

# a Annual report

# 2023



# Table of Contents

1	COMPANY'S MISSION, VISION, AND GOALS .....	3
2	COMPANY PROFILE.....	4
3	BASIC ECONOMIC INDICATORS OF THE ČD CARGO GROUP .....	6
4	SIGNIFICANT EVENTS IN 2023 .....	9
5	OPENING STATEMENT OF THE CHAIRMAN OF THE BOARD OF DIRECTORS.....	11
6	COMPANY'S BODIES AND MANAGEMENT .....	12
7	ORGANISATIONAL STRUCTURE OF ČD CARGO, A.S., AS OF 31 DECEMBER 2023 .....	17
8	ORGANISATIONAL BRANCH ABROAD.....	18
9	REPORT OF THE BOARD OF DIRECTORS ON BUSINESS ACTIVITIES OF ČD CARGO, A.S., AND THE BALANCE OF ITS ASSETS FOR THE PERIOD FROM 1 JANUARY 2023 TO 31 DECEMBER 2023 .....	19
10	FINANCIAL SITUATION OF ČD CARGO, A.S. ....	46
11	ANTICIPATED DEVELOPMENT, GOALS, AND PLANS.....	51
12	CONSOLIDATED DISCLOSURE PURSUANT TO ARTICLE 8 OF THE REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON THE ESTABLISHMENT OF A FRAMEWORK TO FACILITATE SUSTAINABLE INVESTMENT (TAXONOMY REGULATION) .....	52
13	SHARE CAPITAL .....	59
14	REPORTS OF THE COMPANY'S SUPERVISORY BOARD AND THE AUDIT COMMITTEE ..	60
15	INDEPENDENT AUDITOR'S REPORT .....	66
16	POST BALANCE SHEET EVENTS .....	70
17	INFORMATION ON PERSONS RESPONSIBLE FOR THE ANNUAL REPORT OF THE ČDC GROUP.....	71
18	REPORT ON RELATIONS .....	72
19	LIST OF USED ABBREVIATIONS.....	114
20	IDENTIFICATION AND CONTACT INFORMATION .....	115
21	SEPARATE FINANCIAL STATEMENTS (IFRS)*.....	116
22	CONSOLIDATED FINANCIAL STATEMENTS (IFRS) .....	198



# 1 Company's Mission, Vision, and Goals

ČD Cargo is a modern, dynamic company that is building its future on four pillars. It is not only the largest Czech railway carrier, but also one of the most important players on the European railway market with a transport volume of approximately 60 million tonnes. Through its branches and subsidiaries, it operates as a carrier in seven European countries. It transports both bulk goods and high value-added products, including intermodal transport. It also reliably transports special consignments, dangerous and humanitarian goods or military equipment. ČD Cargo is the only carrier in the Czech Republic to offer transport of goods in block trains as well as in the form of individual vehicle transport, which is a suitable and environmentally friendly alternative to road transport. ČD Cargo operates a system of wagon consignments on the entire network of Správa železnic, covering a significant part of the Czech Republic.

The vision of ČD Cargo is to maintain its position on the national and European market. In a competitive environment, this is not an easy task, but it is being achieved. There are several conditions for this success, the most important of which are continuous improvement and expansion of services, proactive communication with customers and, of course, a competitive price level, although a reasonable price in itself is not currently a condition for obtaining and maintaining transportation contracts. The improvement of services includes, above all, the introduction of new technologies, computerisation, and digitalisation of processes, etc. For our customers, we want to be a strong and stable partner with a vision for the future. For our employees, we want to be a stable employer.



## 2 Company Profile

ČD Cargo, a.s. was established on 1 December 2007 by the contribution of part of the joint-stock company České dráhy, a.s. The sole founder and 100% shareholder is the joint stock company České dráhy. ČD Cargo, a.s. is a subsidiary of České dráhy, a.s. and specialises in the provision of freight transportation.

### Name, address and identification

Name: ČD Cargo, a.s.

Registered office: Holešovice, Jankovcova 1569/2c, Prague 7, 170 00

Corporate ID: 28196678

Recorded in the Register of Companies held by the Municipal Court in Prague, File B, Insert 12844

### General Information

ČD Cargo, a.s. provides rail freight transportation and a range of related services. The aim of the Company is to improve its leading position and to be the driving force on the freight transportation market in the Czech Republic and the Central European region. The business activities of ČD Cargo, a.s., can be divided into two main segments:

- transportation; and
- additional services.

The Transportation segment is further structured as follows:

- local;
- export;
- import;
- transit; and
- transportation only outside the territory of the Czech Republic.

The Company transports almost all types of goods, which can be divided into the following groups:

- iron and engineering products;
- building materials;
- lignite;
- hard coal and coke;
- chemical products and liquid fuels;
- wood and paper products;
- food and agricultural products;
- combined transportation;
- automotive; and
- other.



The Company offers rail transportation and a wide range of additional services such as:

- customs services;
- logistics services (loading, unloading, storage);
- security advisory services;
- lease of railway vehicles;
- repairs and maintenance of rolling stock;
- siding and border services;
- and more.



### 3 Basic Economic Indicators of the ČD Cargo Group

The ČD Cargo Group consists of the parent company ČD Cargo, a.s., its subsidiaries, and other equity investments.

The importance of the ČD Cargo Group has grown with the liberalisation of rail freight transportation in Europe, the gradual removal of barriers to entry into foreign markets and the effort to provide customers with quality services “across Europe”. As a result, ČD Cargo Group provides comprehensive services to customers all over Europe.

Key financial indicators of the ČD Cargo Group as listed in the consolidated financial statements under IFRS									
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Structure of assets and liabilities (in CZK million)									
Total assets**	34,923	34,481	30,472	27,172	25,016	20,093	18,470	18,172	17,742
Fixed assets**	30,527	30,022	26,565	24,185	22,190	16,698	15,626	15,280	14,588
Equity	10,153	10,022	9,792	9,419	9,726	9,126	8,529	7,718	6,727
Structure of profit or loss (in CZK million)									
Revenues*	15,729	14,667	12,899	12,266	13,037	13,076	11,923	11,760	12,063
Operating profit or loss	1,217	667	634	-78	988	1,020	1,097	1,372	968
Profit or loss before tax	733	310	388	-276	791	878	947	1,153	698
Ratio indicators (%)									
Current liquidity (current assets/current liabilities)	65%	58%	67%	57%	50%	80%	83%	83%	62%
Total debt (liabilities/total assets)**	71%	71%	68%	65%	61%	55%	54%	58%	62%
Average recalculated number of employees	6,628	6,558	6,531	6,877	7,158	7,134	7,130	7,065	7,335
Performance indicators									
Volume of transport (million tons)	59.4	64.2	62.8	61.0	65.0	68.4	66.1	65.9	66.4

\* due to the implementation of IFRS 15, revenues from lease have been newly presented in "Revenues" since 2018

\*\* the amount of assets and debt has been impacted by the implementation of IFRS 16 since 2019

The main business segments of the ČD Cargo Group can be divided into Transportation and Additional Services to Transportation.

Under the conditions of ČD Cargo, a.s., the Transportation segment is implemented through the product of unit trains and the product of individual wagon consignments, which ČD Cargo, a.s. offers to its customers worldwide as the only carrier in the Czech Republic. In the Additional Services segment, the Company offers products directly related to the Transportation segment. These include activities such as the operation of railway sidings, customs services, security advisory services, warehousing, the leasing of surplus capacity of freight wagons and locomotives, or the maintenance and repair of railway vehicles for third parties.

These activities are carried out both with the parent company’s own capacities and in cooperation with companies in which it holds equity investments.

The potential of the subsidiaries is mainly used for expansion abroad, which is one of the strategic goals of ČD Cargo, a.s. In 2023, ČD Cargo, a.s. successfully continued its expansion when transports increased primarily in the territory of Austria and Germany through branches Niederlassung Wien and Germany, and in Poland through the subsidiary CD Cargo Poland. In cooperation with its subsidiaries, ČD Cargo, a.s. also provides transportation for its customers in Slovakia, Hungary and has gradually established itself on the Croatian market.

With a volume of 59.4 million tonnes of goods transported, the ČD Cargo Group is one of the most important rail freight carriers in Europe. ČD Cargo, a.s. is also an important employer in the Czech Republic.



Segment analysis (in CZK million)		Transportation	Additional Services	Elimination	Total
Revenues	2023	14,683	3,816	-2,770	<b>15,729</b>
	2022	13,528	3,726	-2,587	<b>14,667</b>
Services, material and energy consumption	2023	-6,716	-2,506	2,842	<b>-6,380</b>
	2022	-6,699	-2,416	2,640	<b>-6,475</b>
Employee benefit costs	2023	-4,701	-700	-1	<b>-5,402</b>
	2022	-4,201	-691	0	<b>-4,892</b>
Depreciation, amortisation and impairment	2023	-2,232	-348	-9	<b>-2,589</b>
	2022	-2,051	-434	-22	<b>-2,507</b>
<b>Profit from operating activities before tax</b>	2023	990	446	-219	<b>1,217</b>
	2022	508	367	-208	<b>667</b>
<b>Profit before tax</b>	<b>2023</b>	<b>541</b>	<b>396</b>	<b>-204</b>	<b>733</b>
	<b>2022</b>	<b>189</b>	<b>326</b>	<b>-205</b>	<b>310</b>
<b>Profit for the period</b>	2023	199	339	-212	<b>326</b>
	2022	149	262	-202	<b>209</b>

## Transportation Segment

In 2023, the Transportation segment generated profit before tax of CZK 541 million. The year-on-year increase in profit was positively influenced mainly by the increase in services provided abroad and the increase in agreed prices, which compensated for the increase in the prices of most cost inputs and contributed to a slight improvement in the profitability of transport services. On the Czech market, the volume of services provided decreased slightly, due to the unfavourable economic situation of a number of industrial segments for which raw materials and finished products are transported by rail. After the situation on the energy markets calmed down, transportation services were negatively affected by a repeated shift away from the generation of power and heat from fossil fuels. At the same time, as a result of higher costs, the freight transportation segment faced increasing competitive pressure from road hauliers, whose fuel price increases are not as dynamic in the long term.

Purchased consumables and services increased only minimally due to lower performance. On the contrary, the cost of routine maintenance of rolling stock and other related services increased year-on-year. The increase in staff costs was necessary to reduce the negative impact of extremely high inflation on staff and staff retention. Following the renewal and modernisation of the rolling stock, depreciation and interest expenses increased year-on-year in relation to the growing volume of debt service to finance



these investments, which are necessary for the expansion abroad in order to maintain good quality transportation services.

## **Segment of Additional Services to Transportation**

In the Additional Services segment, the ČD Cargo Group generated profit before tax of CZK 396 million for 2023 which is also a year-on-year increase. In the Additional Services segment, the Company also managed to reflect the increase in cost input prices in the prices for customers. Subsidiaries operating in foreign markets and in the Czech Republic, providing a range of logistics and terminal services or leasing excess locomotive and wagon capacities, also contributed to the stable profit in the Additional Services segment. This synergy within the ČD Cargo Group has made it possible to put certain available wagon capacities into operation and use them, thus contributing to a better use of internal resources.



## 4 Significant Events in 2023

### *January*

- Introduction of exclusive ETCS-controlled operations on the Olomouc - Uničov line. On this route, ČD Cargo uses modernised 742.71 class locomotives equipped with the mobile part of this control system;
- Employees of ČD Cargo start unloading lignite at the Veolia heating plant in Krnov;

### *March*

- On 17 March, launch of advertising stickers on the 388.015 locomotive symbolising the cooperation between ČD Cargo and the Metrans operator;
- Delivery of two 393 class Vectron locomotives with an auxiliary diesel engine;
- Start of new sand transports from the Znojmo region to Jihlava;
- Transports and unloading of gravel as part of the modernisation of the Trnovec nad Váhom – Tvrdošovce route (collaboration between ČD Cargo and CD Cargo Slovakia);

### *April*

- On 3 – 14 April, Vectron Dual Mode 248.019 was borrowed from Siemens for testing with ČD Cargo trains;
- On 24 April, opening ceremony for the start of the Lemkin Train project;
- Start of new fuel transports from Slovakia to Poland in cooperation between ČD Cargo and CD Cargo Poland;

### *May*

- On 9 – 12 May, entities from the ČD Cargo Group attended the Transport Logistic trade fair in Munich;
- Test transports of mineral resources for Lasselberger;

### *June*

- On 5 – 7 June, ČD Cargo attended the international Rail Business Days trade fair in Ostrava involving the launch of the 393.002 locomotive in the presence of the Czech Minister of Transport;

### *July*

- Start of the “Super Train Drivers” project;
- On 21 July, takeover of the first 242 class locomotive of ČD Cargo following its modernisation in ČMŽO;
- Order for another twelve TRAXX 3MS locomotives with delivery in the first half of 2026 at the latest;



### ***August***

- On 24 August, takeover of the first locomotive from another delivery of the modernised 742.71 class locomotives from CZ LOKO, specifically the 742.768 class locomotive;

### ***September***

- On 12 September, the Company received the certificate of safety of railway transport operations in the Czech Republic, Austria, and Germany from ERA;
- On 23 September, the National Railway Day took place in Bohumín with the participation of ČD Cargo;

### ***October***

- On 7 October, Open Day in SOKV (Railway Vehicle Repair Centre) České Budějovice;
- On 10 October, SOKV Ústí nad Labem held a training exercise to introduce the fire brigade to ČD Cargo's state-of-the-art locomotives;
- On 13 – 15 October, a major SAFEGUARD exercise was held on railway lines in the Brno area in cooperation with Správa železnic, the Czech Police, and the Czech Army;

### ***November***

- On 9 November, the 19th conference for ČD Cargo partners took place in Špindlerův Mlýn;

### ***December***

- On 1 December, two members of the ČD Cargo Supervisory Board elected by the employees were replaced;
- On 4 December, the first test train loaded with lignite for ORLEN left from Počerady to Most.



## 5 Opening Statement of the Chairman of the Board of Directors

Dear Shareholders, Business Partners, Ladies and Gentlemen,

I wish I could start by saying that everything went smoothly and according to the plan in 2023. Unfortunately, this was not the case, and we had to deal with numerous new challenges; we had to react to the increase in costs, react to the situation on the global market, and meet the competition. It all started back in the autumn of 2022, when we had to patiently explain to our customers why we had to increase prices year on year. I dare say that most of our business partners accepted our pricing policy due to the factual and professionally prepared arguments. But that was not all. Throughout the year, we also had to cope with a number of factors that had a negative impact on our transportation operations. Fortunately, there were no natural disasters. However, I have to mention the extensive closure of almost all of the infrastructure of Správa železnic. We were relieved when we were finally able to operate again on the “501” route, but there was a continuous traffic closure in the Labe valley, in the direction of Germany, traffic restrictions on the “Ferdinand” route, the border crossing in Lanžhot, and the list goes on. In addition, the coincidence of certain closures was very limiting, our customers had to cope with high energy prices, lower demand for their production, together with a drastic decrease in the demand for lignite in the power and heating industries. This meant a general decrease in transport services on the Czech transport market. It was not an easy year, and it makes me even happier that we managed to get through it together.

I consider the biggest success to be the fact that we generated profit, but I am also proud of numerous smaller successes. We obtained a single certificate for the safety of railway transport operations on the national and regional railways in the Czech Republic, Germany, and Austria, we managed to win a number of new transportation contracts, we dealt with extensive closures, we moved the customer centre to 24/7 operation, and we modernised the premises of the wagon repair centre in Třinec. In addition to improving working conditions for our employees, we intensified our recruitment activities. We also offered our customers the opportunity to track their consignments using the state-of-the-art ČDCgo application.

I would like to take this opportunity to thank everyone who has contributed to the success of the year 2023. I would like to thank our business partners for their trust in our services, our employees for their responsible and high-quality work and, of course, all our stakeholders. We are a modern and dynamic business group, a significant player on the European market.

I believe that we will continue to be this player in the years to come.

Tomáš Tóth

Chairman of the Board of Directors of ČD Cargo, a.s.



## 6 Company's Bodies and Management

ČD Cargo, a.s. is fully owned by České dráhy, a.s., which exercises powers of the General Meeting, i.e. the Company's supreme body. The Company's statutory body is the Board of Directors, which comprises three members. The Company's supervisory body is the Supervisory Board, which has six members. Pursuant to Act No. 93/2009 Coll., on Auditors, a three-member Audit Committee was established as of 1 October 2009.

### Board of Directors and Management

#### **Tomáš Tóth**

*Chairman of the Board of Directors (Member since 4 December 2020, Chairman since 4 December 2020), age: 42 years*

An experienced manager who, after graduating from the Faculty of Transport Engineering at the University of Pardubice in 2007 (Management, Marketing, and Logistics), joined the railways, specifically ČD, a.s., as a Supply Centre Officer in Česká Třebová. In preparation for the establishment of ČD Cargo, a.s., he was a member of the supply team. In ČD Cargo, a.s., he first worked as a Purchasing and Supply Specialist, then he focused on project management and IT development. Between 2012 and 2013, he worked as the Director of the Implementation Department of ČD - Informační systémy, a.s. Between 2013 and 2018, he held the position of Director of the Economic and Financial Management Department of ČD Cargo, a.s. Between 2018 and 2020, he was the Executive Director of the Company. On 4 December 2020, České dráhy, a.s., as the sole shareholder of ČD Cargo, a.s., decided to appoint Tomáš Tóth as Member of the Board of Directors of ČD Cargo, a.s. On 4 December 2020, the Board of Directors of ČD Cargo, a.s. elected him Chairman.

#### **Zbyszek Waclawik**

*Member of the Board of Directors (Member since 1 June 2022), age: 44 years*

Zbyszek Waclawik is a graduate of the Integrated Secondary School of Business. He has worked in many companies in the railway sector, in the ČD Group and in the top management of private railway companies. In 2004, he worked as the Marketing Director of ČD - Telematika, a.s. Later he initiated the establishment of the Polish subsidiary Koleje Czeskie (later CD Cargo Poland Sp. z o.o.), where he held the position of Chairman of the Board of Directors for a long time. In the past, he worked at ČD Cargo, a.s., where he was Member of the Board of Directors and, in 2015, the Company's Commercial Director. Since 1 June 2022, he has been Member of the Board of Directors of ČD Cargo, a.s. and at the same time he is entrusted with the management of the Commerce Department.



## **Martin Svojanovský**

*Member of the Board of Directors (Member since 1 June 2022), age: 49 years*

Martin Svojanovský has dedicated his entire professional life to the railway. After graduating from the Railway Technical Secondary School in Letohrad in the field of transport and freight transportation, he started his railway career on 1 July 1993 at the railway station in Česká Třebová as a transit worker. In 1994 he started to work as a dispatcher and performed this position (in various stations) until 2005, when he was promoted to the position of a traffic dispatcher in OPŘ Česká Třebová. In 2007, during the division of České dráhy, he became an employee of ČD Cargo, a.s., where he successively worked in Česká Třebová as an operational, control, and central dispatcher. He gained experience in managing the operation of long-distance freight trains. At the turn of 2016/2017, he expanded his operational experience by working as the manager of a newly established customer service centre. Between 2017 and 2019, he worked in management positions at Česká Třebová Operation Control, first as head of the Operation Control Group and later as head of the Operation Control Division. From 1 April 2019 to 31 May 2022, he was entrusted with the position of Director of Česká Třebová Operation Control. Since 1 June 2022, he has been Member of the Board of Directors of ČD Cargo, a.s. and is also responsible for managing the company's Operations Department.

## **Supervisory Board**

### **Michal Krapinec**

*Chairman of the Supervisory Board (Member of the Supervisory Board since 1 September 2022, Chairman since 1 September 2022), age: 37 years*

Michal Krapinec graduated from the Faculty of Law at Charles University in Prague, majoring in law and jurisprudence. He started his professional career as a trainee lawyer. From 2012 to 2017, he worked at ČD Cargo, a.s., first as the Secretary of the Board of Directors and then in asset administration and management. From 2014 to 2017, he was also Member of the Board of Directors of ČD Logistics. Between 2017 and 2020, he worked for České dráhy, a.s. as Director of the Economics and Informatics Office, Director of the Strategy and Asset Management Department and Director of the Project Office Department. In 2020, he became Member of the Board of Directors and later Chairman of the Board of Directors and Executive Director of ČD - Telematika, a.s. In March 2022, he became Chairman of the Board of Directors and Executive Director of České dráhy, a.s. Since 1 September 2022, he has been Chairman of the Supervisory Board of ČD Cargo, a.s.



## **Jan Kasal**

*Member of the Supervisory Board (Member since 16 March 2022), age: 72 years*

Jan Kasal graduated from the Czech Technical University. From 1975, he worked as a development worker at Žďárské strojírný. From 1990 to 2010, he was Member of the Czech National Council, then the Chamber of Deputies of the Parliament of the Czech Republic for the KDU-ČSL party. Since 2011, he has been working at ČD Cargo, a.s. From 2014 to 2019, he was Member of the Supervisory Board of ČD Cargo, a.s. and from 2014 to 2018, he was Member of the Supervisory Board of Česká pošta s.p. Since 16 March 2022, he has been Member of the Supervisory Board of ČD Cargo, a.s. again.

