. The head of Sales, head of Services and the head of the Technical Development report to the Executive Director and Sales Director. Heads of Realisation, Technical Division and Procurement report to the COO.

The consolidated financial statements of the narrowest group of entities in which the Company is included as the consolidated entity are prepared by Doosan Power Systems SA, with its registered office at 6, rue Eugène Ruppert, Luxembourg, L-2453. These consolidated financial statements can be obtained at the registered office of the consolidating entity.

2. Principal Accounting Policies Used by the Company

The Company's accounting books and records are maintained, and the financial statements were prepared in accordance with Accounting Act 563/1991 Coll., as amended; Regulation 500/2002 Coll. which provides implementation guidance on certain provisions of the Accounting Act for reporting entities that are businesses maintaining double-entry accounting records, as amended; and Czech Accounting Standards for Businesses, as amended.

The accounting records are maintained in compliance with general accounting principles, specifically the historical cost valuation basis (unless stated otherwise), the accruals principle, the prudence concept and the going concern assumption.

The financial statements were prepared as of the balance sheet date of 31 December 2024 for the 2024 calendar year.

These financial statements are presented in thousands of Czech crowns ('CZK thousand') unless stated otherwise.

Doosan Škoda Power a.s.

Notes to the Financial Statements (unconsolidated)

Year Ended 31 December 2024

(CZK thousand)

(a) Tangible and Intangible Fixed Assets

Tangible and intangible fixed assets are valued at cost. Intangible and tangible assets with useful lives exceeding one year and the cost not exceeding CZK 5 thousand are not reported in the balance sheet and are charged through expenses at the date of acquisition.

In addition, the acquisition of cutting equipment with the acquisition cost of less than CZK 10 thousand, preparations with the acquisition cost of less than CZK 20 thousand and cutting instruments with the acquisition cost of less than CZK 40 thousand are not reported on the face of the balance sheet. The acquisition of these assets is charged through expenses in the year of acquisition.

The valuation of internally produced fixed assets includes direct material, direct wages and overhead costs directly attributable to the production until their capitalisation.

The following table shows the depreciation methods and periods by group of assets:

Assets	Method	Depreciation period
Buildings	Straight-line	20 – 50 years
Machinery and equipment	Straight-line	3 – 16 years
Vehicles	Straight-line	4 – 5 years
Moulds and models	Straight-line	3 years
Preparations and cutting instruments	Straight-line	4 – 6 years
Valuable rights	Straight-line	10 years
Patents and other intangible assets	Straight-line	4 - 10 years
Software	Straight-line	3 - 4 years
Hardware	Straight-line	4 years

Technical improvements on leasehold tangible fixed assets are depreciated on a straight line basis over the shorter of the lease term or the estimated useful life.

(b) Non-Current Financial Assets

Upon acquisition securities and equity investments are carried at cost. The cost of securities or equity investments includes the direct costs of acquisition, such as fees and commissions paid to brokers, advisors and stock exchanges.

At the date of acquisition of the securities and equity investments, the Company categorises these non-current financial assets based on their underlying characteristics as equity investments in subsidiaries and associates or debt securities held to maturity, or securities and equity investments available for sale.

At the balance sheet date, the Company records:

- a. Equity investments at cost less provisions against equity investments; provisions are recognised in respect of temporary impairment of these equity investments;
- b. Debt securities held to maturity at cost; and

Doosan Škoda Power a.s.

Notes to the Financial Statements (unconsolidated)

Year Ended 31 December 2024

(CZK thousand)

- c. Securities and equity investments available for sale at fair value if determinable.

Securities and equity investments denominated in a foreign currency are translated using the Czech National Bank's exchange rate ruling as of the balance sheet date and the resulting foreign exchange difference is treated as part of the fair value measurement or the measurement determined using equity accounting. If the security or equity investment is not measured at fair value, the foreign exchange difference is recognised as part of the gains or losses from revaluation of assets and liabilities except for debt securities.

The proceeds from these assets are included in income from non-current financial assets.

(c) Current Financial Assets

Current financial assets include balances on bank accounts, current securities and cash equivalents. Balances denominated in foreign currencies are translated using the Czech National Bank's exchange rate prevailing as of 31 December of the relevant year.

(d) Inventory

Purchased inventory is valued at acquisition costs. The acquisition cost includes the purchase cost and indirect acquisition costs such as customs fees, freight costs and storage fees during transportation, commissions and insurance charges.

Internally developed inventory is valued at the cost of producing the inventory, which primarily consists of the direct costs of production, and/or the portion of indirect costs relating to production.

Inventory is issued out of stock using the weighted arithmetic average method.

Work in progress is valued at own costs which include the price of material, work and the proportionate part of production overhead costs per the stage of completion.

(e) Recognition of Provisions and Reserves

Receivables

The Company determines provisions against doubtful and bad amounts pursuant to its own analysis of the payment discipline of its customers and aging of receivables.

Inventory

Provisions are recognised when the carrying amount stated in the books is temporarily higher than the realisable value of the relevant inventory.

Reserves

Reserves for warranty repairs, reserves for risks and other reserves are recognised based on the individual assessment of the possibility of future costs being incurred which is performed by managers of projects and administrators of individual assets of the Company.

Doosan Škoda Power a.s.

Notes to the Financial Statements (unconsolidated)

Year Ended 31 December 2024

(CZK thousand)

The Company recognises an income tax reserve since the moment of the financial statements preparation precedes the moment of the tax liability assessment. The Company releases the reserve in the following reporting period and recognises the identified tax liability. The reserve for income tax is reported in the financial statements only in the amount exceeding the income tax prepayments made. The reserve for asset repairs is recognised on the basis of the management's decision reflecting the budget costs of selected planned repairs of assets.

(f) Foreign Currency Translation

Transactions denominated in foreign currencies during the year are translated using the Czech National Bank's exchange rate prevailing on the date of the transaction. During the year, only realised foreign exchange rate gains and losses are accounted for.

Assets and liabilities denominated in foreign currencies as of the balance sheet date are translated using the official exchange rate of the Czech National Bank. Unrealised foreign exchange rate gains and losses are reflected in the profit and loss account.

In accordance with Accounting Standards for Business Entities/Financial Institutions, the Company reports foreign exchange rate gains or losses that relate to prepayments for projects and fulfil the hedging derivative definition as gains or losses from revaluation on the face of the balance sheet. Refer to Note 2(g).

(g) Derivative Financial Instruments

The Company designates derivative financial instruments as either trading or hedging. The Company's criteria for a derivative instrument to be accounted for as a hedge include the application of hedge accounting and fulfilment of the following criteria:

- a. At the inception of the hedge, a decision was made by the CEO regarding the hedged items and hedging instruments, hedged risks and the method used to calculate and document the hedge effectiveness;
- b. The hedge is highly effective (it meets the "economic relationship" criterion); and
- c. The hedge effectiveness can be measured reliably and is assessed on an ongoing basis.

The Company defines the economic relationship as a relationship in which the value of a hedged item and a hedging instrument move in the opposite direction in response to changes in the hedged risk. The Company enters into fixed derivative contracts, such as forwards and swaps, solely with first-class financial institutions. If the derivative is used to hedge the risk of a change in fair value of reported assets or liabilities, the hedged item is also measured at fair value. Gains or losses arising from revaluation of the hedged item and the hedging derivative are included in income or expenses, respectively.