## **Tomáš Vrbík**

*Member of the Supervisory Board (Member since 16 March 2022), age: 50 years*

Tomáš Vrbík graduated from the Secondary School of Chemistry, then studied andragogy at the Faculty of Arts of Charles University. He began his professional career in 1992 in the press department of the Main Office of the ODS party. In 1995, he worked in the Office of the Chamber of Deputies of the Parliament of the Czech Republic. Between 1996 and 1998 and 2000 to 2003, he worked in the private sector in advertising and public relations. He was a representative of Prague 2 and the capital city of Prague. In 2003, he became Member of the Parliament of the Czech Republic. From 2006, he worked as Director of the Cabinet of the Minister of Finance and from 2007 to 2009 as Director of the Office of the Deputy Minister of the Interior for Public Administration, Informatics, Legislation and Archives. In 2010, he was appointed Deputy Minister of the Environment, and from 2012 he was Head of Prime Minister Petr Nečas' Advisors. Between 2014 and 2021, he was Secretary of the Office of the Chamber of Commerce of the Czech Republic. In January 2022, he was appointed Deputy Minister of Transport of the Czech Republic. He has been Member of the Supervisory Board of ČD Cargo, a.s. since 16 March 2022.

## **Drago Sukalovský**

*Member of the Supervisory Board (Member since 16 March 2022), age: 61 years*

Drago Sukalovský graduated from the Faculty of Electrical Engineering at the Brno University of Technology. He first worked in the national company TOS Kuřim, and later in other companies as a programmer and as a system analyst. Since 1993, he has been working in the field of public relations and marketing as a PR consultant. Between 2008 and 2012, he studied marketing at the Faculty of Multimedia of the Tomáš Bata University in Zlín. In 2002, he became a representative of the town of Kuřim. In 2006, he was elected to the town council and in 2010 he became the mayor of Kuřim. In 2012, as a member of the STAN organisation, he was elected as a representative of the South Moravian Region. He has been Member of the Supervisory Board of ČD Cargo, a.s. since 16 March 2022.



### **Petr Doležal**

*Member of the Supervisory Board (since 1 December 2023, elected by the Company's employees), age: 55 years*

Petr Doležal graduated from the Railway Vocational School in Chomutov, specialising in railway vehicle mechanics and repair, and started working at the railway vehicle depot in Ústí nad Labem. Since 1996, he has been a master of railway vehicles and he completed his education at the Technical Vocational School in Prague, specialising in traffic management, where he graduated. At present he works as a relieved Chairman of ZO OSŽ DKV Ústí nad Labem and Chairman of the Committee of OSŽ SOKV in Ústí nad Labem.

### **Marta Urbancová**

*Member of the Supervisory Board (from 1 December 2018 to 30 November 2023 and since 1 December 2023) age: 46 years*

Marta Urbancová graduated from the Railway Technical Secondary School in Šumperk, specialising in railway transport and freight transportation. In 1995, after graduating from secondary school, she started working as a transit worker - train preparer in Ostrava, and then as a vehicle dispatcher and freight transport treasurer. Since 1 July 2009, she has been relieved for the position of Secretary to the Chairman of the Corporate Committee of the Railway Workers' Trade Union of ČD Cargo, a.s. In 2012, she completed her university education, graduating from the Silesian University in Opava with a Bachelor's degree in Social Policy and Social Work.

## **Audit Committee**

### **Oldřich Vojř**

*Chairman of the Audit Committee (Member since 15 December 2009, Chairman since 18 February 2010), age: 62 years*

Oldřich Vojř graduated from the Faculty of Education at the Jan Evangelista Purkyně University in Ústí nad Labem and completed his doctoral studies at the Faculty of Transport at the University of Pardubice. He has been Member of the Parliament of the Czech Republic and has managed or supervised business, energy, and transport companies. He currently heads Enima pro, a.s., a company specialising in engineering and construction, electrical and transport engineering in Prague, with branches in Ostrava and Most.



## **Libor Joukl**

*Member of the Audit Committee (since 15 December 2009), age: 56 years*

Libor Joukl graduated from the Brno University of Technology. In 1989, he joined the ŽĎAS company in Žďár and Sázavou, where he was involved in investment construction and design. From 1991 to 1992, he worked as an independent agent for the PENTA advertising agency in Žďár and Sázavou. He has been self-employed since 1992. Between 1994 and 2000, he worked as a Production Manager in JMZ-CATONEX s.r.o. In 2000, he became Statutory Executive and Director of APOLY s.r.o. Příbryslav. He has been a member of the Příbryslav Town Council since 2002. From 2003 to 2006, he was Member of the Supervisory Board of MERO, a.s., Kralupy nad Vltavou, and from 2004 to 2006 he was its Vice-Chairman. Since 2004, he has been a member of the Regional Council of the Vysočina Region and in November 2008 he was appointed Deputy Governor of the Vysočina Region for Transport and Assets. He currently works as an investment deputy at the Directorate of the Regional Administration and Maintenance of Roads of the Vysočina Region.

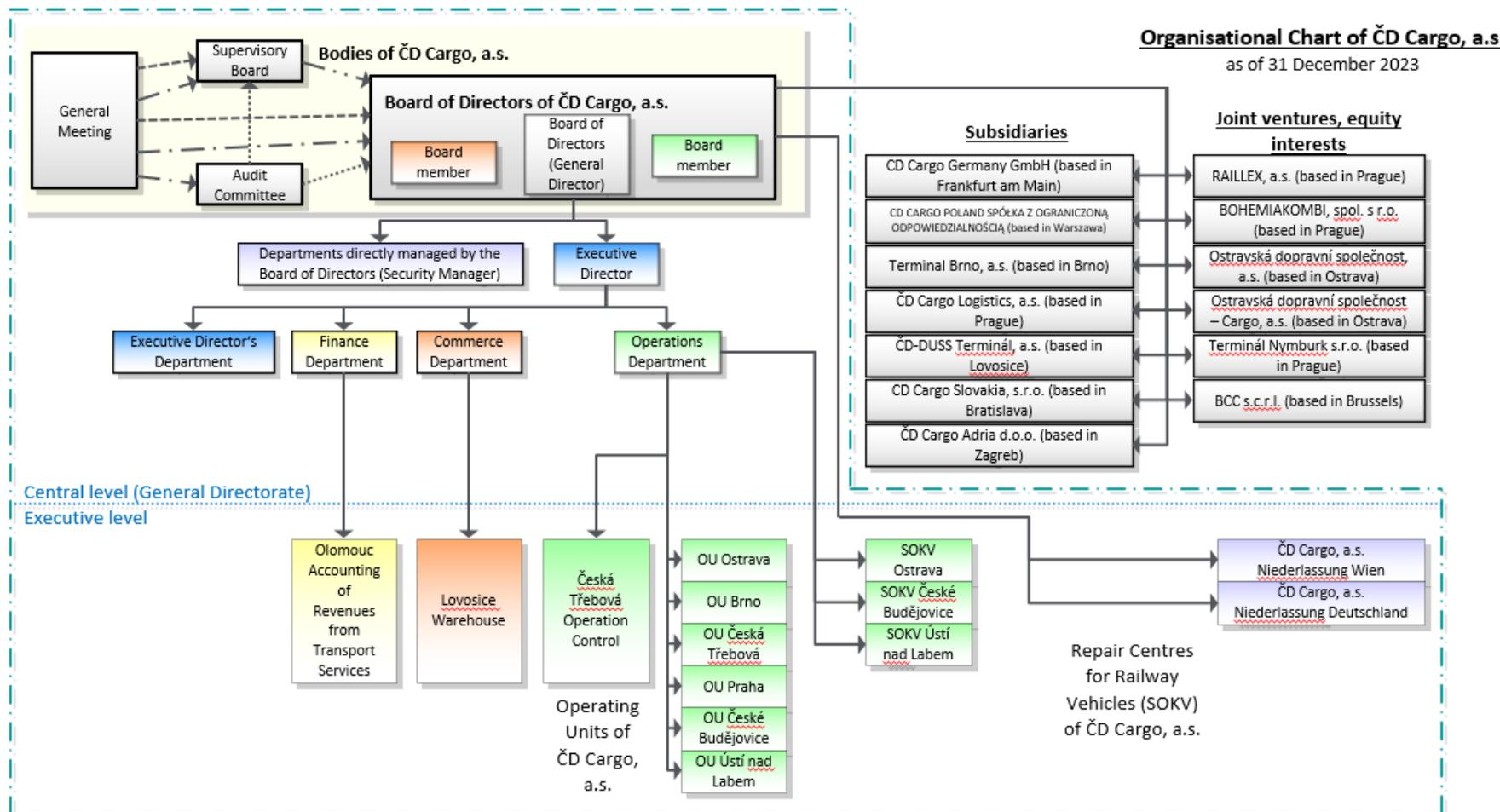
## **Miroslav Zámečník**

*Member of the Audit Committee (since 15 December 2009), age: 61 years*

Miroslav Zámečník graduated from the Prague University of Economics and Business and the Pew Fellow School of Foreign Services, Georgetown University, Washington. From 1990 to 1993 he worked as an advisor to the Federal Minister of Finance and then as Head of the Centre for Economic Analysis in the Office of President Václav Havel. From 1994 to 1998, he was the Czech Republic's representative to the World Bank in Washington, D.C. Since 2001, he has worked as an independent economic consultant specialising in corporate restructuring. He was a member of the National Economic Council of the Czech Government.

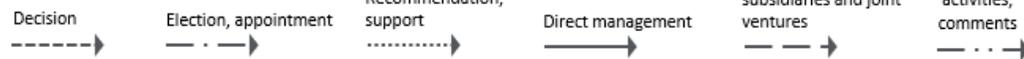


# 7 Organisational Structure of ČD Cargo, a.s., as of 31 December 2023



### Explanatory notes / comments:

#### Management relations



ČD Cargo, a.s.

Finance Director directly manages Olomouc Accounting of Revenues from Transport Services.  
 Commercial Director directly manages Lovosice Warehouse.  
 Operations Director directly manages the Operating Units of ČD Cargo, a.s..  
 O12 Director directly manages the Repair Centres for Railway Vehicles of ČD Cargo, a.s..  
 O21 Director directly manages Česká Třebová Operation Control.



## 8 Organisational Branch Abroad

The Company has two organisational branches abroad.

ČD Cargo, a.s.

Niederlassung Wien

Lemböckgasse 59/16,

1230 Vienna

ČD Cargo, a.s.

Niederlassung Deutschland

Niddastraße 98-102

60329 Frankfurt am Main



## 9 Report of the Board of Directors on Business Activities of ČD Cargo, a.s., and the Balance of its Assets for the period from 1 January 2023 to 31 December 2023

### Operation of Freight Transport

#### Freight Transportation

2023 was a year full of global changes, which of course had a major impact on ČD Cargo's operations. Among the most significant factors were the ongoing war in Ukraine, the military conflict in Israel, and attacks by militant groups threatening navigation through the Suez Canal. Furthermore, there was the escalating industrial recession, a decline in construction production, high energy prices, and inflation.

In 2023, ČD Cargo transported 53.9 million tonnes of goods on the domestic market, which is approximately 7 million tonnes less than in 2022. On the positive side, however, there is a steady increase in the performance and volumes of goods transported abroad, for example the branches in Austria and Germany. Within their specific business operations, excluding volumes of participatory shipments, the branches transported over half a million tonnes more goods year-on-year and nearly a million tonnes more than in 2021. Our foreign subsidiaries were similarly successful in 2023, with CD Cargo Poland, for example, achieving a record 5 million tonnes of freight transported. In 2023, the ČD Cargo Group transported a total of 55.9 million tonnes of goods (this statistic represents a consolidated view of the transport volume, i.e. tonnes transported by the Group companies on interstate routes are counted only once). Revenues from freight transport reached CZK 10.7 billion in 2023, up by CZK 771 million compared to 2022.

The largest year-on-year decline of 1.7 million tonnes was recorded by lignite. While there was substantial demand for transporting this fuel in 2022, surpassing our capacity to meet customer demands, the past year was characterized by a notable decline. The natural gas market partially stabilised and the unusually warm weather in the spring and at the end of the year contributed to a reduction in fuel deliveries to most heating plants. Landfills at most power plants were also overfilled with fuel during the year. Statistics show that electricity generation from coal-fired sources fell to 27%, reaching an all-time low. Since the beginning of the year, our employees have been unloading coal at the heating plant in Krnov. In December, we also transported the first three test trains of lignite from Počeradý to the ORLEN chemical plant in Most.

Of course, electricity prices have also had an impact on other industries, such as metallurgy. We witnessed a partial decrease in output across all European steel mills. Additionally, one of our key clients, Liberty Steel Ostrava, encountered severe financial challenges during the year, resulting in the closure of two blast furnaces and a significant portion of the coking plant, leading to extensive ramifications – shipments of iron ore, hard coal, coke, limestone and, of course, the production fell as a



result of the production cuts. This meant a loss of 1.2 million tonnes of goods in the iron and engineering products commodity alone. Unfortunately, the newly acquired shipments fell well below expectations. While the year-on-year decline in coal and coke commodities was not particularly significant, the challenging situation in the metallurgical industry and the decreased interest in supplying this fuel to power stations, especially to Dětmarovice, were still evident. The market for this commodity was further complicated by the uncertain post-election situation in neighbouring Poland. At the beginning of 2023, our subsidiary, CD Cargo Poland, became a carrier on the Polish section of the transport for Třinecké železářny.

The poor situation in the construction sector at the beginning of the year did not improve much over the course of the year. The underperformance in this commodity can be attributed to several factors, including reduced off-take of desulphurisation limestone due to coal power curtailment, decreased interest in limestone for smelters, and a decline in construction production throughout the year. Activities during suspended service periods, such as loading and spreading gravel, were successfully carried out during the Jihlava - Veselí nad Lužnicí suspension, as well as during the modernization of railway lines in Slovakia. CD Cargo Slovakia, a subsidiary of ČD Cargo, was significantly involved in this business case.

The timber market experienced significant downturns. The bark beetle calamity was slowly coming to an end, and the front-loaded timber processors were not interested in timber at higher prices. Several processing plants not only in the Czech Republic but also in Austria reduced their purchases of pulp and logs. In the transport of finished products, we were competing strongly with the road transport, which was struggling with overcapacity. The deployment of large-capacity GigaWood trucks can be considered our competitive advantage. The situation improved slightly in the second half of the year, but we had to fight for shipments with competing carriers offering very low prices. The implementation of a test train with sawn timber from Romania to Cheb or the launch of an external timber warehouse in Lovosice are also worth mentioning.

The progress in the chemical products and liquid fuels segment is also notable, with our achievements attributed in part to the close collaboration with ČEPRO and other key factors. This was enhanced by the deployment of our own tank trucks for import transport and also by our own licence in Germany. In April, we also managed to take over the transit transport of fuels from Slovakia to Poland, which was previously undertaken by another carrier. Additionally, the introduction of petrol transport from Germany marked a new venture for us. By contrast, mineral fertilisers and the heavy organic chemicals segment experienced a significant decline. The annual plan was exceeded by 12 thousand tonnes in the food and agricultural products commodity. We managed to execute many spot shipments of grain in a highly competitive environment, and we established cooperation with our new customer Millet. The autumn beet campaign was also successful – we delivered beet to the sugar factory in Hrušovany nad Jevišovkou not only from Central Moravia, but also to a large extent from Slovakia.



The number of military transports in 2023 was lower compared to the previous year. However, the “Other” commodity can boast of a successful year-long transport of units for the Warsaw metro in cooperation with CD Cargo Poland, the transport of the most modern TGV unit for testing in Velim or the transport of new RegioFox units for České dráhy. After years of successful cooperation, three pairs of postal express were cancelled at the end of April, and since May, postal items have been transported only to a limited extent in the form of individual wagonload shipments. We continued to transport humanitarian goods for Diakonia Broumov. The Lemkin train project also posed an intriguing challenge. Despite a relatively negative start to the year, when the automotive industry was struggling with a shortage of components, the automotive commodity managed to exceed the reality of 2022 by almost 100 thousand tonnes. The unfavourable situation in the port of Koper resulted in a shift of some car shipments from this port to the road. The combined transport sector is still grappling with the aftermath of the COVID-19 pandemic, as evidenced by the performance decline experienced by nearly all operators. The collaboration with METRANS in operating trains to the North Sea ports proved to be significant. Additionally, the operation of intermodal trains from Lovosice via Lehrte to Rotterdam, facilitated by ČD Cargo locomotives, showcased positive outcomes. Moreover, traffic for the MSC operator experienced growth, highlighted by the commencement of new lines such as from Bremerhaven to Mělník.

## **Operational Management (Operational Structure)**

The operational work of ČD Cargo was also organised in 2023 at three basic levels – planning, management, and executive. Long-term plans are created on the basis of the requirements of the sales department, or the transport management department, including coverage of all requirements. Operative orders are then provided for special transports within the framework of the medium-term plan. With regard to the scope of works on the infrastructure, it is very important to create lockout measures that ensure a complete description of the lockout technology. The foreign branches have their own planning unit, the so-called Zugplanung (separate for the German and Austrian branches), which provides, among other things, route capacity, traction vehicles, and train drivers.

The implementation of the plan is top-level ensured by the Česká Třebová Operation Control, whose employees develop medium-term operational plans and, in cooperation with the transport management department, and in response to the current status of orders, further refine and create short-term (shift) plans, which they implement through the dispatch apparatus. The executive component of ČD Cargo in the provision and realization of transports, are the Operational Units of ČD Cargo. Their main task is to fully secure local traffic and maintain reloading points and sidings on their premises. At the same time, they ensure the capacity of locomotive crews to cover the medium-term plan and operational extraordinary orders of the dispatch apparatus. As a result of the cooperation of all three aforementioned



operational components – planning, management, and executive – approximately 3,750 trains per week (excluding Lv journeys) are operated.

A number of projects are underway to streamline the transport planning and implementation process. It is important to mention the project of customer transport management and the related project of customer transport management II which are aimed at digitalising the processes of transport planning and implementation, which in the target state will lead to an increase in quality, improved provision of up-to-date online information and data for evaluation and analysis. Already more than 90% of shipments are planned with the use of the TMS and ELITE information systems, with the goal of reaching 100% in 2024.

However, the new projects encompass more than just information systems and process digitalisation. For instance, in the “Superstrojvedoucí” (the super train driver) project, nine candidates have been carefully chosen for their expertise in locomotives and familiarity with tracks. They are primarily assigned to long-distance trains, with overnight stays at the end of their journey and subsequent shifts the following day after the statutory rest period. The primary objective of this project is to enhance the quality, speed, and efficiency of long-haul services, particularly on corridor lines. After a comprehensive evaluation of the trial operation in early 2024, we foresee significant further development of this project.

## **Rail Transport Safety**

A pivotal achievement in ensuring the safety of rail transport operations occurred with the acquisition of the unified Safety Certificate by the European Union Agency for Railways on 12 September 2023. This milestone followed thorough preparation, including extensive communication with the European Union Agency for Railways. ČD Cargo successfully secured this certificate, enabling the operation of rail transport in the Czech Republic, Germany, and Austria, with the potential to extend operations to border stations in Italy.

In the area of the management structure of the transport operation safety assurance system, only minor changes and adjustments were made in the course of 2023, including the direct inclusion of the Traffic Management organisational unit into the structure of the safety assurance system (formerly part of the Technology and Operations Organisation Department). In order to improve the quality of internal communication and the exchange of information in defined areas, regular communication platforms were introduced in 2023, such as the GD-level operational safety coordination meetings, thematic meetings of specialists in the field of locomotive crews, and meetings of the ‘Internal Standards’ working group. Within the framework of the exchange of safety information and knowledge, ČD Cargo has been intensively involved in addressing safety issues not only within the Association of Rail Freight Carriers ŽESNAD.CZ but also on other platforms. Accident analysis serves as a critical indicator for assessing safety status, guiding the formulation of ČD Cargo’s primary safety objectives. In 2023, ČD Cargo recorded a total of 199 extraordinary events (accidents and incidents) in the Czech Republic,



24 incidents in Austria, and 11 extraordinary events (4 accidents and 7 incidents) in Germany. In total, 234 accidents and incidents occurred during the operation of rail transport by our Company in 2023. Based on available statistics from operations in the Czech Republic, the number of extraordinary events in 2023 was the lowest in the entire history of ČD Cargo.

In the Czech Republic, we record one serious accident, 55 accidents, and 143 incidents. The data known as of 14 January 2024, supplemented by known and alleged facts of the pending cases (the total of 32 extraordinary events as of that date), show that ČD Cargo is responsible or co-responsible for the occurrence of 90 extraordinary events. The employees of ČD Cargo have (or are presumed to have) responsibility or joint responsibility for the occurrence of a total of 80 extraordinary events.

The total damage resulting from all extraordinary events in 2023 surpasses CZK 251 million, regardless of the originator. For those events where ČD Cargo is deemed responsible or co-responsible, the estimated damage amounts to approximately CZK 31 million. This reflects a substantial decrease compared to 2022, where the recorded damage with liability or co-liability of our Company amounted to CZK 109 million.

In the area of preventive activities and inspections, planned internal audits of SMS (Safety Management System) activities were carried out during 2023. Their goal was to systematically check compliance with the rules set for individual sub-processes of the safety assurance system within ČD Cargo (at the level of individual departments, units, and foreign branches) and take measures to improve the situation based on the findings. In 2023, the following specialised audits were carried out at the Rolling Stock Management Department, the Personnel Department, OU Prague, OU Česká Třebová, and OU Ostrava. In 2023, audits of the safety assurance system of ČD Cargo's major suppliers, namely SD – Kolejová doprava, a.s. and ITL Eisenbahngesellschaft GmbH, were carried out. In addition, thematic audits announced quarterly were carried out to ascertain the status of compliance with rules and procedures in specific areas of interest concerning findings from investigations of extraordinary events, implementation of changes or findings of national safety authorities, or the above-mentioned audits of SMS activities. In 2023, for example, the area of safe movement of employees on the railway track and the use of personal protective equipment, compliance with shift rules, or an inspection focusing on employees with less than 5 years of experience were audited.

In terms of other safety improvement activities, it is also important to mention the improvement of safety culture and safety awareness, such as ČD Cargo's participation in the SŽ – D1 ETCS working group or participation in the creation of tools and aids to support employee activities, specifically the creation of video materials on safety topics, as well as participation in the project to introduce a simulator for train drivers at ČD Cargo.



## Information on the Company's Assets

### The Real Estate of ČD Cargo

In addition to common basic means of production, railway vehicles, the ČD Cargo also owns, e.g. real estate. Without this, the business activity of the Company would be limited; therefore, it should be considered as strategically significant. A total of 224 buildings and 260 plots of land owned by the Company is registered at the Czech Cadastral Office. The year-on-year changes are the result of the process of unifying plots of land or buildings into logical units, demolitions of unneeded and unused buildings, and settling ownership relations that had not yet been settled. The built-up area has approximately 118 thousand square meters. The total land area is 934 thousand square metres (including built-up areas of individual buildings). Regular maintenance of the real estate is carried out by the Repair Centres for the Railway Wagons in line with the financial plan, the investment activity is carried out in line and in cooperation with the General Directorate of ČD Cargo.

Following the change in the licence for the operation of railway transportation, real estate tax returns for all land and buildings owned by the Company have been filed since 2015. Property tax returns were previously applicable only to immovable assets which were not directly related to activities of public interest or were, at least partially, subject to lease agreements. ČD Cargo paid property tax to 10 relevant tax offices in the amount of CZK 4,162 million.

### Vehicles Fleet, Management of Vehicles

As at 31 December 2023, in order to ensure the operation of freight trains, ČD Cargo held 784 traction vehicles, of which 53 were locomotives subject to leaseback agreements. 704 locomotives were used for operations. As at 31 December 2023, the freight wagons fleet consisted of a total of 19,627 freight wagons of different classes, out of which 832 were acquired under a finance lease. 16,351 wagons out of the total wagons fleet were on average in operating condition. The fleet size was expanded according to needs by a group of 4,116 leased vehicles, on average, and by up to 20 interoperable locomotives.

During 2023, 3 freight wagons were scrapped due to wear and tear, obsolescence, or poor technical condition. Furthermore, 8 wagons were sold outside the ČD Cargo group, 120 high-sided open wagons of the Eas 53 class were transferred to CD Cargo Hungary and 40 wagons of the same series to CD Cargo Poland.

In the case of traction vehicles, one locomotive of the 749 class was transferred to CD Cargo Slovakia and one locomotive of the 751 class to CD Cargo Hungary in 2023.

Suitable parts from scrapped vehicles were recovered for use in the repair of other vehicles.

Maintenance and repair of railway vehicles were carried out mainly by own repair centres, and also externally. In 2023, in total 3,720 vehicles got through the periodical repair (1,740 overhaul repairs and 1,980 technical inspections) and 54 locomotives (revision repairs in the range R1 to R3).



The Repair Centres for the Railway Wagons of ČD Cargo participated in the installation of measuring electricity for electric locomotives. Within the Eas freight wagons 52 and 53 class used for the transport of wood, scrap or coal, the change of combined wooden floors with full metal floors continued.

In 2023, the ČD Cargo fleet of traction vehicles was expanded by 2 interoperable locomotives of the 393 class with diesel power modules. 3 modernised locomotives of the 742.71 class were delivered, thus starting the second tranche of the contract for the comprehensive modernisation of a total of 25 diesel locomotives of the 742 class, which also includes equipping the locomotives with the European Train Control System (ETCS). The part of the project related to equipping the 742.71 class locomotives with the mobile part of the ETCS system is co-financed by the Connecting Europe Facility of the European Union.

In 2023, additional implementation of ETCS (retrofitting) was carried out on locomotives of the 130, 240, 363.5, 742.7, and 753.7 class. The project for the locomotives of 240, 363.5 and 742.71 class is co-financed by the Connecting Europe Facility. As part of the implementation of ETCS in locomotives of the 130 and 753.7 class, ČD Cargo draws financial support from the Operational Programme Transport, i.e. the projects are co-financed by the European Union (Cohesion Fund).

In terms of long-term leases of interoperable locomotives, a total of 13 locomotives of the 186, 187, 189, and 193 class were leased at the end of 2023. Long-term leases are further supplemented by short-term (ad hoc) leases of this category of locomotives, depending on operational needs. The primary reason for the leases currently stems from the accelerated growth in transport volumes in Austria and Germany, outpacing initial projections, and slower deliveries of own locomotives.

The adaptation of the freight wagon fleet to the needs of the transport market to increase the operability of wagons in international traffic continued. Further 112 Zacns tank wagons were acquired to the fleet of ČD Cargo.

In order to comply with European legislation in the area of the use of so-called “silent wagons”, ČD Cargo continued to equip its wagons with composite breaks. At the end of 2023, ČD Cargo had the total of 14,233 wagons suitable for “silent” operation (equipped with composite brakes). The replacement of cast iron brake blocks with LL blocks was co-financed by the European Union (Cohesion Fund) under the Transport Operational Programme. The blocks were replaced on 11,566 freight wagons within the framework of the grant project during the specified implementation period.

In the area of freight wagons management, in 2023 and in the following years great attention will be paid to the planning and utilisation of vehicle capacity. The aim of this effort is to minimise inefficiencies in transport and vehicle management.

## **Lease of Railway Rolling Stock**

One of the significant business activities within other businesses is the lease of railway rolling stock in the form of long-term and short-term leases. Within long-term leases, our partners lease traction vehicles



adapted for operation on a specific territory, outside the Czech Republic. Short-term leases of traction vehicles involve deploying them for specific partial performances outside our infrastructure according to the business case, and therefore it is mainly about interoperable locomotives. Primarily, the traction vehicles are leased within the ČD Cargo Group and are mainly of the 130, 163, 181, 363, 363.5, 742, and 753.7 class.

In the area of rail freight wagon rental, we offer our customers both long-term leases as well as short-term or recurring wagon leases to identify spot and one-off deals. Wagons released from the total unbundled capacity are used for these purposes. We offer leases of most wagon lines, including tankers, and we also seek to collaborate on projects involving the use of non-operating wagons. In 2023, the average number of cargo wagons leased (under short-term and long-term leases) was 2,318.

Increasingly, spare rolling stock capacity is being used in the execution of business cases in cooperation with our subsidiaries as part of joint expansion in foreign markets.

## Cross-Sectional Activity

### Marketing and communication activities

Marketing and communication activities of ČD Cargo focus on supporting the sale of services and on creating a positive corporate identity, increasing overall brand awareness, as well as reaching out to potential job seekers.

The trade fair presentations were launched in May at the prestigious international trade fair Transport Logistic Munich, where ČD Cargo presented itself with the largest ever trade fair exposition, together with its subsidiaries CD Cargo Germany, CD Cargo Poland, CD Cargo Slovakia and ČD Cargo Logistics. At the beginning of June, the largest domestic event took place, namely the second edition of the newly conceived international railway trade fair Rail Business Days. It was presented for the first time in the fascinating industrial environment of Ostrava's Tripple Hall premises. ČD Cargo was an essential and unmissable part of the fair. The design exhibition stand attracted hundreds of visitors, including transport experts, business partners, and the general public. Additionally, a separate staff exhibition was highly popular among students. In addition, exhibits from the fleet of modern locomotives, namely the 50th handover of the modernised locomotive 742.760 or the modernised "ace" 363.256 boasting recruitment stickers, were also on display on the open track area. The locomotive of the 393.002 Vectron AC DPM series with diesel power module had its official christening ceremony at the fair in the presence of the Minister of Transport and other distinguished guests. The fair year concluded in the autumn with our participation in the international railway fair TRAKO in Gdansk, Poland. Both the parent company and its subsidiary, CD Cargo Poland, made notable presentations at the event. It is also worth mentioning our participation in the joint Czech exposition at the Logitrans fair in Istanbul at the end of November.



The year 2023 was equally colourful in the conference area. In addition to active participation in the conference programme of the already mentioned Rail Business Days fair, ČD Cargo also participated in another important event - the Pardubice Railway professional conference. Traditionally, the most vital conference event was the ČD Cargo Business Conference, which took place in early November in Špindlerův Mlýn, where, in addition to its business and pricing policy, ČD Cargo presented its strong and professional team.

ČD Cargo participated in various public events, notably in the National Railway Day in Bohumín and regional railway days in Prague, Česká Třebová, and Liberec. Equally important was the open day at the Rolling Stock Repair Center (SOKV) České Budějovice.

ČD Cargo used its website to present its services and communicate important events. The wider public, including railway fans, was addressed through a Facebook profile. ČD Cargo's profile on the X platform was mainly used to communicate with stakeholders and journalists. The YouTube channel for the Company's video presentation was successfully developed. All these activities are aimed at a clear goal, namely to present ČD Cargo as a stable, reliable and modern European carrier and, last but not least, a serious employer. Equally important was the PR presentation in professionally printed and electronic media. We can mention Dopravní noviny, Železniční magazín, Dopravu Dnes, zdopravy.cz server, or RailTarget.

It is also important to mention the importance of internal communication activities with the magazine for ČD Cargo employees – Cargovák as one of the main tools.

## **Research, Development, and Cooperation with Universities**

In 2023, ČD Cargo cooperated with Czech universities, in particular technical and economic universities, i.e. with the Faculty of Transport Engineering at University of Pardubice, the Faculty of Transportation Sciences at the Czech Technical University in Prague, the College of Logistics in Přerov, University of Economics in Prague - Faculty of Business Administration, Department of Management Economics and Department of Strategy, and others, and abroad with the University of Žilina - Faculty of Operation and Economics of Transport and Communications in Slovakia. Students of these universities are offered to work on the topics of bachelor's and master's theses, in which they can link acquired theoretical knowledge with practice, for instance, in transport research and development. Topics of these theses are designed so that their conclusions can be applied in practice. Within the framework of contractual cooperation with universities, representatives of ČD Cargo participate in "career days" of schools and organise thematic lectures on transport for these students. ČD Cargo enables selected university students to undergo professional practice at operational and administrative workplaces.

Cooperation with secondary schools continued to develop successfully. In 2023, the total number of secondary schools collaborating with ČD Cargo increased to 16. Since the inception of the "Go Your



Way” scholarship programme, 32 pupils from graduation and vocational study programmes were granted the opportunity to receive financial assistance for their secondary school education. These scholarship recipients have transitioned into our Company’s workforce upon completing their secondary education.

In 2023, ČD Cargo extended its collaboration with secondary schools by providing and implementing vocational practice for students. Our employees actively participated in operational workplaces, offering insights into the activities, tasks, technologies, and procedures associated with various professions. Additionally, through excursions, talks, and lectures, students gained valuable knowledge about our service portfolio, as well as our locomotive fleet and freight wagons utilised for transportation purposes. Two professional seminars were organised for secondary school teachers, featuring lectures by experts from among our employees on interesting topics. Through this activity, ČD Cargo provides support to teachers at contract schools.

## **Informatics**

### **Information Systems**

The development of information systems (IS), as well as the digitalisation and electrification of processes to increase their efficiency, has long been a priority for ČD Cargo. IS can be divided into several categories within the Company – operational, business, economic and customer systems. The implementation of the Microsoft Infrastructure modernisation (MOMIS) based on the infrastructure architecture specification for systems and services prepared in 2020 was completed successfully.

### **Operating systems**

In 2023, the PRIS operational information system underwent significant developmental changes and was supplemented with activities related to the professions of wheeltapper and train service employee. The Dynamic Train Creation IS enabling short-term planning was put into pilot operation. Work also continued on the planned renewal of the APS and ÚDIV systems. Both IS were implemented at the turn of the millennium and now require upgrades due to technical, functional, and safety obsolescence. The ÚDIV system was already implemented on a pilot basis at the end of 2023, and the APS system will be implemented in the first quarter of 2024. The project on custom lists was also developed.

In 2023, the NavTrain (Navigation for Drivers) extension was implemented on train drivers’ tablets. This allows train drivers to view a simulation of the expected train journey on a tablet. The train driver has the option to view all changes to TTP elements back from 1 month to 12 months with regard to the validity of the recognition. The elements are shown in the map background with changes clearly marked for easier remembering.



## **Business Systems**

In late 2023, a significant enhancement was introduced to the Order Sheet creation feature within the mOscar system (Cargo Trading System). This enhancement includes the incorporation of basic information about the executed business case. Once created by the trader, the Order Sheet is seamlessly transmitted to the TMS, facilitating the transfer of crucial information from the trader to the operational team.

## **IS for Customers**

The Eroza customer portal underwent significant development, where we added the possibility for customers to integrate their systems with ČD Cargo systems via data interfaces, the possibility to order empty wagons for loading via the portal, as well as a connection finder component in a trial operation aimed at quantifying the environmental impact of rail transport compared to road transport. We also made several modifications and improvements to our mobile application ČDCgo, where customers can obtain the necessary information about their orders. We added the possibility of tracking across wagons, trains, and business cases, as well as the possibility of setting up alerts, for example, when wagons arrive at the destination station, etc.

## **Economic IS**

During 2023, we were the first in the ČD Group to start using SAP FIORI applications on a larger scale, especially for the approval workflow of economic processes. All FIORI applications have a responsive design and can be used in a web browser, whether on a PC, laptop, or mobile device. We have also started practical planning for the procurement of selected material items, in particular spare parts for LCVs, using the software tools implemented in the Disposition and Inventory Planning project in the SAP information system in previous years. The digitisation of HR processes continued in the EJGE system.

## **Security**

Given the current cybersecurity situation and the Cybersecurity Act, the “ICT Security at ČDC” Programme was launched in the first quarter of 2023 to increase the level of information security and risk management. Over the next 3 years, the programme will focus on the implementation of security tools, processes, and measures to increase the level of cyber and information security. One of the first projects completed in the second quarter was a helpdesk tool for central collection, resolution, and record-keeping in the area of operation and management of the ČD Cargo Information System, including the area of information and cyber security. Furthermore, the “ČDT NET” project is underway, which aims to increase the cybersecurity of the network infrastructure and is mainly focused on network segmentation and migration of ČDC to a new secure network infrastructure.



## **Investments**

In 2023, ČD Cargo acquired fixed assets with the total value of CZK 2.93 billion. The Company's investment activity continued to be primarily focused on the renovation and modernisation of the railway vehicles fleet, where investments amounted to CZK 2.6 billion (including component repairs of freight wagons and locomotives), representing 90% of the total value of acquired fixed assets. Therefore, ČD Cargo invests in the core area of its main business.

### **Investments in Freight Wagons**

In the area of freight wagon investment, this primarily involved the purchase of 112 new large-volume Zacns tank freight wagons for fuel transport ensuring raw material security of the Czech Republic. The reconstruction of combined wooden floors to full metal continued for the Eas freight wagons, with more than 400 wagons being renovated in this way. The substantial part of the funds was also spent on revision repairs and technical inspections of approximately 3,800 freight wagons.

### **Investments in Traction Vehicles**

In the area of the acquisition of traction vehicles, the most significant investment projects in 2023 were the purchase of 37 locomotives of the 163 and 242 class from ČD a.s. and the acquisition of 2 Vectron locomotives with the Last Mile system (DPM).

In the area of modernisations and reconstructions, the project of fitting locomotives of the 130, 163, 363, and 753.7 class with ETCS signalling equipment was completed. At the same time, the implementation of ETCS security devices on locomotives of the 240, 363.5, 742 class and ETCS upgrade for the 383 class. In addition, the modernisation of another 25 locomotives of the 742 series was started; specifically in 2023, 3 locomotives were modernised.

In 2023, investments in component repairs of locomotives were increased due to the available repair capacity and the implementation of higher repair stages for some of the locomotives purchased from ČD a.s.

Furthermore, technical improvements of traction vehicles of various tractions and classes were carried out, including the assembly of the traction energy consumption meters.

Within central activities in the area of Occupational Health and Safety (OHS), the drivers' workplaces continued to be modernised (installation of safety glass, air-conditioning or auxiliary heating, etc.).

### **Investments in construction and machinery**

Another part of the Company's investments are activities in the area of construction and machinery. These investments were focused on renewal of machinery for the needs of organisational structure units, reconstruction of administrative and repair centres within these units, including the improvement of the working environment, and renovation of tracks in repair centres, etc. In 2023, discussions included the



finalisation of the construction of a new truck repair hall in SOKV České Budějovice, as well as the initial phase of the roof reconstruction for the MHV repair hall in SOKV Ostrava.

### **Other investments**

Other investments include IT investments, acquisition of handling technology, and others. In the area of IT, the development of internal information systems and projects continued in 2023, in accordance with the medium-term IT strategy aiming at building and maintaining a comprehensive IT architecture for sub-processes including reporting and support of ČD Cargo business activities. Furthermore, other investments included, for example, the continuation of the modernization of fuel filling stations, the acquisition of a train control simulator, the renovation of the mobile workshop for SOKV Ústí nad Labem, and the renewal of other equipment at Repair Centres for Railway Wagons and Operating Units.

### **Code of Conduct and Respect for Human Rights**

ČD Cargo strictly adheres to all legal standards and regulations and is aware of the risks and negative social impacts associated with non-compliance with them. ČD Cargo also takes care of the continuous compliance and protection of human rights and, at the same time, protects the rights and provides safeguards to whistleblowers of possible violations that have occurred or are about to occur, and realises that these are areas of increasing importance to both the Company's employees and customers. Therefore, there is a business and moral obligation to ensure respect for human rights across organisational structure units and in the whole value chain. At the same time, there is a new obligation to allow whistleblowers to report possible infringements through an internal reporting system and to provide assurances that they will not be sanctioned in any way if they do so.

A lot of attention is also being paid to the ethics of the employees' behaviour and corporate culture during work, focusing, among others, on anti-corruption behaviour, prevention of criminal liability, and personal data protection. No direct or indirect discrimination, especially on the basis of race, religion, sexual orientation, gender identity, etc, is permitted at ČD Cargo. The recruitment of new employees is determined by the education, expertise, qualifications, and abilities of each candidate. During recruitment and other activities, ČD Cargo does not exclude any candidate, with due respect for the principles of diversity.

The Code of Conduct helps to ensure that daily activities of the Company and behaviour of all employees comply with the laid down principles. In the event of unethical conduct, violation, or reasonable suspicion of violation of the Code of Conduct and accepted principles of morality, each employee can report such a case. The Code of Conduct is linked to the internal standard: "Criminal Liability Prevention Program and Anti-Corruption Rules of ČD Cargo a.s.", as a strengthening of the fight against corruption, bribery and conflict of interest. In the same way, the Company would proceed in the case of human rights violations.



In 2023, no cases of violation of the Code of Conduct or human rights abuses were reported or suspected. At the same time, with regard to Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law, transposed into Czech law by Act No. 171/2023 Coll, on the Protection of Whistleblowers, ČD Cargo has implemented in its internal processes the obligations laid down by this Act, with effect from 1 October 2023. Following these obligations, it has established internal procedures for receiving, handling, processing, and storing whistleblower reports by setting up an internal reporting system. It has also designated a competent person by whom the reports are handled, including their rights and obligations, and at the same time it has declared guarantees to whistleblowers, including the protection of their personal data. These obligations have been reflected in the internal standard “Internal Reporting System of ČD Cargo, a.s.”, which is also linked to the internal standard “Criminal Liability Prevention Programme and Anti-Corruption Rules of ČD Cargo, a.s.”, and the “Code of Conduct of ČD Cargo, a.s.”.