The hedged item is specifically identified as highly probable cash flow that is individually assessed on the level of each business transaction. The aim of hedging is the elimination of a risk rather than a speculation; for this reason, the Company hedges only effective projects or their parts.

Doosan Škoda Power a.s.

Notes to the Financial Statements (unconsolidated)

Year Ended 31 December 2024
(CZK thousand)

the risk component is determined using a conservative approach, while only income that is highly probable in the beginning is considered for hedging.

Upon the inception of the hedging relationship, the Company documents the relationship between the hedging instrument and the hedged item, its risk management objectives and strategy for the implementation of various hedging transactions. At the inception and subsequently on a gradual basis, the Company additionally documents whether the hedging instrument is highly effective in the compensation of changes in fair values or cash flows of the hedged item that are attributable to the hedged risk.

If the derivative is used to hedge the risk of changes in cash flows arising from assets, liabilities or legally enforceable contracts or forecasted transactions, the change in the fair value of the hedging derivative corresponding to the effective portion of the hedging is reported as part of equity in "Gains or losses from revaluation of assets and liabilities" adequately to the proportion of unbilled future cash flows. The ineffective part of hedging and the change in the fair value of the hedging derivative corresponding to the proportion of unbilled future cash flows is included in income or expenses. The proportion of the billed and unbilled parts is determined for each project individually.

If derivative instruments do not meet the criteria for hedge accounting referred to above, they are treated as trading derivatives.

The Company also applies hedge accounting in respect of prepayments received and provided for projects.

Valuation

Upon acquisition, financial derivatives are recognised at cost and subsequently remeasured to fair value as of the balance sheet date. Changes in the fair value of financial derivatives for the hedging of cash flows are recognised proportionately in equity in the balance sheet (not yet billed part) and in the profit and loss account (billed part). The fair value of financial derivatives is determined based on the valuation of the derivative by a financial institution as of the financial statements date.

(h) Research and Development

Research and development costs are recognised in the profit and loss account in the period in which they are incurred. In respect of prototypes, the research and development costs are recognised directly in work in progress of the relevant project.

(i) Revenue Recognition

Revenues which mostly include the deliveries of turbines and power facilities and services relating to their servicing and repairs are recognised when the invoice is issued pursuant to the supplies provided to the customer, in accordance with the conditions set out in the relevant contract for work/purchase contract as appropriate.

Doosan Škoda Power a.s.

Notes to the Financial Statements (unconsolidated)

Year Ended 31 December 2024
(CZK thousand)

(j) Leased Assets

The Company uses only operating leases. The costs of operating leases are included in expenses on a straight line basis over the lease period, typically based on delivered tax documents.

(k) Income Taxation

The tax payable includes estimated tax calculated from the tax base using the tax rate applicable in the reporting period and all additional assessments and refunds for prior periods.

Deferred tax arises from all temporary differences between the accounting and tax value of assets and liabilities using the anticipated tax rate applicable for the period in which the deferred tax liability will be settled or the assets recovered.

The deferred tax asset is recognised only to the extent to which it is probable that it will be recovered in the following reporting periods.

(l) Payables, Loans and Financial Borrowings

The Company classifies the long-term portion of payables, bank loans and financial borrowings, the maturity of which is shorter than one year with respect to the financial statements date, as short-term.

Payables are stated at nominal value as of the acquisition date.

(m) Consolidation

The financial statements of the Company and all consolidated entities will be included in the consolidated financial statements of Doosan Power Systems S.A based in Luxembourg, 6, rue Eugène Ruppert, Grand Duchy of Luxembourg. Its consolidated financial statements will be published in accordance with the relevant regulations.

(n) Use of Estimates

The presentation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Management of the Company has made these estimates and assumptions on the basis of all the relevant information available to it. Nevertheless, pursuant to the nature of estimates, the actual results and outcomes in the future may differ from these estimates.

3. Change in Accounting Principles and Policies

During the year ended 31 December 2024, the Company made no changes in accounting principles or policies.

Doosan Škoda Power a.s.

Notes to the Financial Statements (unconsolidated)

Year Ended 31 December 2024
(CZK thousand)

4. Net Turnover for the Reporting Period

In the reporting period, there was a change in the method used to calculate the net turnover indicator for the reporting period due to a change in the accounting legislation. The net turnover listed in the financial statements for the prior reporting period is not comparable to the information for the reporting period. For this reason, it is not listed in the information for the prior reporting period in line with Section 4 (7) of Decree 500/2002 Coll., as amended.

Method used to calculate the net turnover indicator:

- For 2023, the indicator was determined as a total of all income reported in relevant lines of the profit and loss account in the financial statements for 2023.
- For 2024, the indicator was determined as a total of income from the sale of products, goods and provision of services. This includes only selected income which is the basis of the entity's business model, defined bearing in mind the industrial sector and the market on which the entity operates and the nature of activities for customers.

5. Fixed Assets

(a) Intangible Fixed Assets

	Start-up costs	Valuable rights	Software	Intangible fixed assets under construction	Other intangible fixed assets	Prepayments	Total
Cost							
Balance at 1 Jan 2024	0	960 767	544 171	3 993	22 000	0	1 530 931
Additions	0	0	2 403	1 105	0	0	3 508
Disposals	0	0	0	0	0	0	0
Transfers	0	0	2 324	-2 324	0	0	0
Balance at 31 Dec 2024	0	960 767	548 898	2 774	22 000	0	1 534 439
Accumulated amortisation							
Balance at 1 Jan 2024	0	960 767	541 062	0	22 000	0	1 523 829
Accumulated amortisation	0	0	5 316	0	0	0	5 316
Provisions	0	0	0	0	0	0	0
Balance at 31 Dec 2024	0	960 767	546 378	0	22 000	0	1 529 145
Net book value at 1 Jan 2024	0	0	3 109	3 993	0	0	7 102
Net book value at 31 Dec 2024	0	0	2 520	2 774	0	0	5 294

Doosan Škoda Power a.s.

Notes to the Financial Statements (unconsolidated)

Year Ended 31 December 2024
(CZK thousand)

(b) Tangible Fixed Assets

	Buildings	Machinery and equipment	Other fixed assets	Tangible fixed assets under construction	Land	Prepayments	Total
Cost							
Balance at 1 Jan 2024	1 248 606	2 664 474	29	32 101	227 705	4	4 172 919
Additions	2 315	31 581	0	29 208	0	0	63 104
Disposals	0	-25 017	0	0	0	0	-25 017
Transfers	8 781	15 384	0	-24 623	0	-4	-462
Balance at 31 Dec 2024	1 259 702	2 686 422	29	36 686	227 705	0	4 210 544
Accumulated depreciation and provisions							
Balance at 1 Jan 2024	556 061	2 394 534	0	5 698	0	0	2 956 293
Accumulated depreciation	39 928	49 341	0	0	0	0	89 269
Provisions	0	0	0	0	0	0	0
Balance at 31 Dec 2024	595 989	2 443 875	0	5 698	0	0	3 045 562
Net book value at 1 Jan 2024	692 545	269 940	29	26 403	227 705	4	1 216 626
Net book value at 31 Dec 2024	663 713	242 547	29	30 988	227 705	0	1 164 982

Intangible Fixed Assets

Intangible fixed assets primarily include valuable rights. These are rights relating to the ownership of the Škoda trademark. These rights were invested in the Company by the original owner in 2008.