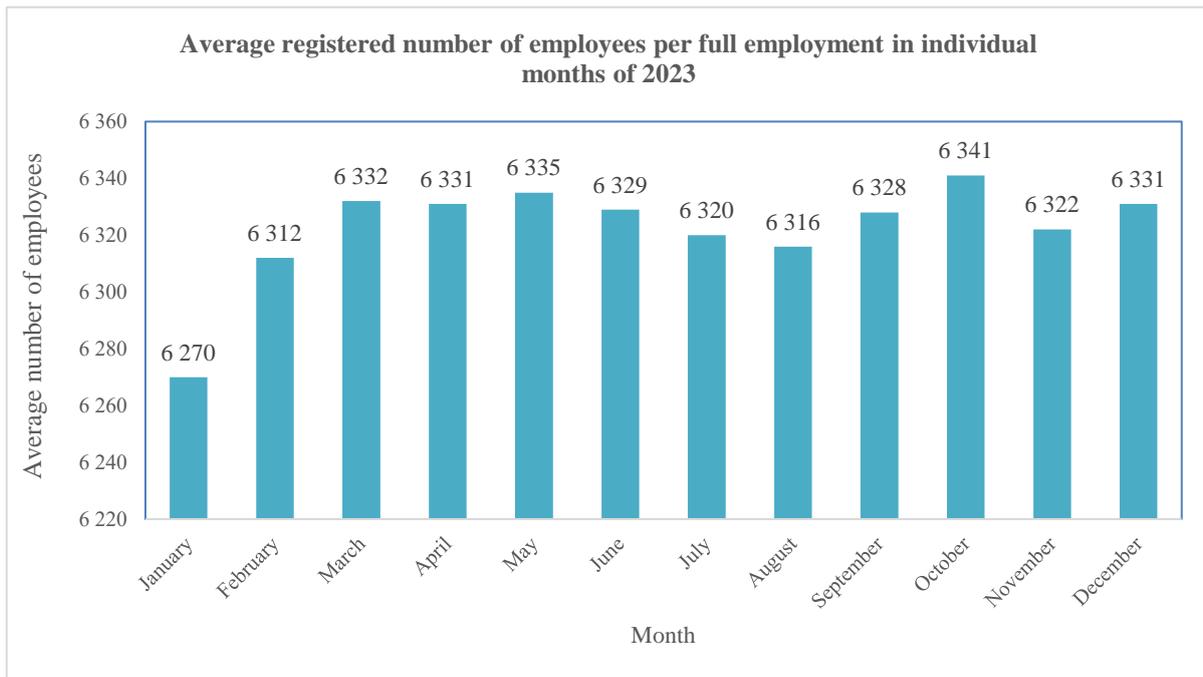
The corporate culture and compliance with ethical principles are regularly one of the points examined during audits at ČD Cargo.

## **Employment Policy**

### **Employment Policy**

In 2023, the Human Resources Management Strategy for the period 2022–2026 (“Personnel Strategy”) was gradually implemented. The primary goal of the Personnel Strategy is the generational change of the Company’s employees, thus ensuring a sufficient number of employees at ČD Cargo.

The average registered number of employees converted to fully employed in 2023 was 6,322.22. The physical number of employees as at 31 December 2023 was 6,344 employees. Out of the total number of employees, 5,069 are male and 1,275 are female. Women account for 18% of the 28 top executive positions. The average age of the Company’s employee is 48.41 years.



ČD Cargo provides employees with benefits defined in the Company's collective agreement, e.g. increased annual leave, employer's contribution to supplementary pension insurance, supplementary pension savings and life insurance, reduced weekly working time fund for selected operating activities with higher physical and neuropsychological burden, contributions for catering, recreation and organised cultural and sports activities. Specific groups of employees may undergo preventive healing stays under specified conditions.



As part of the occupational medical services ČD Cargo in cooperation with the contractual provider (Dopravní zdravotní, a.s.) provides medical supervision over the good health of its employees in accordance with applicable legal standards.

### **Wage and Social Area, Cooperation with Trade Unions**

In 2023, the average salary from the payroll costs excluding other staff costs at ČD Cargo amounted to CZK 46,617, excluding branches.

The principles of remuneration and employee benefits have been enshrined in the “Corporate Collective Agreement of ČD Cargo for 2023” valid for the period from 1 January 2023 to 31 December 2023 and in related internal Company’s standards. In 2023, the Company duly fulfilled all its commitments to employees in the area of remuneration and employee benefits. It can, therefore, be summarised that the Company is committed to promoting pay equality in the workplace and has implemented measures such as systematic monitoring and evaluation of equal pay, which is primarily guaranteed by the Company’s Collective Agreement.

In 2023, eight trade unions were active in ČD Cargo: Trade Union of Railway Workers, Federation of Engine Drivers of the Czech Republic, Federation of Train Crews, Union of Railway Employees, Federation of Coachmen, Guild of Engine Drivers of the Czech Republic, Union of Trade Unionists of Services and Transport, and Democratic Union of Trade Unionists. 68% of the total number of employees at all sites are formally represented by elected employee representatives.

### **Education**

ČD Cargo provides education for its employees in the form of mandatory and optional activities. In accordance with the European rules for the safe operation of rail transport within the safety assurance system, among other things also according to the needs of the company, its internal standards have determined the scope of qualifications (required professional competence), knowledge and skills of employees, which are also subject to the requirements for the scope of services for individual customers.

When educating employees, we focus on securing training that are concentrated on individual professions to meet their established qualification requirements. We combine face-to-face training in classrooms with an operational environment, and we also use e-learning training with included materials prepared by our experts and partly video material, with the aim of sharing knowledge and experience for the safe operation of all activities.

We are also focusing on training in the area of language skills of employees, mainly administrative staff at the ČD Cargo General Directorate, and train drivers who provide services on border lines and in neighbouring countries where ČD Cargo provides services through its branches or in cooperation with its subsidiaries. Approximately 90% of the total number of employees at all sites were regularly



evaluated in terms of performance and career development, for example through performance monitoring, feedback, or training.

## **OHS**

Occupational safety at ČD Cargo is guaranteed by adhering to legislative requirements and implementing the established occupational health and safety management system following ISO 45001. This system is the integral component of our integrated management system (IMS). In 2023, a successful external surveillance audit was conducted to confirm the certification of the system. The OHS area was also reviewed as part of the internal audit supervision. Seven inspections were carried out by a state supervisory body with no deficiencies found. The link with the SMS system continues in the prevention of incidents, as well as in the assessment and implementation of corrective measures in the case of extraordinary events and work accidents. In the area of OHS, ČD Cargo actively cooperated with trade unions and took an active approach to improving the working and social conditions of employees.

## **Recruitment Activities**

In 2023, ČD Cargo achieved notable success in recruitment efforts. We focused on enhancing our teams in operations, repair, and administration and securing high-quality staff to ensure optimal operation of our rail freight services. Introducing innovative recruitment practices, such as leveraging modern technology and digital platforms, enabled us to attract skilled candidates effectively. We proactively identified and engaged with talented individuals who offer fresh perspectives and expertise enriching our team. We focused on achieving diversity within our teams and fostering an inclusive working environment for all employees.

Therefore, ČD Cargo has implemented a career management system that includes effective recruitment management, a transparent recruitment process (clearly and formally communicated to all candidates), training and career development of employees, etc. This integrated approach supports the Company's HR objectives and strengthens the commitment and development of our team.

These initiatives culminated in the successful filling of key positions within the Company throughout 2023, further enhancing our capacity to deliver high-quality services. We believe that our achievements in recruitment will have a positive impact on the overall development of the Company in the coming period.

## **Anti-Corruption Rules**

The provision of services and performance of services of ČD Cargo is based on the principle of equal access to all customers or suppliers. All the activities of ČD Cargo are based on the principle of zero tolerance for corruption in all its forms, as well as for other forms of unlawful conduct, namely criminal conduct.



ČD Cargo behaves in accordance with legal regulations and in accordance with its internal standards, including the “Criminal liability prevention program and anti-corruption rules of ČD Cargo” internal standard, which comprehensively regulates the issue of criminal liability of legal entities, including the anti-corruption approach of ČD Cargo and the evaluation of anti-corruption risks. The internal standard is essential not only in terms of its content, but also in terms of its type; therefore, it became the basic control act adopted by ČD Cargo (i.e. document of ultimate importance, respectively extraordinary importance).

In 2023, in accordance with Act No. 171/2023 Coll., on the Protection of Whistleblowers, ČD Cargo adopted a new internal standard “Internal Reporting System of ČD Cargo, a.s.”, which sets out the procedure for handling, processing, and storing whistleblowing reports within the internal reporting system and protecting whistleblowers from possible retaliation. ČD Cargo has implemented an effective whistleblowing mechanism, ensuring that whistleblowers have confidence in its reliability and are fully informed about its existence and operation. The internal reporting system not only serves to protect whistleblowers but acts as a preventive measure against misconduct in general.

Contact addresses for receiving such announcements are published on the website [www.cdcargo.cz](http://www.cdcargo.cz).

In 2023, no cases of corruption were under investigation, not even in the form of suspicion.

## **Quality Management – ISO**

Quality management helps the Company in fulfilling its main goal - to be a reliable and sought-after carrier with a stable share in the railway freight transportation market. The control of ISO management systems was delegated to the Internal Audit Department.

Quality management system, environmental management, occupational health and safety (OHS), and energy management of ČD Cargo are certified according to the following standards:

- ISO 9001 (quality management system certificate) for business activities in the field of railway freight transport and shipping, realisation of services in the area of railway freight transport and shipping, operation of railway and railway transport on siding, maintenance and repairs of railway vehicles and their parts, rental and hire of railway vehicles;
- ISO 14001 (environmental management system certificate) for the maintenance and repair of railway vehicles and their parts;
- ISO 45001 (certification of OHS management system) for business activities in the area of railway freight transport and shipping, realisation of services in the area of railway freight transport and shipping, operation of railway and railway transport on siding, maintenance and repairs of railway vehicles and their parts, rental and lease of railway vehicles; and
- ISO 50001 (energy management certificate) for commercial activities in the field of railway freight transport and shipping, realisation of services in the area of railway freight transport and shipping, operation of railway and railway transport on sidings, maintenance



and repairs of railway vehicles and their parts, rental and hire of railway vehicles.

In 2023, an independent auditor in a combined surveillance audit verified that ČD Cargo meets the requirements of all the above ISO standards and confirmed that the Company's management system is well-established and functional.

In addition to the above-stated certifications, ČD Cargo has been certified by SQAS (Rail) according to CEFIC methodology since 2015 (SQAS is a European rating system used in road, rail, river, sea, or combined transport of bulk and packaged goods, in cleaning station mode in distribution, storage terminals and in cooperation between companies, which takes into account the issue of hazardous chemicals).

## **AEO Certificate – Simplified Customs Procedures/Security and Safety (AEOF)**

ČD Cargo is one of the companies holding the Authorised Economic Operator CZAE0F0801B7 Customs Simplification/Safety and Security (AEOF) licence. After meeting all the conditions, we obtained this certificate in 2009. The legitimacy of the certificate is regularly verified by the customs administration.

The AEO certificate is increasingly required by customers when arranging shipments, particularly from Western Europe, and is an important part of international trade. It brings competitive advantages, increased prestige towards partners and customs administrations, which favourably affects the core business of the carrier. It also allows access to simplified customs clearance procedures. Companies also benefit from the conclusion of AEO mutual recognition agreements with certain third countries. The aim of mutual recognition is to strengthen and facilitate the security of international supply chains.

## **Customs Services**

As an additional service, ČD Cargo offers customers representation in customs proceedings and Intrastat reporting. The provision of services related to representation in customs procedures is the integral part of the comprehensive range of services within the scope of transport. We provide customers with customs representative offices to discuss shipments for all export and import procedures. We seek the most appropriate customs clearance solution when implementing a shipment while utilising new procedures to meet the needs of our customers and the customs administration.

There were several changes to customs clearance in export and transit in 2023. A major change for rail transport is the end of the simplified transit procedure based on the CIM consignment note when coming from the Czech Republic. ČD Cargo has adapted its procedures to the new requirements. For shipments in transit, we offer our customers a service related to the issue of standard transit documents. When delivering consignments, we continue to accept consignments using the simplified transit procedure based on a CIM consignment note.



We provide roadside customs clearance at the Český Těšín and Valašské Meziříčí stations. These services are mainly used by importers and exporters of bulk substrates. The advantage of customs procedures at a transit station when importing shipments is that the goods are delivered to the station of destination already cleared by customs and released into free circulation. This eliminates the need for customers to undergo customs clearance at the destination station, a process which, without the use of simplified procedures, can be time-consuming.

Our customers include companies that transport their goods by modes other than rail, especially at domestic sites that do not have the advantage of a connecting station. We also view this service as significant, as it not only generates additional revenue but also enhances the visibility and reputation of ČD Cargo.

## The Company and the Community

### International Activities and Relations

International activities of ČD Cargo are coordinated in cooperation with the parent company ČD. This is done, among others, within the framework of the rules set out in the Agreement on the Provision of International Business concluded between ČD Cargo and ČD. ČD Cargo is an independent member only in the Central Clearing Centre (BCC) and the Trans-Eurasian Coordination Committee (KSTP). We are members of the Freight Transport Forum and its study groups within the International Railway Union (UIC). Currently, ČD Cargo's representative leads the ISR Assembly in RAILDATA organisation, which operates central European data exchange systems. Within the Community of European Railways and Infrastructure Companies (CER), we focused on the newly adopted legislation on combined transport, ERTMS, capacity allocation, and fair business conditions between modes of transport.

In the Organisation for Cooperation between Railways (OSJD), we established and strengthened business contacts, especially in the field of development of the CIM/SMGS unified consignment note and container transport. We were involved in an international project for the implementation of the specifications for interoperability of telematic applications in freight transport (TSI TAF). In doing so, we drew from our experience from the prescribed links with the infrastructure manager, which are already implemented in our country. Membership in the International Rail Transport Committee (CIT) ensures that we are up to date with all international regulations associated with the Convention concerning International Carriage by Rail (COTIF).

The year 2023 was marked by a gradual return of international negotiations to a personal format. ČD Cargo succeeded in defending the presidency of the ISR Assembly for the next two years. We were actively involved in commenting on the Digital Automatic Coupler (DAC) proposal, both within the framework of the EDDP (European DAC Delivery Programme) and at several professional conferences. ČD Cargo also initiated, in cooperation with the association ŽESNAD.CZ, the adoption of



a memorandum on DAC by Central European carriers. In the Ukrainian-Czech Chamber of Commerce (UKRCHAM), we participated in the assistance to Ukraine. The top representatives of ČD Cargo took part in a number of meetings with the European Commission, for example on ERTMS, European projects, or the draft directive setting maximum permissible dimensions for road vehicles. In the European Rail Joint Undertaking (ERJU), ČD Cargo cooperated in activities related to increasing the efficiency of rail freight transport.

## **Environmental Protection**

Environmental protection at ČD Cargo is centrally managed by the Department of Maintenance and Repair of the General Directorate. The actual execution of activities related to environmental protection is provided by executive units of ČD Cargo a.s. (SOKV, PJ).

České dráhy, a.s. provides methodical support for ČD Cargo in the area of ecology on the basis of the Mandate Agreement concluded on 27 May 2008 and Amendment No. 1 concluded on 22 April 2016. It includes especially comprehensive service related to the removal of consequences of incidents, methodical support during implementation of existing environmental remedies, supervision and post-remedial monitoring, environmental protection trainings.

The Company ČD Cargo holds the ISO 14001 certification, which it defends every year. The relevant certificate, valid until 2 June 2024, is available on the ČD Cargo website. The external audit in 2023 did not identify deficiencies in the field of EMS.

By adopting the environmental policy, all employees of ČD Cargo are bound to environmental management, which primary goal is to describe, review, assess, and improve the EMS in terms of waste and the negative impacts of activities and technologies on the environment (e.g. in compliance with pollution prevention principles, readiness for disasters, purchase of environmentally friendly products, environmental protection, and primarily an effort to reduce the production of waste).

The risks associated with environmental issues are emergency oil spills in repair operations, refuelling, and extraordinary events within operations. These risks are classified as significant environmental aspects and are being resolved by the relevant internal legislation and via emergency plans.

The main indicator of system performance is waste production, which has been maintained at a reasonable level for a long time. The quality of wastewater and the measurement of stationary sources emissions has been monitored as well.

In 2023, the OKV Most site was upgraded with a new fuel dispensing facility, which reduced the risk of potential leakage of hazardous substances into the ground and also clarified the records of fuel dispensing. In the SOKV České Budějovice site, a survey and static measurements were carried out regarding the possibility of installing solar panels on the roofs of the buildings. At SOKV České Budějovice, the construction of a new freight wagon repair hall was completed in 2023. By the end of February 2024, it will be moved to a new site with better working conditions, reduced risk of leakages



of hazardous substances, and energy-saving measures in place. A new melting furnace is being purchased to improve the use of energy resources and meet emission standards. At SOKV Ostrava, the storage records and measures to ensure the safe operation of the petrol filling station were modernised in 2023.

ČD Cargo does not provide services in the field of environmental protection and promotion; on the contrary, it uses these services on the basis of contractual relations with suppliers of required services (e.g. regular collections of produced waste, inspections of exhaust gas ducts at sources of air pollution, analyses of wastewater, remediation of environmental burdens, etc.).

### **Fire protection in 2023**

In accordance with the “Organisational Rules” of ČD Cargo, the Maintenance and Repairs of Railway Vehicles Department continues to be the guarantor of fire prevention. The documentation is updated continually and eventual inspections, performed by the Fire Rescue Service of the Czech Republic (HZS ČR), identified no failures.

In 2023, the total number of Fire Brigade of the Railway Administration (HZS SŽ) interventions for ČD Cargo was 203, out of which 181 were uncharged rescue and liquidation work, 15 were interventions beyond the scope of rescue and liquidation works as a result of an extraordinary event, where billing is performed by the Railway Administration and costs are charged to the culprit, and 7 interventions charged by the Fire Brigade to ČD Cargo. Of the total number of interventions by the Fire Brigade, there were 7 railway traction vehicle (HKV) fires caused by technical defects, 3 wagon fires caused by ignition of the cargo, 2 cases of ignition of an overheated bearing, and 4 cases of smoking of the railway traction vehicle engine room due to burning of cable insulation. In other instances, the Fire Brigade was called out to deal with leaks from tankers or extraordinary events such as the rerailing of vehicles or a collision with a person or a road vehicle.

The total cost of interventions by HZS SŽ for ČD Cargo in 2023 amounted to CZK 69,579. The cost of HZS SŽ interventions was charged to the responsible parties in the amount of CZK 409,168.

## **Corporate Social Responsibility**

Social responsibility is one of the fundamental pillars of the Company, on which we build our long-term strategy. Within Corporate Social Responsibility (CSR), we focus on several areas, such as:

- sustainability,
- efficient use of energy resources,
- transportation using electricity generated from renewable energy sources,
- transport of humanitarian goods,
- active support for the activities of the ČD Group Foundation – ŽELEZNICE SRDCEM, which ČD Cargo co-founded,



- support for leisure activities of our employees,
- support for youth sports activities (athletics, cycling),
- support for educational and documentation institutions related to rail transport, and
- active commemoration of the tradition of rail freight transport in the Czech Republic.



## Companies with Equity Participation

### **CD Cargo Germany GmbH**

Date of registration in the Commercial Register: 11 October 2004, Germany

Share capital: EUR 50,000

ČD Cargo interest: 100%

Principal business activity: brokerage of services in freight transportation on behalf of and for ČD Cargo freight forwarding.

### **CD Cargo Austria GmbH**

Date of registration in the Commercial Register: 30 March 2007

Share capital: EUR 275,000

ČD Cargo interest: 100% granddaughter (100% CD Cargo Germany GmbH)

Principal business activity: brokerage of services in freight transportation, freight forwarding.

### **CD Cargo Poland Sp. z o.o.**

Date of registration in the Commercial Register: 18 December 2006, Poland

Share capital: PLN 74,743,987 (Polish zloty)

ČD Cargo interest: 100%

Principal business activity: operation of rail freight transport, brokerage of services in freight transportation on behalf of and for ČD Cargo freight forwarding, lease of freight wagons and traction vehicles.

### **CD Cargo Slovakia, s.r.o.**

Date of registration in the Commercial Register: 24 September 2008, Slovakia

Share capital: EUR 11,575,771

ČD Cargo interest: 100%

Principal business activity: operation of rail freight transport, brokerage of services in freight transportation on behalf of and for ČD Cargo freight forwarding, lease of freight wagons and traction vehicles.

### **CD Cargo Hungary, Kft**

Date of registration in the Commercial Register: 26 March 2020, Hungary

Share capital: HUF 1,010,741,569

ČD Cargo interest: 100% (through fellow subsidiary CD Cargo Slovakia, s.r.o.)



Principal business activity: operation of rail freight transport, brokerage of services in freight transportation on behalf of and for ČD Cargo freight forwarding, lease of freight wagons and traction vehicles.