Principal addition in 2024 was the MATLAB software with a total acquisition cost of CZK 564 thousand.

Principal technical improvements in 2024 were made on the PDMS software with a total cost of CZK 2,159 thousand and on the COMOS software with a total cost of CZK 1,804 thousand.

Tangible Fixed Assets

Principal additions to tangible fixed assets in 2024 were as follows:

Equipping the professional training centre with new and used facilities and machines with a total cost of CZK 7,941 thousand, 3D measuring device for large bodies with a total cost of CZK 7,346 thousand, new Pressure Oil Regulation Test Chamber of CZK 5,756 thousand, new digital camera system with a total cost of CZK 1,900 thousand, industrial endoscope IPLEX NX with the IV9650N 5mv probe with a total cost of CZK 1,441 thousand, computers totalling CZK 6,447 thousand, models and moulds with a total cost of CZK 4,856 thousand and furniture and fixtures totalling CZK 4,513 thousand.

Major technical improvements in 2024 were made in the buildings – modernisation and replacement of lifts with a total cost of CZK 3,515 thousand and construction of a professional training centre in the production hall building with a total cost of CZK 4,015 thousand, catchment system on crane tracks of CZK 931 thousand, modernisation of the LED lighting in the production hall of CZK 920 thousand, new milling head for the WHR13MC CNC milling and boring machine of CZK 1,375 thousand.

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The Company uses machinery and equipment recorded at the zero net book value that were acquired in prior years under finance leases. As of 31 December 2024, their total acquisition cost is CZK 210,982 thousand (2023: CZK 210,982 thousand). The principal item is the portal machining centre with an acquisition cost of CZK 192,192 thousand.

Major disposals of fixed assets in 2024 include the liquidation and sale of individual tangible assets with an acquisition cost of CZK 20,768 thousand (net book value: CZK 0 thousand), the liquidation of the furniture and fixtures with an acquisition cost of CZK 1,616 thousand (net book value: CZK 11 thousand), liquidation of tools and preparations with an acquisition cost of CZK 1,468 thousand (net book value: CZK 207 thousand).

The total amount of the provision against tangible fixed assets for 2024 was recognised in the amount of CZK 5,698 thousand (2023: CZK 5,698 thousand).

6. Leased Assets

(a) Finance Lease

As of 31 December 2024 and 2023, the Company recorded no assets under finance leases.

(b) Operating Lease

In the year ended 31 December 2024, the Company leased primarily office premises. The total amount of the lease of buildings and land was CZK 6,272 thousand (2023: CZK 4,314 thousand).

Pursuant to the contract for the lease of vehicles, the Company leased cars from several companies and paid CZK 12,110 thousand for these services in the year ended 31 December 2024 (2023: CZK 11,564 thousand).

7. Tangible and Intangible Fixed Assets not Reported in the Balance Sheet

In line with the accounting policies disclosed in Note 2(a), the Company reported tangible and intangible fixed assets with an acquisition cost of less than CZK 5 thousand (cutting tools under CZK 10 thousand, preparations under CZK 20 thousand and cutting instruments under CZK 40 thousand) through expenses in the year of its acquisition. The total accumulated acquisition cost of these tangible and intangible fixed assets which are still in use is as follows:

	Balance at	
	31 Dec 2024	31 Dec 2023
Tangible fixed assets	306 516	302 658
Intangible fixed assets (software)	1 319	1 319
Total	307 835	303 977

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(CZK thousand)

8. Non-current Financial Assets

Equity investments as of 31 December 2024

	Ownership percentage	Number of shares	Nominal value of a share in CZK	Total profit (+) loss (-)	Equity	Cost	Net book value	Share in equity (equity accounting)
Guangzhou Škoda Jinma Ltd. (Čína)	5%	0	0	*	*	100	0	*
ŠKODA POWER Private Limited (Indie) **	100%	0	0	14 692	92 724	3 093	3 093	92 724

* The data were not available as of the balance sheet date.

** The figures are based on unaudited results under IFRS.

Equity investments as of 31 December 2023

	Ownership percentage	Number of shares	Nominal value of a share in CZK	Total profit (+) loss (-)	Equity	Cost	Net book value	Share in equity (equity accounting)
Guangzhou Škoda Jinma Ltd. (China)	5%	0	0	*	*	100	0	*
ŠKODA POWER Private Limited (India) **	100%	0	0	12 507	95 642	2 859	2 859	95 642

* The data were not available as of the balance sheet date.

** The figures are based on unaudited results under IFRS.

In 2024, the Company received a dividend from ŠKODA POWER Private Limited, India, in the amount of CZK 21,943 thousand. In 2023, the Company recorded no dividend income from non-current financial assets.

As of 31 December 2024, the Company holds the majority of voting rights in ŠKODA POWER Private Limited, India.

The registered office of the subsidiary:

ŠKODA POWER Private Limited
Enkay Square
Udyog Vihar, Phase - V
Vanijya Nikung
Gurugram 122016
Haryana, India

9. Inventory

- (a) A provision was recognised against slow-moving inventory in the amount of 50% of its value, if the inventory has been idle for a period of one year. The provision against selected items was recognised even in a higher amount, based on an analysis performed by inventory managers. As of 31 December 2024, the total provision amounts to CZK 41,628 thousand (2023: CZK 33,416 thousand).

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- (b) The provision against work in progress was not recognised as of 31 December 2024 (2023: CZK 2,063 thousand).
- (c) The provision against internally produced semi-finished products as of 31 December 2024 is recognised for idle inventory in the amount of CZK 5,228 thousand (2023: CZK 1,318 thousand).
- (d) No provision against finished products was recognised as of 31 December 2024 (2023: CZK 0 thousand).
- (e) No provision against prepayments made was recognised as of 31 December 2024 (2023: CZK 0 thousand).
- (f) As of 31 December 2024, the most significant balances of the work in progress were on the following projects: Komořany (CZK 396 million), Olefins (CZK 375 million), Turkistan (CZK 354 million), North London (CZK 225 million), Lostock (CZK 210 million), South Clyde (CZK 165 million), Orlen Plock (CZK 162 million), AVV57 (CZK 122 million), Pasco (CZK 98 million), Pierrefonds (CZK 96 million), Mmamabula (CZK 51 million) and Rivenhall (CZK 28 million).
- (g) As of 31 December 2023, the most significant balances of the work in progress were on the following projects: Olefins (CZK 306 million), Quang Trach (CZK 192 million), Jafurah (CZK 117 million), Wiesbaden (CZK 116 million), North London (CZK 97 million), Lostock (CZK 94 million), Rivenhall (CZK 93 million), Pierrefonds (CZK 92 million), South Clyde (CZK 74 million), Zeran (CZK 65 million), Poříčí (CZK 50 million), Opatovice (CZK 49 million), Huelva (CZK 36 million), Komořany (CZK 31 million) and Boca Chica (CZK 28 million).

10. Long-Term and Short-Term Receivables and Payables

- (a) Short-term and long-term receivables

Short-term trade receivables amount to CZK 2,149,792 thousand (2023: CZK 2,764,810 thousand); CZK 1,413,339 thousand (2023: CZK 1,319,557 thousand) are trade receivables, of which CZK 693,241 thousand (2023: CZK 699,118 thousand) are past their due dates. The provision against doubtful trade receivables as of 31 December 2024 amounted to CZK 181,044 thousand (2023: CZK 243,706 thousand).

As of 31 December 2024, the Company records no short-term receivable in the line C.II.2.2. Receivables – controlled or controlling entity (2023: CZK 1,050 000 thousand).

Estimated receivables of CZK 622,134 thousand (2023: CZK 325,035 thousand) relate to unbilled interest on loans in the amount of CZK 310,623 thousand (2023: CZK 187,939 thousand) as of the balance sheet date and unbilled revenues from cross-border projects in 2024.

As of 31 December 2024, the Company records long-term receivables of CZK 45,840 thousand (2023: CZK 145,934 thousand). No provision against the long-term receivables was recognised as of 31 December 2024 (2023: CZK 0 thousand).

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Other short-term and long-term receivables primarily include the real value of derivative financial instruments – see Note 11.

(b) Short-term and long-term payables

Short-term payables amount to CZK 4,501,903 thousand (2023: CZK 3,298,578 thousand): CZK 380,392 thousand (2023: CZK 284,059 thousand) are trade payables, of which CZK 159,545 thousand as of 31 December 2024 (2023: CZK 80,235 thousand) are past their due dates.

Long-term payables include retention fees from trade transactions of CZK 10,151 thousand (2023: CZK 11,990 thousand) and a deferred tax liability. The Company recorded no long-term payables with maturity exceeding 5 years in the years ended 31 December 2024 and 2023.

Estimated payables of CZK 459,262 thousand (2023: CZK 220,765 thousand) primarily include purchases of material and services relating to implemented projects in the scope of received supplies for which the Company had no relevant tax documents as of the accounting close date.

11. Short-Term Prepayments Received

Short-term prepayments received amount to CZK 3,486,663 thousand (2023: CZK 2,534,333 thousand) and include prepayments relating to projects.

12. Derivative Financial Instruments

As of 31 December 2024, the Company had open long-term and short-term hedging derivatives. Derivatives were revalued in accordance with the accounting policies disclosed in Note 2 (g).

(a) Gains or losses from revaluation of assets and liabilities as of 31 December 2024 include the gain from the revaluation of hedging derivatives adequately to the proportion of the unbilled part of future cash flows (including the revaluation of prepayments complying with the definition of hedging derivatives and settlement of hedging derivatives that were extended – swaps, as the hedged cash flow was delayed) of CZK 115,140 thousand (2023: a gain of CZK 65,342 thousand).

(b) Fair value of open trading derivatives

Impact on equity

Future hedging of cash flows	Fair value of derivatives			
	31 Dec 2024		31 Dec 2023	
	Receivables	Payables	Receivables	Payables
within one year	5 327	60 748	21 435	27 006
within more than one year	1 327	67 984	8 147	24 453
	6 654	128 732	29 582	51 459
Impact on equity		122 078		21 877

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Impact on revenue/expenses (adjustment based on the project invoicing percentage)

Future hedging of cash flows	Fair value of derivatives			
	31 Dec 2024		31 Dec 2023	
	Income	Expense	Income	Expense
within one year	2 415	15 209	14 944	4 807
within more than one year	248	903	4 545	16
	2 663	16 112	19 489	4 823
Impact on revenue/expenses		13 449	14 666	

(c) Fair value of open derivatives held for trading

Future hedging of cash flows	Fair value of open derivatives			
	31 Dec 2024		31 Dec 2023	
	Income	Expense	Income	Expense
Within one year	0	0	0	0
within more than one year	0	0	0	0
	0	0	0	0
Impact on revenue/expenses	0	0	0	

13. Provisions

2024	Provision against fixed assets	Provision against inventory	Provision against receivables	Total
Balance at 1 January 2024	5 798	36 797	243 706	286 301
Recognition	0	12 122	56 155	68 277
Use	0	2 063	50 460	52 523
Release	0	0	68 357	68 357
Balance at 31 December 2024	5 798	46 856	181 044	233 698

2023	Provision against fixed assets	Provision against inventory	Provision against receivables	Total
Balance at 1 January 2023	5 798	43 642	267 093	316 533
Recognition	0	3 731	31 752	35 483
Use	0	10 576	10 614	21 190
Release	0	0	44 525	44 525
Balance at 31 December 2023	5 798	36 797	243 706	286 301

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(CZK thousand)

14. Statement of Changes in Equity

(a) Changes in Equity

2024	Share capital	Retained earnings	Profit for the period	Reserve fund	Gains or losses from revaluation of assets and liabilities	Total
Balance at 1 January 2024	3 298 345	0	476 488	329 834	51 621	4 156 288
Share capital decrease	-1 848 345	0	0	0	0	-1 848 345
Profit for 2024	0	0	402 470	0	0	402 470
Retained earnings	0	476 488	-476 488	0	0	0
Dividends	0	-476 488	0	0	0	-476 488
Change in gains or losses from revaluation	0	0	0	0	-142 582	-142 582
Balance at 31 Dec 2024	1 450 000	0	402 470	329 834	-90 961	2 091 343

2023	Share capital	Retained earnings	Profit for the period	Reserve fund	Gains or losses from revaluation of assets and liabilities	Total
Balance at 1 January 2023	3 298 345	1 630 549	564 842	329 834	181 765	6 005 335
Profit for 2023	0	0	476 488	0	0	476 488
Retained earnings	0	564 842	-564 842	0	0	0
Dividends	0	-2 195 391	0	0	0	-2 195 391
Change in gains or losses from revaluation	0	0	0	0	-130 144	-130 144
Balance at 31 Dec 2023	3 298 345	0	476 488	329 834	51 621	4 156 288

During the year, the Company's share capital was decreased and amounted to CZK 1,450,000 thousand as of 31 December 2024 (2023: CZK 3,298,345 thousand) and is paid in full. The share capital decrease took effect on the day when it was recorded in the Register of Companies, i.e. on 5 December 2024. Subsequently, on 13 December 2024, the relating liabilities were settled by an offset with a loan to the parent company of CZK 1,050 thousand and the remaining amount by a cash transfer.

(b) Planned Allocation of the 2024 Profit

The Company anticipates that the profit share according to the statutory financial statements for 2024 (Czech Accounting Standards) proposed to be allocated among shareholders will reflect the publicly declared level upon the Company's public offering at the beginning of 2025. The specific amount will be decided by the general meeting in line with the Articles of Association.