#### **ČD Cargo Adria d.o.o.**

Date of registration in the Commercial Register: 10 May 2021, Croatia

Share capital: EUR 11,615,240

ČD Cargo interest: 100%

Principal business activity: operation of rail freight transport, brokerage of services in freight transportation on behalf of and for ČD Cargo freight forwarding, lease of freight wagons and traction vehicles.

#### **ČD Cargo Logistics, a.s.**

Date of registration in the Commercial Register: 16 June 2007

Share capital: CZK 10,000,000

ČD Cargo interest: 100%

Principal business activity: freight forwarding.

#### **Terminál Nymburk s.r.o.**

Date of registration in the Commercial Register: 2 March 2023

Share capital: CZK 10,000

ČD Cargo interest: 15%

Principal business activity: container terminal operator

*Change in 2023:*

*The company is not yet in business. The construction of the terminal is currently underway with completion planned for 2025/2026.*

#### **Terminál Mošnov, a.s.**

Date of acquisition of the bulk share representing a 25% interest in Terminál Mošnov, a.s.: 20 December 2022

Share capital: CZK 2,400,000

ČD Cargo interest: 25% granddaughter (25% ČD Cargo Logistics, a.s.) Principal business activity: operations of the container terminal

#### **Terminal Brno, a.s.**

Date of registration in the Commercial Register: 25 July 2008

Share capital: CZK 71,550,000

ČD Cargo interest: 66.93% (CZK 47.89 million)



Principal business activity: operations of a combined transportation terminal in Brno.

**ČD-DUSS Terminál, a.s.**

Date of registration in the Commercial Register: 1 March 2007

Share capital: CZK 4,000,000

ČD Cargo interest: 51% (CZK 2.04 million)

Principal business activity: operations of the container terminal in Lovosice.

**RAILLEX, a.s.**

Date of registration in the Commercial Register: 17 June 2006

Share capital: CZK 2,000,000

ČD Cargo interest: 50% (CZK 1 million)

Principal business activity: cargo handling and technical transportation services.

**BOHEMIAKOMBI, spol. s r.o.**

Date of registration in the Commercial Register: 17 April 1992

Share capital: CZK 6,000,000

ČD Cargo interest: 30% (CZK 1.8 million)

Principal business activity: brokerage of services in the field of transportation except for transportation by own vehicles.

**Ostravská dopravní společnost, a.s.**

Date of registration in the Commercial Register: 30 May 1995

Share capital: CZK 15,000,000

ČD Cargo interest: 50% (CZK 7.5 million)

Principal business activity: operation of railway transport and lease of locomotives.

**Ostravská dopravní společnost - Cargo, a.s.**

Date of registration in the Commercial Register: 1 January 2017

Share capital: CZK 2,100,000

ČD Cargo interest: 20% (CZK 420 thousand) Principal business activity: operation of railway transport.

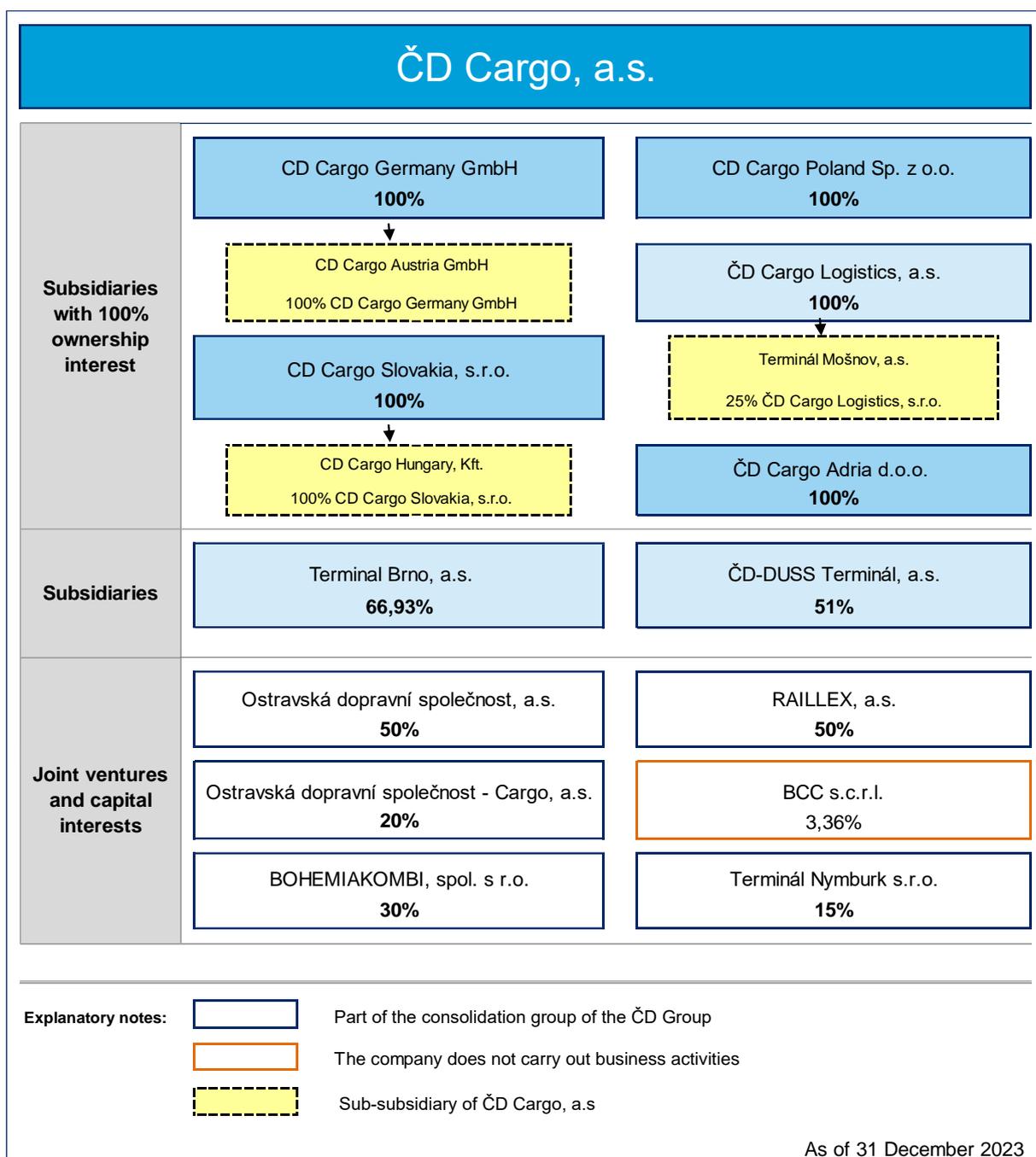
**Bureau Central de Clearing société coopérative á responsabilité limitée (BCC s.c.r.l.)**

Date of registration in the Commercial Register: Belgie 17 December 1996

Share capital (fixed part): EUR 18,750

ČD Cargo interest: 3.36% (EUR 3,750)

Principal business activity: non-cash settlement of mutual payments in railway transport.





## 10 Financial Situation of ČD Cargo, a.s.

### Investments<sup>1</sup>

Investments of ČD Cargo, a.s. (in CZK million)	2023	2022	2021	2020
Acquisition of freight wagons	291	172	356	598
Renovations and modernisations of freight wagons	48	100	6	25
Acquisition of traction vehicles	566	527	1,115	185
Renovations and modernisations of traction vehicles	131	1,193	753	685
Investments in machines	27	5	3	14
Investments in construction	116	139	74	17
Other investments	152	169	140	131
Component accounting for inspection repair of railway vehicles	1,601	1,777	1,124	1,386
<b>Total investments</b>	<b>2,933</b>	<b>4,092</b>	<b>3,572</b>	<b>3,041</b>
<i>Prepayments made for investments</i>	<i>603</i>	<i>826</i>	<i>316</i>	<i>369</i>
<i>Prepayments made for investments financed through subsidies</i>	<i>204</i>	<i>56</i>	<i>112</i>	<i>81</i>

### Financing

In 2023, the financing of investments and operational needs and liquidity of the joint stock company ČD Cargo was provided through a combination of own resources and external financing, in the form of short-term bank and intercompany loans, investment loans, supplier loans, leases, and bonds.

#### Operational bank and intracompany loans

To finance its operating needs, ČD Cargo has access to overdraft facilities of CZK 1.8 billion provided by five banks.

In addition, ČD Cargo is included in the ČD Group cash pooling. In the cash pooling, ČD Cargo can use the limit of up to CZK 0.3 billion and, at the same time, a contractual limit exceeding the use of the cash pooling limit of CZK 0.7 billion. Neither of these limits was used in 2023.

#### Promissory note programme

The promissory note programme has been approved in the amount of CZK 1.5 billion; the use of funds in excess of CZK 1 billion is subject to an obligation to inform ČD Cargo's Supervisory Board in advance. The Company has general agreements with individual banks in the amount of CZK 2 billion.

<sup>1</sup> In the Annual Report of ČD Cargo, a.s. for 2023, investments have been treated from the perspective of IFRS Accounting Standards.



In 2023, the promissory note programme was not used; however, the promissory note facility was maintained as a form of reserve for short-term financing, directly independent of bank sources.

### **Leases**

ČD Cargo has long used lease financing to finance selected railway vehicle projects. No new finance leases were concluded in 2023.

### **Bonds**

Bond financing increases the liquidity and financial stability of the Company in terms of long-term cash flow. In December 2023, maturing bonds in the amount of CZK 500 million were settled. No new bonds were issued in 2023. In total, ČD Cargo has issued bonds in the amount of CZK 3.770 billion and EUR 40 million.

### **Investment loans**

ČD Cargo also uses investment loans from banks to finance long-term investments. In January 2023, the Company used the amount of EUR 20 million; therefore, the total limit of the investment loan from ING Bank N.V. organizační složka Praha that was contractually agreed in 2022. In 2023, the Company took two new investment loans. The first loan with Všeobecná úverová banka a.s., pobočka Praha in the amount of EUR 30 million will be drawn in March 2023, and the second loan with Raiffeisenbank a.s. in the amount of EUR 40 million will be drawn in December 2023.

### **Loan from the European Investment Bank**

In December 2020, the Company signed a loan agreement with the European Investment Bank. The total approved credit facility amounts to EUR 130 million. The credit facility will be used gradually in tranches to finance selected investment projects. In 2023, the Company will draw down the second tranche of EUR 40 million.

## **Risk Management System**

ČD Cargo monitors, assesses, and manages all significant business risks, especially commercial, operational, financial, and compliance risks within the integrated risk management system of ČD Cargo.

The basic documents of the risk management system are:

- Risk Management Policy – defines the Company’s objectives, basic principles and risk management strategy. ČD Cargo further defines the framework of the risk management roles, responsibilities, and competencies.
- Risk Management Committee Statute – defines the role, competencies, responsibilities, and a manner of acting and decision-making of the Risk Management Committee.
- Risk Management Manual – is an internal standard setting out specific procedures (identification, analysis, measurement, management strategy, processes and procedures for managing, monitoring, reporting, and consolidating risks) in managing individual risks.



The Risk Management Manual is applicable to the entire ČD Group.

- Risk Management Strategy – identifies risks, monitors them on a regular basis, quantifies them and limits their impact on profit. Within Risk Management Strategy, the Risk Appetite is approved once a year.
- Financial Risk Management Strategy of ČD Cargo, a.s. – specifies the procedures and methods for financial risk in order to significantly reduce ČD Cargo's risk arising from operational and trading activities and financial market transactions.

A unified risk management software tool, eRisk, was introduced to standardise procedures and is being gradually replaced by a new KPrisk system. The introduction of a single risk management methodology has created the conditions for further development and improvement of the processes for monitoring, assessing and reporting all significant risks.

The main objective of the implemented active risk management system is to maximise the reduction of the negative impact of individual risks on the Company's profit, i.e. to minimise the impact of unused opportunities on revenues and to reduce the negative impact on costs. As a part of active risk management, the Company introduced continuous monitoring and evaluation of compliance with approved risk limits and the overall risk appetite of the Company.

The outputs from the risk monitoring systems are regularly discussed by the Risk Management Committee and reported to the Board of Directors of ČD Cargo, a.s.

### **Business risks**

Business risks are closely monitored at the commodity level and measures are taken to mitigate the negative impact of commodity price movements. The effectiveness of the measures taken is then evaluated on a quarterly basis.

Performance and the associated business risks in 2023 were mainly influenced by the general economic situation.

### **Operational risks**

Operational risks are defined as risks related to extraordinary events, damage to property, or criminal acts related to property and transported goods.

ČD Cargo, a.s. covers a number of operational risks by taking out liability or property insurance. The most important risks insured in this way include, in particular, the carrier's responsibility for damage caused to another party in connection with rail transport operations on national and regional railways in the Czech Republic, liability of the owner of freight wagons, liability insurance abroad (where the carrier's licence is issued) or insurance of selected traction vehicles.



## **Financial risks**

Financial risks are managed on the basis of the “Financial Risk Management Strategy of ČD Cargo”. This document defines the objectives and methods for individual risks as well as the permitted derivative transactions to hedge them.

## **Liquidity risk**

The liquidity risk at ČD Cargo is managed with the aim of permanently providing a sufficient volume and diversification of available funds necessary for meeting financial obligations and financing planned investments in the Company’s development.

The Company regularly assesses the development of liquidity, the state of available resources, and the prepared cash flow plan in the short, medium, and long term.

The Company is actively engaged in securing planned external financial resources, which will ensure sufficient funds for short and long-term financing, while maintaining the financial health of the Company.

## **Credit risk**

Standard instruments are used in various combinations for additional hedging of potentially risky receivables.

At the same time, ČD Cargo continuously monitors the receivables from individual companies, according to default periods and other parameters, using the established methodology and regular reports. Individual responsible employees and the Receivables Commission actively deal with the development of receivables.

## **Currency risk**

As a significant part of the Company’s revenues are denominated in euros, the Company pays constant and systematic attention to currency risk management. A wide range of instruments are used to mitigate the negative impact on the financial performance of the Company, both short and medium term, depending on their nature.

The objective of currency risk management is to maximise the use of natural hedging and implement currency hedging within the remaining open position so that the negative impact on the management of the Company does not exceed the approved risk appetite of the Company. In order to achieve the desired situation, methods and instruments for currency risk management have been approved as part of the Financial Risk Management Strategy.

In 2023, ČD Cargo mitigated the risk of possible future currency appreciation by continuously hedging the exchange rate of the Czech crown against the euro. With regard to the estimated revenues for services rendered in EUR and their internal price calculation, reduced by the planned operating and capital expenses and loan repayments in the same currency, the CZK/EUR exchange rate hedge may be agreed



subsequently, based on the current market situation and in accordance with the Financial Risk Management Strategy.

### **Commodity risk**

A significant cost component is traction electricity and traction diesel fuel consumed by ČD Cargo within its operations.

In accordance with the Financial Risk Management Strategy, the Company partially used hedging of diesel prices in 2023, which reduced the Company's potential commodity risk.

The aim of commodity risk management is to implement hedging in such a way that the negative impact on the Company's management does not exceed the Company's approved risk appetite. In order to achieve the desired situation, the methods and instruments for commodity risk management arising from the Financial Risk Management Strategy have been approved.

Traction electricity is then purchased from Správa železnic under predefined conditions.

### **Interest rate risk**

Interest rate risk can arise from changes in the floating interest rates on funding sources that are negotiated at these rates. The objective of interest rate risk management is to use hedging so that the negative impact on the management of the Company does not exceed the approved risk appetite of the Company. The maximum proportion of funding with a floating interest rate is set at 50% of the total volume as part of the Financial Risk Management Strategy. In order to achieve the desired situation, the methods and instruments for managing the interest rate risk arising from the Financial Risk Management Strategy, or the use of fixed interest rates when economically advantageous, have been approved. This risk is largely eliminated by concluding the majority of bond, loan, and lease agreements on a fixed interest rate basis.



## 11 Anticipated Development, Goals, and Plans

In 2024, macroeconomists expect very slight GDP growth and a decline in inflation. Unfortunately, the Czech Republic is the only EU country that has not been able to deal with the negative effects of shocks from previous years (the pandemic, the war in Ukraine, the energy crisis) and whose economic performance has still not returned to the level at the end of 2019. However, the global economic situation is not favourable either.

In line with principles of the Green Deal, the above-stated further decrease in the transport of solid fuels, mainly lignite, can be expected. Liquid fuels are expected to remain stable. Industrial production in the Czech Republic will also be affected by the Green Deal, and construction production by the sufficiency/lack of investment funds, namely for infrastructure construction. Another factor affecting combined transport in particular is the complexity and uncertainty of business relations between China, Europe, and the USA, as well as attacks on ships passing through the Suez Canal.

ČD Cargo expects a slight decrease in transport in the Czech Republic and a further increase in transport services on foreign markets. The ČD Cargo Group plans to expand its territorial activities. The Company will continue to implement measures aimed at increasing the efficiency of internal processes and the use of its capacities and assets. As far as investments are concerned, ČD Cargo will continue to modernise and renew its rolling stock. With regard to the latter, the Company will focus primarily on vehicles for the transportation of goods for which no recession is expected (intermodal transport, fuels). Projects for the implementation of mobile parts of ETCS will continue.

The Company's economic objectives include, in particular, maintaining a stable level of cash flow, based on securing the planned level of revenue from own transport, on the efficient use of cost items and on securing sufficient liquidity for the Company in the medium and long term. An important objective is to stabilise the profitability of the core business and the other businesses.



## 12 Consolidated Disclosure pursuant to Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment (Taxonomy Regulation)

### Consolidated disclosure pursuant to Article 8

#### Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment (Taxonomy Regulation)

##### Article 8 Taxonomy Regulation

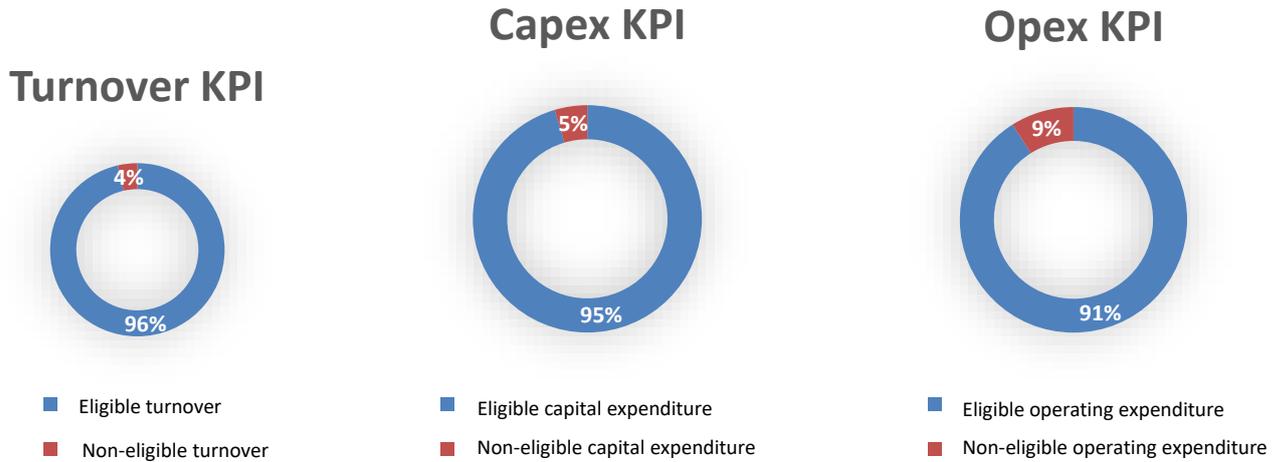
The Taxonomy Regulation is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy. It represents an important step towards achieving carbon neutrality by 2050, in line with the EU's climate change targets, as the Taxonomy is a classification system for environmentally sustainable economic activities.

**As of 31 December 2023, the ČD Cargo Group is not obliged to disclose information subject to this taxonomy. However, the ČD Cargo Group understands the importance of the environmental objectives of this agenda and has therefore decided to voluntarily disclose this information.**

**The principal activities of the ČD Cargo Group include the operation of rail freight transportation in Europe, through which it significantly contributes to the achievement of the European environmental objectives, as evidenced by a high percentage of taxonomy-eligible KPIs.**

In the following text, we, as a non-financial parent company, present the share of our Group's taxonomy-eligible economic activities in 2023 related to the first two environmental objectives (climate change mitigation and climate change adaptation) in relation to the Group's total turnover (Turnover KPI), the Group's capital expenditure (Capex KPI) and the Group's operating expenditure (Opex KPI), in accordance with Article 8 of the Taxonomy Regulation and Article 10(2) of the Commission Delegated Regulation (EU) 2021/2178.

In 2023, new legislation was adopted in the form of Commission Delegated Regulation (EU) 2023/2486, which sets out the technical screening criteria for the remaining four environmental objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems). The Group carried out its analysis and did not identify any activities that would be relevant in terms of the reported KPIs, i.e. no other activities were identified as eligible. The list of eligible activities therefore remains unchanged.



Share of taxonomy-eligible and taxonomy-non-eligible economic activities in total turnover, Capex, and Opex:

	Total (CZK million)	Proportion of taxonomy-eligible economic activities (in %)	Proportion of taxonomy-non-eligible economic activities (in %)
Turnover	16,192	96%	4%
Capital expenditure (Capex)	4,603	95%	5%
Operating expenditure (Opex)	1,632	91%	9%

### Definition

Taxonomy-eligible economic activity means an economic activity that is described in the Commission’s delegated acts supplementing the Taxonomy Regulation (i.e. in particular the Commission Delegated Regulation (EU) 2021/2139) irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those Commission’s delegated acts.

An economic activity is taxonomy-aligned when it complies with all the following requirements:

- a) the economic activity contributes substantially to one or more environmental objectives;
- b) it does not significantly harm any of the environmental objectives;
- c) it is carried out in compliance with the minimum safeguards; and
- d) it complies with the technical screening criteria in the Commission’s delegated acts supplementing the Taxonomy Regulation.

Taxonomy-non-eligible economic activity means any economic activity that is not described in the above-stated regulations.



## Taxonomy-eligible economic activities

We have reviewed the relevant taxonomy-eligible economic activities based on an analysis of our global activities and assigned them to the following economic activities in accordance with Annex I and II to the Taxonomy Climate Delegated Act. The table below indicates for which environmental objective the activities qualify as eligible:

Eligible economic activity (Number, name)	Description	Climate change mitigation	Climate change adaptation
6.2. Freight rail transport	Purchase, financing, leasing, rental, and operation of freight transport on mainline rail networks as well as short line freight railroads.	Yes	Yes
6.14. Infrastructure for rail transport	Construction, modernisation, operation and maintenance of railways and subways as well as bridges and tunnels, stations, terminals, rail service facilities, safety and traffic management systems including the provision of architectural services, engineering services, drafting services, building inspection services and surveying and mapping services and the like, as well as the performance of physical, chemical and other analytical testing of all types of materials and products.	Yes	Yes

Table 2 – Structure of reported KPIs for eligible activities

Economic activities	Codes	Turnover		Capex		Opex	
		Value	%	Value	%	Value	%
Freight rail transport	6.2	15,609	96%	4,177	90%	1,290	79%
Infrastructure for rail transport	6.14	0	0%	214	5%	197	12%
Total eligible activities		15,609	96%	4,391	95%	1,487	91%
Taxonomy-non-eligible activities		583	4%	212	5%	145	9%
Total		16,192	100%	4,603	100%	1,632	100%

## Taxonomy-aligned economic activities

For 2023, we are not able to report our taxonomy-aligned economic activities due to the current non-fulfilment of the “do no significant harm” principle in the climate change adaptation part of Appendix A of the Commission Delegated Regulation (EU) 2021/2139.

Achieving this objective requires, for example, an assessment of the climate vulnerability and risks of the Company’s key assets in order to provide its main economic activities in line with the climate projection in all countries where it operates. It was not possible to carry out this vulnerability analysis for 2023 due to the unavailability of climate projection models in all countries where we operate and the impossibility of securing the cooperation of all railway infrastructure operators in these countries necessary to carry out a joint assessment of the climate vulnerability of our assets in 2023.



Due to the impossibility of meeting the climate vulnerability criteria for 2023; therefore, reporting on our taxonomy-aligned economic activities, the review of compliance with the minimum precautionary measures in the area of human rights was also not carried out in 2023. We will continue this review in the following period, based on the refinement of the assessment criteria and the development of sufficient best practice in this area to guide such a review.

### **Allocation of turnover, Capex, and Opex to one environmental objective**

ČD Cargo Group is particularly concerned with the objective of climate change mitigation; therefore, it seeks to contribute as much as possible to its own climate change mitigation targets. ČD Cargo Group has determined that activities 6.2 and 6.14 should be allocated to climate change mitigation, as the contribution to climate change adaptation is of minor importance and the taxonomy does not allow double counting (i.e. allocating an activity to more than one climate objective).

### **Relevant assessment of the taxonomy-eligibility of our activities**

#### *Assessment of activities in the value chain of our revenue-generating activities*

Our assessment of taxonomy-eligible activities is focused on economic activities defined as the combination of resources needed to provide services. As a major rail freight operator, we generate revenues in several areas within this value chain, namely revenues related to freight transport (activity 6.2). We do not disclose information on activities within the value chain that do not generate external revenues but result in assets or processes that are essential to our revenue-generating activities, such as:

- intra-group performances, and
- intra-group leases of railway vehicles.

These activities are not reported as taxonomy-eligible and are not included in our turnover KPI, as they are not generating external turnover by themselves.

#### *Activity 6.2. Freight rail transport*

The main activity of the ČD Cargo Group is freight transport. This category includes all transport services performed by our companies using railway vehicles running on the European railway infrastructure and related to freight transport at the national and international level.

### **Taxonomy-non-eligible economic activities**

The ČD Cargo Group also provides a number of other services in its companies, which we do not consider to be eligible for meeting the EU's climate targets under the EU taxonomy.

#### *Taxonomy-eligible Capex/Opex and individually taxonomy-eligible Capex/Opex*

With regard to Capex and Opex related to our taxonomy-eligible economic activities and Capex/Opex that we consider as individually taxonomy-eligible, we refer to the explanations in the sections "Capex KPI" and "Opex KPI" in the description of our accounting policies.



## Our KPIs and accounting policies

Key performance indicators (KPIs) include turnover KPI, Capex KPI, and Opex KPI. For the reporting period ended 31 December 2023, we disclose these KPIs in relation to our taxonomy-eligible and taxonomy-non-eligible economic activities in accordance with Article 10 (2) of the Commission Delegated Regulation (EU) 2021/2178.

The specification of the KPIs is determined in accordance with Annex I of the Commission Delegated Regulation (EU) 2021/2178. We determine the taxonomy-eligible KPIs in accordance with the legal requirements and describe our accounting policy in this respect as follows:

### *Turnover KPI*

#### *Definition*

The share of taxonomy-eligible economic activities in our total turnover was calculated as the share of net turnover derived from products and services related to taxonomy-eligible economic activities (numerator) divided by net turnover (denominator) for the financial year 2023. The ČD Cargo Group keeps detailed records of the allocation of individual revenues to activity 6.2 in its internal IT systems; therefore, the use of allocation keys is not necessary.

### *Reconciliation to financial statements*

Our consolidated net turnover can be reconciled to our consolidated financial statements, see the consolidated statement of profit or loss (Revenue and Other operating income line items).

### *Capex KPI*

#### *Definition*

The Capex KPI is defined as taxonomy-eligible Capex (numerator) divided by our total Capex (denominator).

Total Capex consists of additions to property, plant and equipment, intangible assets, and right-of-use assets during the financial year, before depreciation, amortisation, and any re-measurements. It includes acquisitions of property, plant and equipment (IAS 16), intangible assets (IAS 38), and right-of-use assets (IFRS 16). Additions resulting from business combinations are also included.

The numerator consists of the following categories of taxonomy-eligible Capex:

- a) Investments related to assets or processes that are associated with taxonomy-eligible economic activities (“category a”), where these are primarily investments in:
  - railway freight wagons and locomotives, including their modernization and component maintenance,
  - operation and business information systems.
- b) We do not record Capex that are part of an investment plan to upgrade a taxonomy-eligible economic activity to become taxonomy-aligned or to expand a taxonomy-eligible economic activity (“category b”),



c) Capex related to the purchase of output from taxonomy-eligible economic activities and individual measures enabling certain target activities to become low-carbon activities or to lead to greenhouse gas reductions (“category c”). These include:

- installation of ETCS in locomotives,
- modernisation of rails, transshipment points and railway vehicle repair centres, including their equipment.

Capital expenditures are also considered eligible capital expenditures if the purchased output meets the description of the relevant economic activity.

**Table 3 – Structure of capital expenditure by activity type**

Property, plant and equipment	6.2.		6.14.		Non-eligible assets		Total
	CZK million	%	CZK million	%	CZK million	%	CZK million
Land	0	0%	0	0%	0	0%	0
Structures	0	0%	112	55%	0	0%	112
Machinery, equipment, and furniture and fixtures	8	0%	17	8%	33	65%	58
Vehicles	2,759	80%	67	33%	18	35%	2,844
Prepayments	597	18%	7	4%	0	0%	604
Assets under construction	82	2%	0	0%	0	0%	82
<b>Total property, plant and equipment</b>	<b>3,446</b>	<b>100%</b>	<b>203</b>	<b>100%</b>	<b>51</b>	<b>100%</b>	<b>3,700</b>

Intangible assets and goodwill	6.2.		6.14.		Non-eligible assets		Total
	CZK million	%	CZK million	%	CZK million	%	CZK million
Software	77	100%	12	100%	28	100%	117
<b>Total intangible assets and goodwill</b>	<b>77</b>	<b>100%</b>	<b>12</b>	<b>100%</b>	<b>28</b>	<b>100%</b>	<b>117</b>

Right-of-use assets	6.2.		6.14.		Non-eligible assets		Total
	CZK million	%	CZK million	%	CZK million	%	CZK million
Right-of-use assets - Land	0	0%	0	0%	0	0%	0
Right-of-use assets - Structures	0	0%	0	0%	99	74%	99
Right-of-use assets – Vehicles	528	81%	0	0%	0	0%	528
Right-of-use assets - Machinery, equipment, and furniture and fixtures	125	19%	0	0%	34	26%	159
Right-of-use assets - Software	0	0%	0	0%	0	0%	0
<b>Total right-of-use assets</b>	<b>653</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>133</b>	<b>100%</b>	<b>786</b>

### Reconciliation to the financial statements

Our total Capex can be reconciled to additions to the above-stated non-current asset categories.



## *Opex KPI*

### *Definition*

The Opex KPI is defined as taxonomy-eligible Opex (numerator) divided by our total Opex (denominator).

Total Opex consists of direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of property, plant and equipment by the Company or an external contractor, and which are necessary to ensure the continuous and efficient operation of these assets.

These primarily include:

- The volume of non-capitalised leases determined in accordance with IFRS 16, including expenses for short-term leases and low-value leases.
- Costs of internal and external maintenance and repair of property, plant and equipment.

Taxonomy-eligible Opex does not include expenditures relating to the day-to-day operation of the property, plant and equipment and rail freight transport itself, such as: electricity and fuels, operational staff costs and production overheads.

### *Further explanations*

As part of allocations, we identified employees of departments in individual entities who provide for day-to-day maintenance of assets that the ČD Cargo uses to perform taxonomy-eligible activities. Other operating personnel costs are not included in the operating expenditure in terms of the Taxonomy. Other taxonomy-eligible operating expenses could be defined directly.



## 13 Share Capital

### Amount of the Subscribed Share Capital

As at the balance sheet date of 31 December 2023, the share capital of the Company amounted to CZK 8,494,000 thousand and was fully paid.

In 2023, ČD Cargo, a.s. did not acquire treasury shares or any other treasury holdings.

### Shareholders

**Sole shareholder:**

České dráhy, a.s.

nábřeží L. Svobody 1222, Prague 1, 110 15

Corporate ID: 709 94 226



## 14 Reports of the Company's Supervisory Board and the Audit Committee

### Report of the Supervisory Board of ČD Cargo, a.s., on the performance of its powers in 2023 and the results of control activities

The Supervisory Board of ČD Cargo, a.s., met in ten regular meetings in the course of 2023, stating that it had a quorum at all and decided in one case per rollam.

The Supervisory Board exercised its powers and performed its tasks in accordance with the legal regulations and the Company's Articles of Association. It also supervised the performance of the powers of the Board of Directors in carrying out the Company's business activities. The Board of Directors of ČD Cargo, a.s., provided the Supervisory Board with the prescribed or required information and documents for the performance of control activities. The Chairman of the Board of Directors together with other members of the Board of Directors regularly participated in all meetings and kept the Supervisory Board informed, in particular about the Company's business activities and financial results and the financial results of subsidiaries.

The Supervisory Board discussed and assessed the applications of the Board of Directors of ČD Cargo, a.s., for granting prior consent to certain legal acts.

The Supervisory Board states that it had the necessary conditions for the proper performance of its activities. In performing its control activities, the Supervisory Board did not find that ČD Cargo, a.s., or individual members of the Company's Board of Directors breached or failed to fulfil their obligations imposed by legal regulations, the Articles of Association of ČD Cargo, a.s., and the Company's internal regulations or decisions of the sole shareholder in exercising the powers of the General Meeting, or own suggestions of the Supervisory Board addressed to the Board of Directors.

Mgr. Michal Krapinec

Chairman of the Supervisory Board



## **Report of the Audit Committee of ČD Cargo, a.s., to the Annual Report of ČD Cargo, a.s., for the year 2023**

The Company's Audit Committee executed its duties and performed all tasks in accordance with legal regulations, the Company's Articles of Association, and the effective contractual arrangements. It systematically monitored the preparation of the Company's separate and consolidated financial statements, the audit and interim audit thereof, and related documents for the periods from 1 January 2023 to 30 September 2023 and 1 January 2023 to 31 December 2023.

The Audit Committee was informed by the Company's representatives, duly and on time, of the relevant information and documents related to the individual steps of preparing the Company's separate and consolidated financial statements under IFRS as adopted by the EU and the Report on Relations for the year 2023, and of preparing the Company's Annual Report for the year 2023.

The Audit Committee also assessed the impartiality and independence of the auditor of the separate and consolidated financial statements, Deloitte Audit, s.r.o., discussed and communicated selected information, and issued statements and communications in accordance with the applicable legislation. During the preparation of the separate and consolidated financial statements, and the statutory audit thereof, the preparation of the Report on Relations, and related activities, the Audit Committee, acting in its capacity, did not identify any errors or breaches of the legal regulations or the Company's Articles of Association by either the Company or the auditor.

With regard to the facts stated above and after discussing the draft auditor's report on the separate and consolidated financial statements and the contents of the Report on Relations, the Audit Committee recommended that the Company's bodies discuss the separate financial statements along with the Auditor's Report and the Report on Relations for the year 2023 and that the sole shareholder, acting in the capacity as the General Meeting, approve the documents. It also recommended that the Company's bodies discuss the Company's consolidated financial statements under IFRS as adopted by the EU for the year from 1 January 2023 to 31 December 2023, and that the sole shareholder, acting in the capacity as the General Meeting, approve the documents.

In addition, the Audit Committee monitored the integrity of the financial information provided by the Company and the internal control systems and risk management in the Company. It also discussed the report on the internal audit for the year 2023.



With regard to the facts referred to above, the Company's Audit Committee states that it complied with the obligations ensuing from legal regulations, in particular the Act on Auditors 93/2009 Coll. dated 26 March 2009 and the Company's Articles of Association, as amended.

In Prague on 8 April 2024

Mgr. Oldřich Vojř, Ph.D.  
Chairman of the Audit Committee



## Report of the Audit Committee of ČD Cargo, a.s., on the Report on Relations for the year 2023

The Audit Committee of ČD Cargo, a.s., in line with the relevant provisions of Act 93/2009 Coll., on Auditors, as amended, and the Articles of Association of ČD Cargo, a.s., as amended, continuously monitored the proceedings taken in the preparation of the Report on Relations for the year 2023, from the preparatory phase.

The Audit Committee was made aware by the representatives of ČD Cargo, a.s., duly and on time, of the relevant information and materials related to individual steps taken in preparing the Report on Relations for the year 2023.

The Audit Committee also assessed the impartiality and independence of the auditor of the Company's Report on Relations, Deloitte Audit, s.r.o., discussed and communicated selected information, and issued statements and communications in accordance with applicable legislation. During the preparation of the Report on Relations for the year 2023 and the relating activities, the Audit Committee, acting in its capacity, identified no errors or breaches of the legal regulations or the Company's Articles of Association by either the Company or the auditor.

With regard to the facts outlined above and with regard to the draft Auditor's Opinion, the Audit Committee recommends that the Report on Relations is discussed by the bodies of ČD Cargo, a.s., and approved by the sole shareholder acting in the capacity of the General Meeting.

Based on the information disclosed above, the Audit Committee of ČD Cargo, a.s., states that it fulfilled the obligations arising from legal regulations, principally from Act 93/2009 Coll., on Auditors, of 26 March 2009, as amended, the Articles of Association of ČD Cargo, a.s., as amended, and that it took into consideration all the information received in connection with the Report on Relations for the year 2023.

Mgr. Oldřich Vojtěch, Ph.D.

Chairman of the Audit Committee



## **Report of the Audit Committee of ČD Cargo, a.s., on the Separate Financial Statements of ČD Cargo, a.s., prepared under IFRS for the year from 1 January 2023 to 31 December 2023, including the draft Auditor's Opinion**

The Audit Committee of ČD Cargo, a.s., in line with the relevant provisions of Act 93/2009 Coll., on Auditors, as amended, and the Articles of Association of ČD Cargo, a.s., as amended, continuously monitored the proceedings taken in the preparation of the separate financial statements of ČD Cargo, a.s., under IFRS, the procedure of the audit of the separate financial statements and all related documents for the year from 1 January 2023 to 31 December 2023, from the preparation phase of the whole process.

The Audit Committee was made aware by the representatives of ČD Cargo, a.s., duly and on time, of the relevant information and materials related to individual steps taken in the preparation of the separate financial statements of ČD Cargo, a.s., under IFRS, for the year from 1 January 2023 to 31 December 2023.

The Audit Committee also assessed the impartiality and independence of the Company's auditor, Deloitte Audit s.r.o., discussed and communicated selected accounting information, and issued statements and communications in accordance with applicable legislation. During the preparation of the separate financial statements under IFRS for the year from 1 January 2023 to 31 December 2023, the statutory audit thereof and the relating activities, the Audit Committee, acting in its capacity, identified no errors or breaches of the legal regulations or the Company's Articles of Association by either the Company or the auditor.

With regard to the facts outlined above and with regard to the Auditor's Opinion on the separate financial statements prepared under IFRS, the Audit Committee recommends the separate financial statements of ČD Cargo, a.s., prepared under IFRS for the year from 1 January 2023 to 31 December 2023 and the Auditor's Opinion to be discussed by the bodies of ČD Cargo, a.s., and approved by the sole shareholder acting in the capacity of the General Meeting.

Based on the information disclosed above, the Audit Committee of ČD Cargo, a.s. states that it fulfilled the obligations arising from legal regulations, principally from Act 93/2009 Coll., on Auditors, of 26 March 2009, as amended, the Articles of Association of ČD Cargo, a.s., as amended, and that it took into consideration all the information received in connection with the separate financial statements of ČD Cargo, a.s., under IFRS, for the year from 1 January 2023 to 31 December 2023, and the draft Auditor's Opinion.

Mgr. Oldřich Vojříř, Ph.D.

Chairman of the Audit Committee



## **Report of the Audit Committee of ČD Cargo, a.s., on the Consolidated Financial Statements of ČD Cargo, a.s., prepared under IFRS for the year from 1 January 2023 to 31 December 2023, including the draft Auditor's Opinion**

The Audit Committee of ČD Cargo, a.s., in line with the relevant provisions of Act 93/2009 Coll., on Auditors, as amended, and the Articles of Association of ČD Cargo, a.s., as amended, continuously monitored the proceedings taken in the preparation of the consolidated financial statements of ČD Cargo, a.s., under IFRS, the procedure of the audit of the consolidated financial statements and all related documents for the year from 1 January 2023 to 31 December 2023, from the preparation phase of the whole process.

The Audit Committee was made aware by the representatives of ČD Cargo, a.s., duly and on time, of the relevant information and materials related to individual steps taken in preparing the consolidated financial statements of ČD Cargo, a.s., under IFRS, for the year from 1 January 2023 to 31 December 2023.

The Audit Committee also assessed the impartiality and independence of the Company's auditor, Deloitte Audit s.r.o., discussed and communicated selected accounting information, and issued statements and communications in accordance with applicable legislation. During the preparation of the consolidated financial statements under IFRS for the year from 1 January 2023 to 31 December 2023, the statutory audit thereof and the relating activities, the Audit Committee, acting in its capacity, identified no errors or breaches of the legal regulations or the Company's Articles of Association by either the Company or the auditor.

With regard to the facts outlined above and with regard to the Auditor's Opinion on the consolidated financial statements prepared under IFRS, the Audit Committee recommends the consolidated financial statements of ČD Cargo, a.s., prepared under IFRS for the year from 1 January 2023 to 31 December 2023, and the Auditor's Opinion to be discussed by the bodies of ČD Cargo, a.s. and approved by the sole shareholder acting in the capacity of the General Meeting.

Based on the information disclosed above, the Audit Committee of ČD Cargo, a.s. states that it fulfilled the obligations arising from legal regulations, principally from Act 93/2009 Coll., on Auditors, of 26 March 2009, as amended, the Articles of Association of ČD Cargo, a.s., as amended, and that it took into consideration all the information received in connection with the consolidated financial statements of ČD Cargo, a.s., under IFRS for the year from 1 January 2023 to 31 December 2023, and the draft Auditor's Opinion.