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15. Other Reserves

2024	Reserve for warranty repairs	Reserve for risks	Other reserves (for legal disputes, outstanding vacation days, etc.)	Reserve for projects in progress and loss projects	Total
Balance at 1 Jan 2024	156 872	16 422	90 698	179 932	443 924
Recognition	62 904	53 083	77 211	0	193 198
Use	23 032	9 300	79 542	29 474	141 348
Release	21 245	0	0	0	21 245
Balance at 31 Dec 2024	175 499	60 205	88 367	150 458	474 529

2023	Reserve for warranty repairs	Reserve for risks	Other reserves (for legal disputes, outstanding vacation days, etc.)	Reserve for projects in progress and loss projects	Total
Balance at 1 Jan 2023	211 167	24 022	82 484	157 349	475 022
Recognition	54 072	0	77 802	29 627	161 501
Use	11 273	7 600	69 588	7 044	95 505
Release	97 094	0	0	0	97 094
Balance at 31 Dec 2023	156 872	16 422	90 698	179 932	443 924

The reserves for warranty repairs are recognised pursuant to long-term historical information regarding the costs of warranty repairs. The reserves for risks are recognised based on an individual assessment of the risk relating to a specific project by the project manager or another responsible person. The reserves for risks should primarily cover the sanctions that may be imposed on the Company due to non-compliance with the time, factual or quality parameters of the project, set by the business contract with a customer. The reserves for projects in progress are recognised when the Company determines during the project implementation that the expense-to-revenue ratio of the subsequent, not yet billed project phases will increase.

16. Bank Loans

As of 31 December 2024 and 2023, the Company used no bank loans.

17. Information on Sales

In the past, the Company reduced its range of products, and it currently produces turbines and turbine components including their supply to power generation plants. The sales in 2024 and 2023 were as follows:

	In-country		Cross-border		Total	
	2024	2023	2024	2023	2024	2023
Turbines	913 747	1 201 146	3 414 857	3 125 832	4 328 604	4 326 978
Total	913 747	1 201 146	3 414 857	3 125 832	4 328 604	4 326 978

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18. Related Party Information

(a) Receivables and Payables

Receivables and payables, disclosed in Note 9, include the following intercompany account balances (including estimated receivables and payables and prepayments).

	Relation to the Company	Receivables as of		Payables as of	
		31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
ŠKODA POWER Private Limited (India)	Subsidiary	20 840	522	8 823	8 112
Doosan Digital Innovation, branch	Group company	13	445	59 123	39 298
Doosan Power Systems S.A. (Luxemburg)	Parent company	328 750	190 865	3 300	3 300
Doosan Turbomachinery (USA)	Group company		2 238	68 613	0
Doosan Power Systems Arabia Co.Ltd. (KSA)	Group company	3 866	0	0	0
Doosan Lentjes (Germany)	Group company	473 188	154 357	16 050	0
DOOSAN UKUDU POWER LLC (Guam)	Group company	1 969	0	0	0
Doosan Enerbility Co.Ltd. (Korea)	Group company	118 217	92 301	368 472	423 208
Total		946 843	440 728	524 381	473 918

Long-term Payables

The Company records no long-term intercompany payables.

(b) Receivables from the Controlled or Controlling Entity

As of 31 December 2024, the Company reports no receivable from a related party ad (2023: CZK 1,050,000 thousand). The loan falls due within one year.

(c) Sales and Purchases

Doosan group	Relation to the Company	Sales for		Purchases for	
		2024	2023	2024	2023
ŠKODA POWER Private Limited (India)	Subsidiary	57 381	9 178	29 337	22 881
Doosan Enerbility Co.,Ltd (Korea)	Group company	639 068	672 651	10 659	15 305
Doosan Digital Innovation, branch	Group company	384	367	176 210	139 287
Doosan Power Systems SA (Luxembourg)	Parent company	138 398	190 864	0	2 233
Doosan Power Systems Arabia Co.Ltd. (KSA)	Group company	6 340	0	0	0
Doosan Business Research Institute (Korea)	Group company	0	0	8	4
Doosan Lentjes (Germany)	Group company	330 805	55 017	0	0
DOOSAN UKUDU POWER LLC (Guam)	Group company	6 280	0	0	0
Doosan Turbomachinery Services (USA)	Group company	490	2 692	16 850	0
Total		1 179 146	930 769	233 064	179 710

Note: The "Sales" column includes sales of own products, sales of services, sales of assets, income from a loan, received dividends and other operating income. The "Purchases" column includes the purchase of material, energy consumption, purchase of services, other operating expenses and purchase of inventory.

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(CZK thousand)

19. Bonuses and Loans to Members of Statutory and Supervisory Bodies

	Statutory executives	
	2024	2023
Number of members	4	4
Bonuses	4 953	3 737
Other supplies (pension insurance, etc.)	1 737	2 046

The statutory executives receive monthly bonuses for their functions. If it results from their work position, they use Company cars for both business and private purposes, receive contributions for the pension fund and contribution for accommodation in certain cases.

20. Employees and Managers

The average number of employees and managers and staff costs for the years ended 31 December 2024 and 2023.

2024	Number of employees	Payroll costs	Social security and health insurance costs	Social costs
Employees	964	794 453	266 342	33 950
Managers	5	17 011	5 920	157
Total	969	811 464	272 262	34 107

2023	Number of employees	Payroll costs	Social security and health insurance costs	Social costs
Employees	915	708 518	238 071	31 291
Managers	5	15 995	5 407	123
Total	920	724 513	243 478	31 414

21. Social Security and Health Insurance Payables

Social security and health insurance payables amount to CZK 28,967 thousand (2023: CZK 25,196 thousand), of which CZK 20,016 thousand (2023: CZK 17,367 thousand) are social security payables and CZK 8,951 thousand (2023: 7,829 thousand) are health insurance payables. No social security and health insurance payables are past their due dates.

22. Information on Fees to Statutory Auditors

The fee to statutory auditors for the statutory audit of the annual financial statements was agreed to be EUR 140 thousand and does not include ancillary costs. The fee includes both statutory audit and the audit of the IFRS financial statements. The statutory auditor additionally provided other assurance services to the Company in the amount of EUR 137 thousand.

23. State – Tax Receivables, Payables and Subsidies

As of 31 December 2024, the Company reports tax receivables of CZK 98,866 thousand (2023: CZK 23,396 thousand). These are principally receivables arising from value-added tax in the Czech Republic.

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Corporate income tax prepayments were offset against an income tax reserve as of 31 December 2024. As a result, zero income tax reserve was recognised (2023: CZK 85,795 thousand).

Payables to the state of CZK 14,454 thousand (2023: CZK 152,683 thousand) primarily include payables arising from the personal income tax.

The Company received a subsidy for research and development projects and training programmes for employees of CZK 4,631 thousand (2023: CZK 7,633 thousand).

24. Income Taxation

(a) Tax Payable

The tax payable for 2024 of CZK 125,766 thousand includes the tax liability for 2024 in the Czech Republic and abroad.

The tax payable for 2023 of CZK 152,012 thousand includes the tax liability for 2023 in the Czech Republic and abroad.

The Company is a payer of the top-up tax. The implementation of the Pillar 2 processes is coordinated at the parent company level. The Company, in cooperation with the Doosan Group, made an assessment of the impact of Pillar 2 and the top-up tax and following the assessment, it applied the “safe harbour” for the year ended 31 December 2024. The top-up tax had no impact on the tax payable and the deferred tax.

(b) Deferred Tax

Deferred tax by individual assets and liabilities

	Difference	
	2024	2023
Fixed assets	-169 831	-185 056
Receivables	6 345	9 059
Inventory	9 840	7 727
Reserves	99 651	93 224
Revaluation of assets and liabilities recognised in equity	24 179	-13 722
Other temporary differences (unpaid penalty)	-11 679	-400
Deferred tax asset/ (liability)	-41 495	-89 168

In accordance with the accounting policies disclosed in Note 2(k), the deferred tax was calculated using the tax rates applicable for the period in which the deferred tax liability is settled or the assets recovered.

The change in the deferred tax liability of CZK 47,673 thousand was recognised as of 31 December 2024 partially as an increase in expenses amounting to CZK 9,772 thousand. The remaining change in the deferred tax of CZK 37,901 thousand arising from temporary differences from the revaluation of assets and liabilities charged against equity was not reported

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through profit or loss but as part of gains or losses from the revaluation of assets on the face of the balance sheet.

(c) Tax Relief arising from Investments Incentives

In 2024, the Company used no tax relief arising from investment incentives.

25. Research and Development

In 2024, the Company incurred CZK 137,277 thousand (2023: CZK 135,501 thousand) in respect of the general research and turbine development. The costs were recognised in the profit and loss account.

26. Off Balance Sheet Payables and Contingent Assets

Legal Disputes

The Company recorded no significant legal disputes.

Bank Guarantees:

In line with contractual conditions, the Company is obliged to provide the client with a bank guarantee for the quality completion of the work, warranty period and payment refund in advance.

- Československá obchodní banka, a. s. provided bank guarantees of CZK 347,929 thousand, EUR 30,789 thousand, USD 6,229 thousand, PLN 52,085 thousand, MXN 872 thousand with validity until 3 November 2029.
- Komerční banka, a.s. provided bank guarantees of CZK 421,078 thousand and EUR 1,610 thousand with validity until 7 December 2026.
- Raiffeisenbank a.s. provided bank guarantees of CZK 31,224 thousand, EUR 21,277 thousand and USD 3,372 thousand with validity until 12 December 2026.
- Všeobecná úvěrová banka, a.s., Prague branch, provided bank guarantees of CZK 105,452 thousand, EUR 5,088 thousand and USD 14,306 thousand with validity until 23 July 2026.

(a) Non-bank Guarantees

In accordance with the contractual terms and conditions the Company provided non-bank guarantees for the refund of the down payment, good work performance and the guarantee period in the amount of CZK 192,591 thousand to Doosan Enerbility, Co., Ltd.

Collateralised Payables

The Company records no collateralised payables.

Issued Bills of Exchange

The Company records no issued bills of exchange.

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(b) Guarantee

The Company provided no guarantees for the bank guarantees and letters of credit of related parties.

27. Post Balance Sheet Events

Subsequent to the balance sheet date, the Company was transformed into a joint stock company and into a new internal organisation which is to contribute to its improved operations. These facts had no impact on the financial statements as of 31 December 2024.

a) Company transformation – change in the legal status

The Company changed its legal status from the limited liability company to a joint stock company with effect from 1 January 2025 following a transformation project approved on 22 November 2024. The change was recorded in the Register of Companies as of 1 January 2025. The share capital was divided into 29,000,000 shares with the nominal value of CZK 50 per share.

In the context of this change, the Company set up the Board of Directors, instead of statutory executives, where the Chairman of the Board of Directors is Youngki Lim and Vice-Chairman of the Board of Directors is the CFO Sanghoun Park; the remaining former statutory executives are members of the Board of Directors. These changes were recorded in the Register of Companies on 6 January 2025. The Company additionally set up a Supervisory Board and an Audit Committee.

b) Adjustment to the organisational structure

As of 1 January 2025, the Company made adjustments to the organisational structure: the CFO, Executive Director and Sales Director, COO and the head of Strategy and Marketing report directly to the CEO. The head of Sales, Maintenance Director and the head of Technical Development report to the Executive Director and Sales Director. Heads of Realisation, Technical Division and Procurement report to the COO.

c) Cancellation of the reserve fund

The Company cancelled and allocated the reserve fund and offset it against accrued interest from the loan provided to DPS SA of CZK 312,910 thousand. The decision was made by the Board of Directors on 17 January 2025.

Doosan Škoda Power a.s.

Notes to the Financial Statements (unconsolidated)

Year Ended 31 December 2024

(CZK thousand)

d) Listing on the stock exchange and increase in the share capital

The Company announced its intention to be listed on the stock exchange on 15 January 2025. This was followed by an announcement of an initial public offering (IPO) launch and publication of a prospectus on 27 January 2025. As part of the IPO, the Company increased its share capital by CZK 145,000 thousand (to CZK 1,595,000 thousand) by an issue of 2,900 thousand new shares with the nominal value of CZK 50 per share. The IPO was finalised on 6 February 2025 and the stabilisation period was concluded by a settlement of a sufficient volume intended for the stabilisation period in the full amount on 26 February 2025. As a result, there are 10,527,000 shares accounting for 30% in free circulation on the Prague Stock Exchange. The difference between the earned value of the newly issued shares upon subscription (CZK 240 per share) and the nominal value of a share (CZK 50 per share) and further decreased by the IPO related costs is recorded as share premium.

X. Report on Relations Between Related Parties

31 March 2025

Doosan Škoda Power a.s.

**Report on Relations between Related Parties for the Year Ended
31 December 2024**

Doosan Škoda Power a.s.
Report on Relations between Related Parties

Opening Provisions

In accordance with the provisions of Section 82 (a) and the following sections of Act No. 90/2012 Coll., on Business Corporations and Cooperatives, (hereinafter the “Act on Business Corporations”), the Company prepared the Report on Relations between Related Parties for this Reporting Period.

Companies related to Doosan Škoda Power a.s. (former Doosan Škoda Power s.r.o.)

Controlled Entity

Entity	Doosan Škoda Power a.s.
Registered office	Tylova 1/57, Jižní Předměstí, 301 00 Plzeň, Czech Republic
Corporate ID	49193864

Recorded in the Register of Companies held by the Regional Court in Plzeň, File C, Insert 24 733

Controlling Entity – the Sole Owner (100% share)

Entity	DOOSAN POWER SYSTEMS S.A.
Registered office	L-2411 Luxembourg, 6, 28, Boulevard F.W. Raiffeisen, Grand Duchy of Luxembourg

(hereinafter “Controlling Entity 1”)

Controlling Entity pursuant to Section 75 (1) of the Business Corporations Act

Entity	Doosan Enerbility Co., Ltd
Registered office	22 Doosanvolvo-ro, Seongsan-gu, Changwon, 51711, Republic of Korea

(hereinafter “Controlling Entity 2”)

Controlling Entity 1 and Controlling Entity 2 also jointly referred to as the “**Controlling Entities**”.

Entity directly controlling DOOSAN POWER SYSTEMS S.A.

Entity	Doosan Enerbility Co., Ltd
Registered office	22 Doosanvolvo-ro, Seongsan-gu, Changwon, 51711, Republic of Korea

Entity directly controlling Doosan Heavy Industries & Construction Co., Ltd and through it DOOSAN POWER SYSTEMS S.A.

Entity	Doosan Co., Ltd.
Registered office	275, Jangchungdan-ro, Jung-gu Seoul, 04563, Republic of Korea

Doosan Škoda Power a.s.
Report on Relations between Related Parties

Selection from a list of entities directly or indirectly controlled by Doosan Co., Ltd. and by Doosan Enerbility Co., Ltd.