Mgr. Oldřich Vojř, Ph.D.

Chairman of the Audit Committee



## 15 Independent Auditor's Report

# Deloitte.

Deloitte Audit s.r.o.  
Churchill I  
Italská 2581/67  
120 00 Praha 2 - Vinohrady  
Česká republika

Tel.: +420 246 042 500  
DeloitteCZ@deloitteCE.com  
[www.deloitte.cz](http://www.deloitte.cz)

zapsána Městským soudem  
v Praze, oddíl C, vložka 24349  
IČO: 49620592  
DIČ: CZ49620592

### INDEPENDENT AUDITOR'S REPORT

To the Shareholders of  
ČD Cargo, a.s.

Having its registered office at: Jankovcova 1569/2c, 170 00 Prague 7 - Holešovice

#### AUDITOR'S REPORT ON THE SEPARATE FINANCIAL STATEMENTS AND THE CONSOLIDATED FINANCIAL STATEMENTS

##### Opinion

We have audited the accompanying separate financial statements of ČD Cargo (the "Company") prepared on the basis of IFRS Accounting Standards as adopted by the European Union, which comprise the separate statement of financial position (the "balance sheet") as at 31 December 2023, and the separate statement of profit or loss, separate statement of other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

We have also audited the accompanying consolidated financial statements of ČD Cargo and its subsidiaries (the "Group") prepared on the basis of IFRS Accounting Standards as adopted by the European Union, which comprise the consolidated statement of financial position (the "balance sheet") as at 31 December 2023, and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion:

- The accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.
- The accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

##### Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and the Council 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 Separate Financial Statements and the Consolidated Financial Statements section of our report. We are independent of the Group and 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 Matter

- The separate financial statements of ČD Cargo, a.s. for the year ended 31 December 2022 were audited by another auditor who expressed an unmodified opinion on those separate financial statements on 11 April 2023.



- The consolidated financial statements of ČD Cargo, a.s. for the year ended 31 December 2022 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 11 April 2023.

#### Other Information in the Consolidated Annual Report

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

Our opinion on the separate financial statements and the consolidated financial statements does not cover the other information. In connection with our audit of the separate financial statements and the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements and the consolidated 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 separate financial statements and the consolidated financial statements is, in all material respects, consistent with the separate financial statements and the consolidated 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 and the Group 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.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements and the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements and the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How it was addressed
<b>The correct recognition of lease contracts under IFRS 16 Leases (the Group and the Company)</b>	
<p>In 2023, certain lease contracts were modified, remeasured, or terminated and new lease contracts were concluded.</p> <p>As at 31 December 2023, the Company recognised CZK 3,045 million and the Group CZK 3,307 million on the line "right-of-use assets". Lease liabilities amounted to CZK 3,044 million in the Company and CZK 3,306 million in the Group.</p> <p>Information relating to the lease recognition of the Company and the Group can be found in Note 19 to the separate financial statements and Note 19 to the consolidated financial statements.</p> <p>The amendments to lease contracts have a material impact on the financial statements, which we deem a</p>	<p>We performed the following audit procedures in connection with the amendments to lease contracts:</p> <ul style="list-style-type: none"><li>• On the selected sample, we assessed whether the management properly evaluated the amendments to lease contracts concluded in prior years (for the purposes of their modification or remeasurement), as well as recently concluded contracts, to ensure that the accounting treatment was consistent with the requirements of the standard.</li><li>• Utilising Deloitte's internal experts, we tested the accuracy of the input data on selected samples, including an assessment of the discount rates and the contract extension options used in the calculation of the value of lease liabilities.</li><li>• We tested the mathematical accuracy of the right-of-use assets, lease liability, depreciation and interest rate</li></ul>



---

key audit matter.

calculations presented by the management of the Group and the Company.

- We considered the completeness and comprehensiveness of the lease contracts included in the accounting records.
  - We assessed the disclosures in the financial statements relating to leases for compliance with the disclosure requirements of IFRS 16.
- 

#### Responsibilities of the Company's Board of Directors, Supervisory Board and Audit Committee for the Separate Financial Statements and the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the separate financial statements and the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and for such internal control as the Board of Directors determines is necessary to enable the preparation of the separate financial statements and the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements and the consolidated 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 and Audit Committee are responsible for overseeing the Group's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Separate Financial Statements and the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements and the consolidated 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 separate financial statements and consolidated 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 separate financial statements and the consolidated 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 internal control of the Company and the Group.
- 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 and the Group'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 separate financial statement and the consolidated 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 and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements and the consolidated financial statements, including the disclosures, and whether the separate financial statements and the



consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate financial statements and the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors, the Supervisory Board and the Audit Committee 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.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, the Supervisory Board and the Audit Committee, we determine those matters that were of most significance in the audit of the separate financial statements and the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

### Information required by Regulation (EU) No. 537/2014 of the European Parliament and the Council

In compliance with Article 10 (2) of Regulation (EU) No. 537/2014 of the European Parliament and the Council, we provide the following information in our independent auditor's report, which is required in addition to the requirements of International Standards on Auditing:

#### Appointment of the Auditor and the Period of Engagement

We were appointed as the auditors of the Group for a period of four years by the General Meeting of Shareholders on 24 January 2023 and 2023 is the first year of that period.

#### Consistence with the Additional Report to the Audit Committee

We confirm that our audit opinion on the separate financial statements and the consolidated financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on 9 April 2024 in accordance with Article 11 of Regulation (EU) No. 537/2014 of the European Parliament and the Council.

#### Provision of Non-audit Services

We declare that no prohibited non-audit services referred to in Article 5 of Regulation (EU) No. 537/2014 of the European Parliament and the Council were provided. In addition, there are no other non-audit services which were provided by us to the Company and its controlled undertakings and which have not been disclosed in the notes to the financial statements.

In Prague on 9 April 2024

Audit firm:

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

Statutory auditor:

Václav Loubek  
registration no. 2037



## 16 Post Balance Sheet Events

In January 2024, the Company drew down the investment loan from Raiffeisenbank a.s. in the amount of EUR 20.5 million (approximately CZK 506 million).



## 17 Information on Persons Responsible for the Annual Report of the ČD Group

### Sworn Declaration

In exercising all reasonable care, the Consolidated Annual Report gives, to the best of our knowledge, a true and fair view of the financial position, business activities and economic performance of the Company and the Group for the year ended 31 December 2023 and of the prospects for future development of the financial position, business activities and economic performance of the Company and the Group and no facts have been omitted which may alter the import of this report.

In Prague on 9 April 2024

Ing. Tomáš Tóth

Chairman of the Board of Directors

ČD Cargo, a.s.

Martin Svojanovský

Member of the Board of Directors

ČD Cargo, a.s.



## 18 Report on Relations

Report of the Company's statutory body on relations prepared in accordance with the provisions of Section 82 of Act No. 90/2012 Coll., Business Companies and Cooperatives Act (the Business Corporations Act), as amended.

The statutory body of ČD Cargo, a.s., with its registered office at Jankovcova 1569/2c, 170 00 Prague 7 – Holešovice, corporate ID: 281 96 678, recorded in the Commercial Register held by the Municipal Court in Prague, File B, Insert 12844, prepared this report for the reporting period from 1 January 2023 to 31 December 2023 in compliance with Section 82 of Act No. 90/2012 Coll., Business Companies and Cooperatives Act (the Business Corporations Act), as amended.

The report is attached to the annual report and the statutory body ensures its inclusion in the list of documents held by the relevant Commercial Register Court.



## Article I.

### Structure of relations between the Controlling Entity and the Controlled Entity and the Controlled Entity and entities controlled by the same Controlling Entity

#### 1) Controlling Entity:

Entity: **České dráhy, a.s.,**  
With its registered office: Nábřeží L. Svobody 1222, 110 15 Prague 1  
Corporate ID: 709 94 226

Recorded at the Commercial Register held at the Municipal Court in Prague, Section B, File 8039.

**Mgr. Michal Krapinec**, Chairman of the Board of Directors from 4 April 2022 to 31 December 2023 (commencement of membership on 4 April 2022, office established on 4 April 2022),

**Mgr. Michal Kraus, MSc.**, Vice-chairman of the Board of Directors from 16 February 2022 to 31 December 2023 (commencement of membership on 4 December 2020, office established on 16 February 2022),

**Ing. Jiří Jeřeta**, Member of the Board of Directors from 1 January 2022 to 31 December 2023 (commencement of membership on 21 May 2020),

**Mgr. Blanka Havelková**, Member of the Board of Directors from 16 January 2022 to 31 December 2023 (commencement of membership on 16 February 2022),

**Mgr. Ing. Lukáš Svoboda**, Member of the Board of Directors from 8 April 2022 to 31 December 2023 (commencement of membership on 8 April 2022),

(the “Controlling Entity”)



2) **Controlled Entity:**

Entity: **ČD Cargo, a.s.**

With its registered office: Jankovcova 1569/2c, 170 00 Pague 7 - Holešovice,

Corporate ID: 281 96 678

Recorded at the Commercial Register held at the Municipal Court in Prague, Section B, File 12844.

**Ing. Tomáš Tóth**, Chairman of the Board of Directors from 1 January 2022 to 31 December 2023 (commencement of membership on 4 December 2020, office established on 4 December 2020),

**Zbyszek Waclawik**, Member of the Board of Directors from 1 June 2022 to 31 December 2023 (commencement of membership on 1 June 2022),

**Martin Svojanovský**, Member of the Board of Directors from 1 June 2022 to 31 December 2023 (commencement of membership on 1 June 2022),

**(the “Controlled Entity”)**



### 3) **Entities controlled by the same Controlling Entity as the Controlled Entity**

- **ČD – Telematika a.s.**, Corporate ID: 614 59 445, with its registered office at Pernerova 2819/2a, 130 00 Prague 3, recorded at the Municipal Court in Prague, File B, Insert 8938
- **ČD - Informační Systémy, a.s.**, Corporate ID: 248 29 871, with its registered office at Pernerova 2819/2a, Žižkov, 130 00 Prague 3, recorded at the Municipal Court in Prague, File B, Insert 17064
- **ČD relax s.r.o.**, Corporate ID: 057 83 623, with its registered office at 28. října 372/5, Staré Město, 110 00 Prague 1, recorded at the Municipal Court in Prague, File C, Insert 270678
- **ČD Restaurant, a.s.**, Corporate ID: 278 81 415, with its registered office at Prvního pluku 81/2a, 130 11 Prague 3, recorded at the Municipal Court in Prague, File B, Insert 11738
- **ČD travel, s.r.o.**, Corporate ID: 273 64 976, with its registered office at 28. října 372/5, Staré Město, 110 00 Prague 1, recorded at the Municipal Court in Prague, File C, Insert 108644
- **ČD Cargo Logistics, a.s.**, Corporate ID: 279 06 931, with its registered office at Opletalova 1284/37, Nové Město, 110 00 Prague 1, recorded at the Municipal Court in Prague, File B, Insert 11940
- **ČD-DUSS Terminál, a.s.**, Corporate ID: 273 16 106, with its registered office at Lukavecká 1189, 410 02 Lovosice, recorded at the Regional Court in Ústí nad Labem, File B, Insert 1749
- **Terminal Brno, a.s.**, Corporate ID: 282 95 374, with its registered office at K Terminálu 614/11, 616 00 Horní Heršpice, recorded at the Regional Court in Brno, File B, Insert 5643
- **ČSAD SVT Prague, s.r.o.**, Corporate ID: 458 05 202, with its registered office at Křižíkova 4-6, 186 00 Prague 8, recorded at the Municipal Court in Prague, File C, Insert 11856
- **Dopravní vzdělávací institut, a.s.**, Corporate ID: 273 78 225, with its registered office at Prvního pluku 621/8a, 186 00 Prague 8 – Karlín, recorded at the Municipal Court in Prague, File B, Insert 10168
- **DPOV, a.s.**, Corporate ID: 277 86 331, with its registered office at Husova 635/1b, 751 52 Přerov, recorded at the Regional Court in Ostrava, File B, Insert 3147
- **CHAPS, spol. s r.o.**, Corporate ID: 475 47 022, with its registered office at Bráfova 1617/21, Žabovřesky, 616 00 Brno, recorded at the Regional Court in Brno, File C, Insert 17631
- **INPROP, s r.o.**, Corporate ID: 316 09 066, with its registered office at Rosinská cesta 12, 010 08 Žilina, recorded at District Court in Žilina, File Sro, Insert 1997/L
- **ECHIS a.s.**, Corporate ID: 015 33 177, with its registered office at Pernerova 2819/2a, Žižkov, 130 00 Prague 3, recorded at the Municipal Court in Prague, File B, Insert 18971
- **XT-Card a.s.**, Corporate ID: 274 08 256, with its registered office at Seifertova 327/85, 130 00 Prague 3, recorded at the Municipal Court in Prague, File B, Insert 10398



- **ODP-software, spol. s r.o.**, Corporate ID: 616 83 809, with its registered office at Pernerova 2819/2a, 130 00 Prague 3 – Žižkov, recorded at the Municipal Court in Prague, File C, Insert 37829
- **RailReal, a.s.**, Corporate ID: 264 16 581, with its registered office at Na Florenci 2116/15, 110 00 Prague 1 – Nové Město, recorded at the Municipal Court in Prague, File B, Insert 6888
- **Smíchov Station Development, a.s.**, Corporate ID: 272 44 164, with its registered office at U Sluncové 666/12a, 186 00 Prague 8 – Karlín, recorded at the Municipal Court in Prague, File B, Insert 9949
- **SVT Slovakia, s r.o.**, Corporate ID: 366 20 602, with its registered office at Partizánska cesta 97, 974 01 Banská Bystrica, Slovak Republic, recorded at the District Court in Banská Bystrica, File Sro, Insert 8643/S
- **Výzkumný Ústav Železniční, a.s.**, Corporate ID: 272 57 258, with its registered office at Novodvorská 1698, 142 00 Prague 4 – Braník, recorded at the Municipal Court in Prague, File B, Insert 10025
- **VUZ Slovakia, s.r.o.**, Corporate ID: 53 156 587, with its registered office at Seberíniho 1, 821 03 Bratislava – mestská časť Ružinov, recorded at the District Court in Bratislava I, File Sro, Insert 146385/B
- **Žižkov Station Development, a.s.**, Corporate ID: 282 09 915, with its registered office at U Sluncové 666/12a, 186 00 Prague 8 – Karlín, recorded at the Municipal Court in Prague, File B, Insert 13233
- **Masaryk Station Development, a.s.**, Corporate ID: 271 85 842, with its registered office at Na Florenci 2116/15, 110 00 Prague 1 – Nové Město, recorded at the Municipal Court in Prague, File B, Insert 9599
- **JLV, a.s.**, Corporate ID: 452 72 298, with its registered office at Chodovská 228/3, 141 00 Prague 4 – Michle, recorded at the Municipal Court in Prague, File B, Insert 1430
- **Tramex Rail s.r.o.**, Corporate ID: 262 46 422, with its registered office at Masarykova 1355/12, 678 01 Blansko, recorded at the Regional Court in Brno, File C, Insert 39862
- **ČD Bus, a.s.**, Corporate ID: 173 77 404, with its registered office at Jeremenkova 231/9, Bělidla, 779 00 Olomouc, recorded at the Regional Court in Ostrava, File B, Insert 11426
- **CR-City a.s.**, Corporate ID: 267 05 427, with its registered office at Na Florenci 2116/15, 110 00 Prague – Nové Město, recorded at the Municipal Court in Prague, File B, Insert 7722
- **RAILLEX, a.s.**, Corporate ID: 275 60 589, with its registered office at Belgická 196/38, 120 00 Prague 2 – Vinohrady, recorded at the Municipal Court in Prague, File B, Insert 10802
- **BOHEMIAKOMBI spol. s r.o.**, Corporate ID: 452 70 589, with its registered office at Opletalova 921/6, 110 00 Prague 1 – Nové Město, recorded at the Municipal Court in Prague, File C, Insert 8969



- **Ostravská dopravní společnost, a.s.**, Corporate ID: 607 93 171, with its registered office at U Tiskárny 619/6, 702 00 Ostrava – Přívoz, recorded at the Regional Court in Ostrava, File B, Insert 1040
- **Ostravská dopravní společnost - Cargo, a.s.**, Corporate ID: 056 63 041, with its registered office at U Tiskárny 619/6, 702 00 Ostrava – Přívoz, recorded at the Regional Court in Ostrava, File B, Insert 10897
- **Terminál Mošnov, a.s.**, Corporate ID: 141 98 240, with its registered office at Na Florenci 1332/23, 110 00 Prague 1 – Nové Město, recorded at the Municipal Court in Prague, File B, Insert 27045
- **Terminál Nymburk s.r.o.**, Corporate ID: 191 08 796, with its registered office at Plzeňská 3351/19, 150 00 Prague 5 – Smíchov, recorded at the Municipal Court in Prague, File C, Insert 381595
- **CD Cargo Hungary Kft.**, Corporate ID: 090931990, Keleti sor utca 26-4., 4150 Püspökládány, Hungary
- **CD Cargo Adria d.o.o.**, Corporate ID: 0813763, Savska cesta 32, 10000 Zagreb, Croatia
- **CD Cargo Slovakia, s.r.o.**, Corporate ID: 44349793, Seberíniho 1, 82103 – Bratislava, Slovakia
- **CD Cargo Poland, Sp. z o.o.**, Corporate ID: 140769114, Grzybowska 4, 00-131 Warszawa, Poland
- **CD Cargo Germany, GmbH.**, Corporate ID: 73576, Niddastrasse 98-102, Frankfurt, Germany
- **CD Cargo Austria, GmbH.**, Corporate ID: 291407s, Rotenturmstraße 22/24, 1010 Wien, Austria.

**(The Controlled Entity, the Controlling Entity, and other entities controlled by the Controlling Entity are referred to as the “ČD Group Entities”).**

The structure of mutual relations between the ČD Group Entities can be described as follows: the Controlling Entity exercises its shareholder rights based on the applicable Articles of Association (in joint stock companies) or Memoranda of Association (in limited liability companies). Specifically with regard to the Controlled Entity, the Controlling Entity is its sole shareholder and exercises its shareholder rights through decisions made as part of the general meeting of the Controlled Entity and the Controlled Entity implements these decisions in its conditions. In the ČD Group, the Controlled Entity provides the freight railway transportation of goods with a set of related services. Through the Controlled Entity, the Controlling Entity is able to indirectly exercise its influence on the subsidiaries of the Controlled Entity. The ČD Group Entities enter into standard business and obligations relations.

Through the Controlled Entity, the Controlling Entity also can indirectly exercise its influence in the subsidiaries of the Controlled Entity. Contractual relations of subsidiaries of the Controlled Entity with



ČD Cargo, a.s. are part of the table in Article III. of this Report on Relations. In addition, domestic business corporations have their roles vis-à-vis the ČD Group recorded in their own Reports on Relations or financial statements.

## Article II.

### List of activities in the reporting period at the initiative or in the interest of the Controlling Entity or related parties regarding the assets exceeding 10% of the equity of the Controlled Entity

Given that 10% of the equity totalling CZK 9,906 million of the Controlled Entity as identified from the most recent financial statements amount to CZK 991 million, such activities that would take place between 1 January 2023 and 31 December 2023 are not recorded.