Entity	Doosan Lentjes GmbH
Registered office	Daniel Goldbach Strasse 19, 400880, Ratingen, Germany
Entity	Doosan Enerbility Co., Ltd.
Registered office	22 Doosan volvo-ro, Seongsan-gu, Changwon, Gyeongnam, 51711, Republic of Korea
Entity	DOOSAN DIGITAL INNOVATION EUROPE, odštěpný závod
Registered office	Plzeň, Tylova 1/57, Jižní Předměstí 301 00, Czech Republic
Entity	Doosan Turbomachinery Services Inc.
Registered office	1200 N. P Street, La Porte, Texas, Houston, TX TX77571, USA
Entity	Doosan Power Systems Arabia Co. Ltd.
Registered office	Olya Tower, Building 7878, Al Amir Sultan Al, Muhammadiyah Dist, Jeddah 23617, Saudi Arabia
Entity	Doosan Ukudu Power LLC
Registered office	155 Tun San Jose, Tamuning, Guam, 96 913, USA

Entities controlled by Doosan Škoda Power a.s.

Entity	Registered office	Corporate ID	Share
ŠKODA POWER Private Ltd. (SPPL)	Gurugram, India	U40101DL2004PTC130312	100%

The above list of related parties is not exhaustive. The DOOSAN Group includes several tens of entities worldwide. This Report on Relations between Related Parties includes only entities with which the Controlled Entity has had or has economic relations.

Doosan Škoda Power a.s.

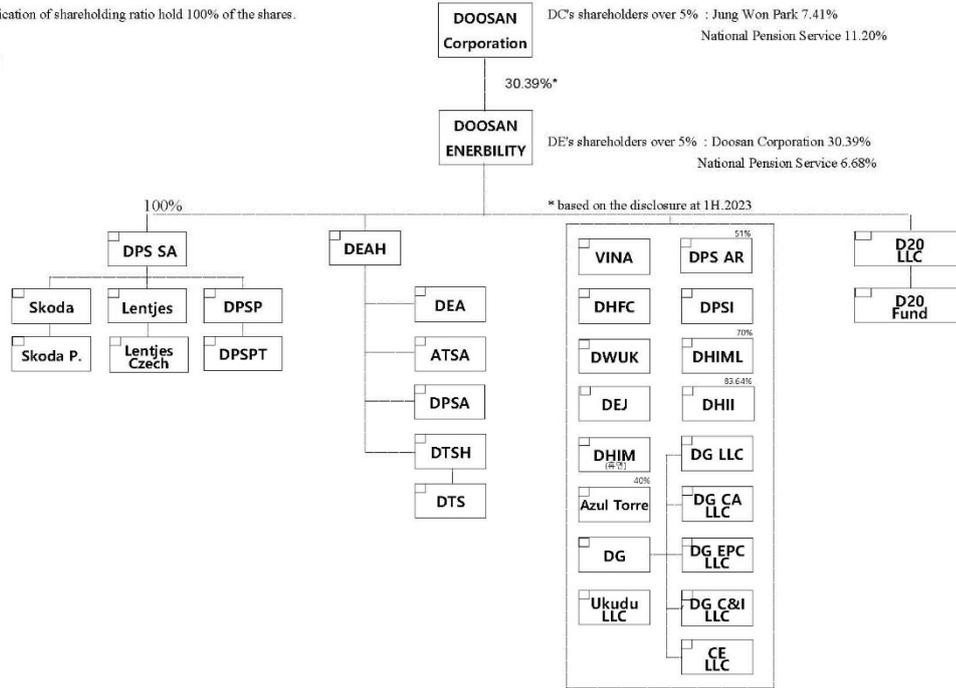
Report on Relations between Related Parties

Group Structure

No. of Entities : 32

※ Companies without an indication of shareholding ratio hold 100% of the shares.

Plant EPC Nuclear
Power Service Etc.



ENERBILITY - List of Oversea Subsidiary

1	Doosan Power Systems S.A.	DPS SA	Luxembourg	Luxembourg	Holding Company	ENERBILITY	100%	
2	Doosan Skoda Power s.r.o.	Skoda	Czech	Plzen	TBN/GEN	DPS SA	100%	
3	Skoda Power Private Limited	Skoda P	India	New Delhi	TBN/GEN	Skoda	100%	
4	Doosan Lentjes GmbH	Lentjes	Germany	Ratingen	Powerservice	DPS SA	100%	DPSE를 역병함
5	Doosan Lentjes Czech s.r.o	Lentjes Czech	Czech	Praha	Powerservice	Lentjes	100%	
6	DPS UK Pension Co Limited	DPSP	UK	Crawley	etc.	DPS SA	100%	
7	Doosan Power Systems Pension Trustee Company Ltd.	DPSP	UK	Crawley	etc.	DPSP	100%	
8	Doosan Enerbility America Holdings	DEAH	USA	New Jersey	Holding Company	ENERBILITY	100%	
9	Doosan Enerbility America LLC	DEA	USA	New Jersey	Purchase & etc.	DEAH	100%	
10	Doosan ATS America, LLC	ATSA	USA	Florida	TBN/GEN	DEAH	100%	
11	Doosan Power Service America, LLC	DPSA	USA	Atlanta	Powerservice	DEAH	100%	
12	Doosan Turbomachinery Services Holding Inc.	DTSH	USA	Huston	TBN/GEN	DEAH	100%	95.9% → 71.3월 100%
13	Doosan Turbomachinery Services Inc.	DTS	USA	Huston	TBN/GEN	DTSH	100%	
14	Doosan Enerbility Vietnam Co.	VINA	Vietnam	Quang Ngai	Powergeneration/Water/Transportation/Chemical	ENERBILITY	100%	
15	Doosan Power Systems Arabia Company Limited	DPSAR	Saudi Arabia		TBN/GEN	ENERBILITY	51%	
16	Doosan Power Systems India	DPSI	India	Gurgaon	EPC, Boiler	ENERBILITY	99.9%	
17	Doosan Water UK	DWUK	UK	Birmingham	Water	ENERBILITY	100%	
18	Doosan Heavy Industries Muscat LLC	DHIML	Oman	Muscat	Water	ENERBILITY	70%	
19	Doosan Enerbility - Japan Corp.	DEJ	Japan	Tokyo	Sales/Marketing, Purchang & etc.	ENERBILITY	100%	
20	Doosan Heavy Industries Indonesia	DHII	Indonesia	Jakarta	Powergeneration	ENERBILITY	84%	
21	Doosan Malaysia Sdn.Bhd.	DHIM	Malaysia	Kuala Lumpur	Powergeneration	ENERBILITY	100%	Dormant
22	Azul Torre Construction Corporation	Azul Torre	Philippines	Subic	Construction	FADZ	60%	ENERBILITY 40%
23	Doosan GridTech Inc.	DG	USA	Seattle	ESS	ENERBILITY	100%	
24	Doosan GridTech Services LLC	DG LLC	USA	Seattle	ESS	DG	100%	
25	Doosan GridTech CA LLC	DG CA LLC	USA	Seattle	ESS	DG	100%	
26	Doosan GridTech EPC, LLC	DG EPC LLC	USA	Seattle	ESS	DG	100%	
27	Doosan GridTech C&I, LLC	DG C&I LLC	USA	Seattle	etc.	DG	100%	
28	Continuity Energy, LLC	CE LLC	USA	Seattle	etc.	DG	100%	
29	Doosan Ukudu Power, LLC	Ukudu LLC	USA	Guam	Construction	ENERBILITY	100%	
30	D20 Capital, LLC	D20 LLC	USA	San Francisco	etc.	ENERBILITY	100%	
31	D20 Capital Fund I, LP.	D20 Fund	USA	San Francisco	etc.	D20	100%	

General Information on Relations between Related Parties in the Reporting Period

- 1 Information on relations between the Controlled Entity and Doosan Co., Ltd. (Republic of Korea) and entities directly and indirectly controlled by Doosan Co., Ltd.
 - 1.1 In 2024, the Controlled Entity and DOOSAN Co., Ltd. (Republic of Korea) and companies directly and indirectly controlled by Doosan Co., Ltd. concluded contracts under the arm's length principle, and performances and counter-performances under the arm's length principle. As a result, the Controlled Entity cannot incur any damage or detriment as a result of these contracts. The list of individual types of transactions is provided in the following table. All performances are provided for consideration.
 - 1.2 Except for the transactions listed below, there were no legal acts in the interest of other related parties between the Controlled Entity and other related parties. In addition, no measures relating to the Controlled Entity were adopted or made in the interest of other related parties.
 - 1.3 Controlling Entity 1 has a 100% share in the Controlled Entity and as such is the sole owner of Doosan Škoda Power a.s. Controlling Entity 1 has limited all of its controlling powers to exercise the rights of the owner. Apart from exercising its rights as the sole owner, Controlling Entity 1 does not interfere in any other matters, i.e. matters related to business management, decision making and daily operation of the Controlled Entity. Controlling Entity 2 indirectly controls the Controlled Entity via Controlling Entity 1, through which it has the ability to influence the appointment and recalling of most of the persons that are members of the statutory body pursuant to provisions set out in Section 75 (1) of the Business Corporations Act.
 - 1.4 The role of the Controlled Entity within related party relations remains the development of business activities in the area of design, production and modernisation of steam turbines and related facilities.
 - 1.5 The relation between the Controlled Entity and the Controlling Entities, where Doosan Škoda Power a.s. is the Controlled Entity, may be assessed as advantageous with respect to the fact that the field for offering the subject of the company's business activities has significantly expanded as a result of the relation of the Controlled Entity with the above mentioned related parties. The Controlled Entity's relation with the DOOSAN Group enables the Controlled Entity to use the synergies resulting from being a member of the DOOSAN Group. These synergies are of a great significance to the Controlled Entity as it can thus benefit from utilising namely the following: mutual marketing and sales networks based on a strong representation of the DOOSAN Group on Czech and Central and Eastern European markets and a significant representation of the DOOSAN Group in the Middle East, North Africa, North and South Americas, India and Western Europe, completing the comprehensive range of main facilities for power plants and sharing the net of customer relations, maximisation of production capacity and sources for stable supplies of basic material, as well as sharing know-how and patents and participating in their further development. From this perspective, the relationship for Doosan Škoda Power a.s. is clearly profitable.

Doosan Škoda Power a.s.
Report on Relations between Related Parties

An overview of actions that were initiated by or taken in the interest of the Controlling Entities or entities controlled by them in relation to assets the value of which exceeded 10% of shareholders' equity

Subject of the Performance	Entity initiating the performance	Value
-	-	-

Performance Provided between Controlling Entity 1 and the Controlled Entity in the Reporting Period

Subject of the performance	Provider	Recipient	Effectiveness
Reinvoicing of a service	Doosan Škoda Power	Doosan Power Systems SA	One-off
Paid dividends	Doosan Škoda Power	Doosan Power Systems SA	One-off, based on the decision of the General Meeting
Provision of loans	Doosan Škoda Power	Doosan Power Systems SA	Throughout a part of the Reporting Period

Performance provided between Controlling Entity 2 and the Controlled Entity in the Reporting Period (based on contracts concluded or effective in the 2024 Reporting Period)

Subject of the performance	Provider	Recipient	Effectiveness
Sub-licence contract for the Doosan brand and other IP	Doosan Enerbility	Doosan Škoda Power	Throughout the whole Reporting Period
Supply of turbines, generators, spare parts and technical services	Doosan Škoda Power	Doosan Enerbility	During the Reporting Period – ad hoc
Licensing fees	Doosan Škoda Power	Doosan Enerbility	Throughout the whole Reporting Period

Performance provided between related parties in the Reporting Period (based on contracts concluded or effective in the 2024 Reporting Period)

Subject of the performance	Provider	Recipient	Effectiveness
Technical services, IT services, spare parts supply	Doosan Škoda Power	ŠKODA POWER private Ltd (India)	During the Reporting Period – ad hoc
Constructional work, technical services	ŠKODA POWER private Ltd (India)	Doosan Škoda Power	Throughout the whole Reporting Period
Dividends	ŠKODA POWER private Ltd (India).	Doosan Škoda Power	One-time based on the decision of the General Meeting
Maintenance of computer networks, IT services, HW sale, sale of mobile phones, SW sale, maintenance of information systems	Doosan Digital Innovation Europe, branch	Doosan Škoda Power	Throughout the whole Reporting Period
Lease of offices, HR and commercial services	Doosan Škoda Power	Doosan Digital Innovation Europe, odštěpný závod	Throughout the whole Reporting Period
Technical services	Doosan Škoda Power	Doosan Power Systems Arabia	Throughout the whole Reporting Period

Doosan Škoda Power a.s.
Report on Relations between Related Parties

Subject of the performance	Provider	Recipient	Effectiveness
Technical services	Doosan Škoda Power	Doosan Ukudu Power LLC	Throughout the whole Reporting Period
Technical services, supply and installation of turbines	Doosan Škoda Power	Doosan Lentjes (Germany)	During the Reporting Period – ad hoc
Supply of spare parts	Doosan Škoda Power	Doosan Turbomachinery (USA)	One-off according to the contract

Conclusion

The Controlled Entity incurred no detriment (property or non-property related) as a result of the impact of the Controlling Entities in the year ended 31 December 2024.

On 31 March 2025



Sanghoun Park
Vice-Chairman of the Board of Directors



Young Ki Lim
Chairman of the Board of Directors

XI. Auditor's Report

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Doosan Škoda Power a.s. (formerly Doosan Škoda Power s.r.o.)

Having its registered office at: Tylova 1/57, Jižní Předměstí, 301 00 Plzeň

Opinion

We have audited the accompanying financial statements of Doosan Škoda Power a.s. (hereinafter also the "Company") prepared on the basis of accounting regulations applicable in the Czech Republic, which comprise the balance sheet as at 31 December 2024, and the profit and loss account, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Doosan Škoda Power a.s. as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with accounting regulations applicable in the Czech Republic.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application guidelines. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information in the Annual Financial Report

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Financial Report other than the financial statements and auditor's report thereon. The Board of Directors is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Responsibilities of the Company's Board of Directors and Supervisory Board for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with accounting regulations applicable in the Czech Republic and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

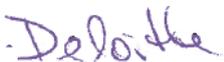
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors and the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

In Prague on 24 April 2025

Audit firm:

Deloitte Audit s.r.o.
registration no. 079



Statutory auditor:

Lukáš Pytlíček
registration no. 2460