## Article III.

### Contracts and Agreements effective between the ČD Group Entities

During the relevant reporting period (i.e. from 1 January 2023 to 31 December 2023), the following trade contracts/agreements between the Controlled Entity and the Controlling Entity and other ČD Group Entities were valid and effective:

Contract type	Contract number	Contract name	Counterparty	Duration
Lease	09909-2022-SOKV CBE	Nájem prostor sloužících k podnikání	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	09785-2022-SOKV CBE	Smlouva o rozúčtování nákladů na vytápění pronajatých prostor č. 263500107	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	00062-2022-SOKV CBE	Smlouva o dodávce vody, odvádění a likvidace odpadních vod Pracoviště Jihlava	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	08393-2020-SOKV CBE	Smlouva o zajištění stravování	České dráhy, a.s., ID: 70994226	Definite
Other contract	90167-2011-SOKV CBE-D1	Dodatek č.1 ke smlouvě o přeúčtování zemního plynu č. 2935000440	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	01683-2012-SOKV CBE	Smlouva o dodávce pitné vody a odvádění odpadních a srážkových vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	07146-2018-SOKV CBE	Dodávka pitné vody a odvádění odpadních a srážkových vod	České dráhy, a.s., ID: 70994226	Indefinite
Lease	90132-2009-SOKV CBE	Smlouva o nájmu nemovitostí a jejich částí č. 52380001/09	České dráhy, a.s., ID: 70994226	Indefinite



Contract type	Contract number	Contract name	Counterparty	Duration
Lease	90117-2009-SOKV CBE-D2	Smlouva o nájmu nemovitostí a jejich částí č. 01/523/2009	České dráhy, a.s., ID: 70994226	Definite
Other contract	SSD 0801/523 SOKV CBE	Dodatek č. 1 ke smlouvě o dodávkách tepelné energie, stlačeného vzduchu, vodného a stočného, odvádění odpadních vod, srážkových vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	90182-2009-SOKV CBE-D3	Dodatek č. 3 k dohodě o závazné objednávce o odstavování železničních kolejových vozidel č. D5232009	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	07534-2019-PJ CST	Smlouva o vytápění Náchod (PP Hradec Králové)	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	90201 to 90204-2010-PJ CST	Smlouva na provádění služby - dodávka vody	České dráhy, a.s., ID: 70994226	Definite
Other contract	90206 to 90210-2007-PJ CST	Smlouva na provádění služby - dodávka vody	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	90153 to 90158-2008-PJ CST	Smlouva na provádění služby - dodávka vody	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 5 to no. 09889-2022-PJ CST-D706	Dodatek č. 5 o dod. tepelné energie ke smlouvě č. E292-S-00606_08	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 4 to no. 09502-2022-PJ CST-D677	Dodatek č. 4 ke Smlouvě o nájmu prostor sloužících k podnikání č. 2627701015	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	09376-2022-PJ CST	Smlouva o vytápění PP Pardubice	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 13 to no. 09750-2022-PJ CST-D695	Dodatek č. 13 k Nájemní smlouvě č. 2647003515	České dráhy, a.s., ID: 70994226	Indefinite
Contract for work	D 6 to no. 04-029/2010-D1-D1 PJ PHA	Dodatek č. 6 k zajištění provozních výkonů HV, LČ a VP	DPOV, a.s., ID: 27786331	Indefinite
Lease	06918-2018-PJ PHA	Pronájem nebytových prostor včetně služeb	DPOV, a.s., ID: 27786331	Indefinite
Lease	03444-2014-PJ PHA	Pronájem kolejí v Nymburku	DPOV, a.s., ID: 27786331	Indefinite
Other contract	01866-2013-PJ PHA	Přeúčtování nákladů za teplo	DPOV, a.s., ID: 27786331	Indefinite
Lease	09118-2021-PJ PHA	Pronájem plochy pod wc	České dráhy, a.s., ID: 70994226	Indefinite
Lease	04449-2015-PJ PHA-D7	Pronájem prostor v Liberci a Turnově	České dráhy, a.s., ID: 70994226	Indefinite
Lease	90045-2011-PJ NBK-D4 PJ PHA	Nájem NBK prov. bud. STP, MB nocležna	České dráhy, a.s., ID: 70994226	Indefinite



Contract type	Contract number	Contract name	Counterparty	Duration
Lease	90044-2010-PJ NBK-D1 PJ PHA	Pronájem pozemku pod nádrž, Kolín	České dráhy, a.s., ID: 70994226	Indefinite
Lease	09920-2022-PJ PHA	Pronájem prostor v Nymburku, Kolín, Čáslav, Čejetice u MB	České dráhy, a.s., ID: 70994226	Indefinite
Lease	09634-2022-PJ PHA	Pronájem prostor Malešice, Příbram, Rakovník, Uhřetěves	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	09517-2022-PJ PHA	Rakovník - náklady za teplo, TUV, odpad, vodu	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	0-D12293 PJ PHA	Služby spojené s pronájmem	České dráhy, a.s., ID: 70994226	Indefinite
Lease	08842-2021-PJ PHA	Smlouva o nájmu kolejí na vlečce č. NA 21-042/380	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	0-D13457-D1 PJ PHA	Služby spojené s pronájmem v Nymburku, Čáslavi, Kolíně...	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	581659/2200 PJ PHA	Voda Liberec AB OM 581 659	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	05442-2016-PJ PHA	Voda Liberec 5.n. OM 581 661	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	681742/2200 PJ PHA	Voda TUV posun OM 681 742	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	90214-2010-PJ NBK PJ PHA	Teplo Liberec OM 522	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	00498-2011-PJ NBK PJ PHA	Teplo Liberec OM 547	České dráhy, a.s., ID: 70994226	Indefinite
Lease	09960-2022-PJ PHA	Nájemní smlouva žst. Benešov u Prahy	České dráhy, a.s., ID: 70994226	Indefinite
Contract for work	05876-2017- O20	Smlouva o poskytnutí užívacích práv ke službě ASPI	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	079/2009-O26	Smlouva č. 079/2009 (ČDC) č. 3/2009 (ČD) o sdílení připojení k evropské železniční datové síti HERMES VPN	České dráhy, a.s., ID: 70994226	Indefinite
Contract for work	0767/2009-O26	Smlouva č. 00767-2012-O26, služby SW údržby IS dodavatel - odběratel ve skupině ČD	České dráhy, a.s., ID: 70994226	Indefinite
Contract for work	D 9 to no. 00998-2012- SOKV OVA- D11	Dodatek č. 9 k smlouvě o dílo č. 00998-2012-SOKV OVA soustružení dvojkolí	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 15 to no. 1/1/08-D16 SOKV OVA	Dodatek č. 15 ke Smlouvě č. 1/1/08 o poskytování služeb	České dráhy, a.s., ID: 70994226	Indefinite
Contract for work	D 10 to no. 00353-2012-	Dodatek č. 10 k Smlouvě o dílo č. 00353-2012-SOKV OVA údržba HDV	Ostravská dopravní společnost – Cargo,	Indefinite



Contract type	Contract number	Contract name	Counterparty	Duration
	SOKV OVA-D12		a.s. ID: 05663041	
Lease	D 6 to no. 5218000108-D5 SOKV OVA	Dodatek č. 6 ke Smlouvě o nájmu nebytových prostor	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 1 to no. 01102-2013- SOKV OVA-D1	Dodatek č. 1 ke Smlouvě, č. poskytovatele 2635000109	České dráhy, a.s., ID: 70994226	Indefinite
Contract for work	00319-2023-PJ CBE	Smlouva o poskytování služeb strojvedoucích	Výzkumný Ústav Železniční, a.s., ID: 27257258	Definite
Contract for work	00310-2023-PJ CBE	Smlouva o poskytování služeb strojvedoucích	Výzkumný Ústav Železniční, a.s., ID: 27257258	Definite
Lease	D 4 to no. 04438-2015 PJ CBE-D4	Dodatek č. 4 k nájemní smlouvě č. 2677301415 RSM Praha - obl. ČB	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 11 to no. 04429-2015-PJ CBE-D11	Dodatek č. 9 k nájemní smlouvě RSM Praha č. 2677701015 - obl. Plzeň	České dráhy, a.s., ID: 70994226	Indefinite
Lease	06629-2018-PJ CBE	Nájemní smlouva č. 2677102518 (Protivín)	České dráhy, a.s., ID: 70994226	Indefinite
Lease	90037-2009-PJ CBE	Nájemní smlouva č. 1738000209 (Tábor)	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 7 to no. 90152-2010-PJ CBE-D7	Dodatek č. 7 k Rámcové smlouvě RSM Praha č. 2972906410 na dodávku služeb	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 1 to no. 09021-2021-PJ UNL-D1	Dodatek č. 1 k NS č. 2677202421	České dráhy, a.s., ID: 70994226	Indefinite
Lease	09456-2022-PJ UNL	Nájemní smlouva č. 2667201122	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 1 to no. 08033-2019-PJ UNL-D	Dodatek č. 1 k NS č. 2667116419	České dráhy, a.s., ID: 70994226	Indefinite
Lease	07151-2018-PJ UNL	Nájemní smlouva č. 2667109718	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 10 to no. 0440-2015-PJ UNL-D11	Dodatek č. 10 k NS č. 2667101415	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 11 to no. 0440-2015-PJ UNL-D12	Dodatek č. 11 k NS č. 2667101415	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 1 to no. 05388-2016-PJ UNL-D1	Dodatek č. 1 NS č. 2667106916	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	04823-2015-PJ UNL	Smlouva OS-0074/15-A o přeúčtování nákladů za dodávku pitné vody a odpadních vod a srážkové vody	České dráhy, a.s., ID: 70994226	Indefinite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	03638-2014-PJ UNL	Smlouva o dodávce vody č. E173-A30051/14 - Cheb	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	07171-2018-PJ UNL	Smlouva o zajištění služby (úklid)	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 3 to no. OS-0175/08-O-D9 PJ UNL	Dodatek č. 3 ke sml. č. OS-0175/08-O na přeúčtování nákladů vynaložených za odvoz a likvidaci odpadů	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 4 to no. OS-0175/08-O-D10 PJ UNL	Dodatek č. 4 ke sml. č. OS-0175/08-O na dodávku služeb (odpady)	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	08375-2020-PJ UNL	Smlouva č. OS-0001/20-A o přeúčtování nákladů vynaložených za likvidaci odpadních vod z ČOV Cheb	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	09633-2022-PJ UNL	Smlouva č. 2663210822 na dodávku služeb (teplo a TV, vodné a stočné k NS 2667201122)	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 2 to no. OS-0128/08-K-D4 PJ UNL	Dodatek č. 2 ke sml. č. OS-182/08-K na čištění komínových průduchů	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	09046-2021-PJ UNL	Smlouva č. 26729001121 na dodávku služeb (teplo a TV Planá)	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 1 to no. OS-0163/10-T-D5 PJ UNL	Dodatek č. 1 ke smlouvě o dodávce tepelné energie a TUV č. OS-0163/10-T	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	04528-2015-PJ UNL	Smlouva č. OS-0038/15-O na přeúčtování nákladů vynaložených za odvoz a likvidaci odpadu	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	01659-2013-PJ UNL-D1-D1	Dodatek č. 2 smlouvy OS-0031/13-O o přeúčtování nákladů vynaložených za odvoz a likvidaci odpadu	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	87/2009 SOKV UNL	Smlouva o dodávce a odběru vody, vodné, stočné v OKV Cheb	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	00582-2023-SOKV UNL	Smlouva o dodávce a odběru tepla v OKV Cheb	České dráhy, a.s., ID: 70994226	Indefinite
Lease	09387-2022-SOKV UNL	Pronájem nebytových prostor OKV Cheb	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	E173-A30073/10 SOKV UNL	Dohoda o zajištění činností OKV Cheb	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	1616/2008 SOKV UNL	Vodné, stočné OKV Nymburk	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	01368-2013-SOKV UNL	Věcné břemeno kanalizace OKV Most	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	02/P/09 SOKV UNL	Smlouva o dodávce a odběru plynu v OKV Most	České dráhy, a.s., ID: 70994226	Indefinite
Contract for work	S-O08-23-0162942-CK-BU-012-SOKV	Obnova jízdního profilu dvojkolí HV	České dráhy, a.s., ID: 70994226	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
	UNL (00693-2024-SOKV UNL)			
Contract for work	09663-2022-SOKV UNL	Obnova jízdního profilu dvojkolí HV	České dráhy, a.s., ID: 70994226	Definite
Other contract	04-110/2008 SOKV UNL	Dodávka plynu v OKV Nymburk	DPOV, a.s., ID: 27786331	Indefinite
Other contract	05200-2016-SOKV UNL	Odvod a likvidace odpadních vod v OKV Nymburk	DPOV, a.s., ID: 27786331	Indefinite
Other contract	HL	Smlouva o obchodním zastoupení	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Contract for work	04455-2015-O12	Smlouva o poskytování služeb - na provedení defektoskopických služeb v souladu s interním předpisem zhotovitele ČD V 26 a na svařování v souladu s interním předpisem zhotovitele ČD V95/5	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	08013-2019-O12	Smlouva o provozování drážní dopravy na vlečkách SOKV	České dráhy, a.s., ID: 70994226	Indefinite
Contract for work	O12	Dodatek č. 17 ke Smlouvě o údržbě a běžných opravách HDV ze dne 15.2.2008	DPOV, a.s., ID: 27786331	Definite
Other contract	06722-2017-O12	Smlouva o zajištění systému údržby dle nařízení komise EU č.445/2011/EU	CD Cargo Poland Sp. z o.o., ID:140769114	Indefinite
Other contract	07272-2019-O12	Smlouva o zajištění systému údržby dle nařízení komise EU č.445/2011/EU	CD Cargo Slovakia, s. r. o., ID: 44349793	Indefinite
Other contract	09834-2022-O12	Smlouva o zajištění systému údržby dle nařízení Komise EU č. 445/2011/EU	ČD Cargo Adria d.o.o., ID: 0813763	Indefinite
Other contract	0484-2023-O12	Smlouva o zajištění systému údržby dle nařízení Komise EU č. 445/2011/EU	CD Cargo Hungary Kft., ID: 090931990	Indefinite
Other contract	07631-2019-O12	Smlouva o provozování drážní dopravy na vlečce SOKV Ostrava a OKV Břeclav	Ostravská dopravní společnost - Cargo, a.s., ID: 05663041	Indefinite
Contract for work	O12	Opravy a údržba železničních kolejových vozidel - objednávka 2022120322090, objednávka 2022120322070_2023_OCÚ východ, objednávka 2022120322080_2023_OCÚ střed; vše na základě VOP - opravy a údržba ŽKV	České dráhy, a.s., ID: 70994226	Definite
Other contract	91380054 OPT	Rámcová smlouva o přepravních a platebních podmínkách	České dráhy, a.s., ID: 70994226	Indefinite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	91318588 OPT	Rámcová smlouva o přepravních a platebních podmínkách ve znění dodatku č. 3	DPOV, a.s., ID: 27786331	Indefinite
Other contract	91316562 OPT	Rámcová smlouva o přepravních a platebních podmínkách ve znění dodatku č. 3	Výzkumný Ústav Železniční, a.s., ID: 27257258	Indefinite
Other contract	91916924 OPT	Rámcová smlouva o přepravních a platebních podmínkách	CD Cargo Germany GmbH, ID: 73576	Indefinite
Other contract	91915021 OPT	Rámcová smlouva o přepravních a platebních podmínkách	CD Cargo Poland Sp. z o.o., ID:140769114	Indefinite
Other contract	91920122 OPT	Rámcová smlouva o přepravních a platebních podmínkách ve znění dodatku č. 3	CD Cargo Slovakia, s. r. o., ID: 44349793	Indefinite
Other contract	91320875 OPT	Rámcová smlouva o přepravních a platebních podmínkách ve znění dodatku č. 2	Terminal Brno, a.s., ID: 28295374	Indefinite
Other contract	91319547 OPT	Rámcová smlouva o přepravních a platebních podmínkách ve znění dodatku č. 5	ČD Cargo Logistics, a.s., ID: 27906931	Indefinite
Other contract	91318856 OPT	Rámcová smlouva o přepravních a platebních podmínkách ve znění dodatku č. 2	ČD-DUSS Terminál, a.s., ID: 27316106	Indefinite
Other contract	91924287 OPT	Rámcová smlouva o přepravních a platebních podmínkách ve znění dodatku č. 1	ČD Cargo Adria d.o.o., ID: 0813763	Indefinite
Other contract	91320116 OPT	Rámcová smlouva o přepravních a platebních podmínkách ve znění dodatku č. 4	RAILLEX, a.s., ID: 27560589	Indefinite
Other contract	91920145 OPT	Rámcová smlouva o přepravních a platebních podmínkách	CD Cargo Austria GmbH., ID: 291407s	Indefinite
Lease	D 10, contract no. changes to 2927402314 OPT	Dodatek č. 10, včetně dalších dodatků, ke smlouvě č. 1118000107 o nájmu prostor (nájem budovy)	České dráhy, a.s., ID: 70994226	Indefinite
Lease	2627504617 OPT	Nájemní smlouva č. 2627504617 o nájmu pozemku a nájmu prostor (nájem parkovacích míst)	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	32017 OPT	Smlouva, včetně dodatků, čís. 3/2017 o úhradě za poskytované služby	České dráhy, a.s., ID: 70994226	Indefinite
Lease	29274023142 OPT	Podnájemní smlouva ke smlouvě 2927402314	ČD Cargo Logistics, a.s., ID: 27906931	Indefinite
Lease	D 4 to no. 01647-2013-PJ OVA	Dodatek č. 4 ke smlouvě č. 1538000713 o nájmu nebytových prostor	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 2 to no. 00884-2012-PJ OVA	Dodatek č. 2 k nájemní smlouvě č. 2925100411	České dráhy, a.s., ID: 70994226	Indefinite



Contract type	Contract number	Contract name	Counterparty	Duration
Lease	D 16 to no. 04426-2015-PJ OVA	Dodatek č. 16 k nájemní smlouvě č. 2627700115 o nájmu prostor sloužících podnikání	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 1 to no. 08380-2020-PJ OVA	Dodatek č. 1 k nájemní smlouvě č. 2627711420 o nájmu prostor sloužících podnikání	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 1 to no. 02078-2013-PJ OVA	Dodatek č. 1 k nájemní smlouvě č. 2927810510 o nájmu pozemku	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 1 to no. 02022-2013-PJ OVA	Dodatek č. 1 k nájemní smlouvě č. 2927501011 o nájmu pozemku	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	02021-2013-PJ OVA	Smlouva o dodávce tepelné energie E.292-S-00612/08	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	02016-2013-PJ OVA	Smlouva o dodávce tepelné energie E.292-S-00613/08	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	02013-2013-PJ OVA	Smlouva o dodávce tepelné energie E.292-S-00620/08	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	02014-2013-PJ OVA	Smlouva o dodávce tepelné energie E.292-S-00617/08	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	03067-2014-PJ OVA	Dohoda o dodávce a odběru tepla a teplé užitkové vody č. V153-1538000713	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	05522-2016-PJ OVA	Smlouva o dodávce tepelné energie E.292-S-00114/16	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	05636-2017-PJ OVA	Smlouva o dodávce tepelné energie E.292-S-00115/16	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	05639-2017-PJ OVA	Smlouva o dodávce tepelné energie E.292-S-00118/16	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	05640-2017-PJ OVA	Smlouva o dodávce tepelné energie E.292-S-00119/16	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 1 to no. 03067-2014- PJ OVA	Dodatek č. 1 k dohodě o odběru tepla č. V153-1538000713	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	02006-2013-PJ OVA	Smlouva o zajištění skladování č.E03/2010/OLC	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	E292-S-00306/08 PJ OVA	Smlouva č. E292-S-00306/08 o dodávce vody a odvádění a likvidaci odpadních vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	00331-2011-PJ OVA	Smlouva č. E292-S-03109/11 o dodávce vody a odvádění a likvidaci odpadních vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	E292-S-00312/08 PJ OVA	Smlouva č. E292-S-00312/08 o dodávce vody a odvádění a likvidaci odpadních vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	00668-2012-PJ OVA	Smlouva č. E292-S-00317/08 o dodávce vody a odvádění a likvidaci odpadních vod	České dráhy, a.s., ID: 70994226	Indefinite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	E292-S-00433/08 PJ OVA	Smlouva č. E292-S-00433/08 o dodávce vody a odvádění a likvidaci odpadních vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	E292-S-00355/08 PJ OVA	Smlouva č. E292-S-00355/08 o dodávce vody a odvádění a likvidaci odpadních vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	E292-S-00354/08 PJ OVA	Smlouva č. E292-S-00354/08 o dodávce vody a odvádění a likvidaci odpadních vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	00664-2012-PJ OVA	Smlouva č. E292-S-00332/08 o dodávce vody a odvádění a likvidaci odpadních vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	E23/2010/OLC PJ OVA	Smlouva č. E292-S-01924/09 o dodávce vody a odvádění a likvidaci odpadních vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	E22/2010/OLC PJ OVA	Smlouva č. E292-S-02363/10 o dodávce vody a odvádění a likvidaci odpadních vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	E27/2010/OLC PJ OVA	Smlouva č. E292-S-02373/10 o dodávce vody a odvádění a likvidaci dešťových vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	E07/2010/OLC PJ OVA	Smlouva č. E292-S-01925/09 o dodávce vody a odvádění a likvidaci dešťových vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	03069-2014-PJ OVA	Dohoda č. V153-1538000713-voda o dodávce vody a odvádění a likvidaci odpad. vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	E262-S19/49 PJ OVA	Smlouva č. E292-892-S-00826/08 o dodávce vody a odvádění a likvidaci odpadních vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	01993-2013-PJ OVA	Smlouva č. E292-S-00473/08 o rozúčtování nákladů na odpady	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	E262-S22/84 PJ OVA	Smlouva č. E262-S22/84 o dodávce vody a odvádění a likvidaci odpadních vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	9733-2022-O10	Smlouva o poskytování služeb (dispečeri)	Výzkumný Ústav Železniční, a.s., ID: 27257258	Definite
Other contract	E07/2010/OLC PJ OVA	Smlouva č. E292-S-01925/09 o dodávce vody a odvádění a likvidaci dešťových vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 1 to no. 08220-2020-O10	Dodatek č. 1 k Rámcové smlouvě o poskytování služeb (vedoucí posunu)	Výzkumný Ústav Železniční, a.s., ID: 27257258	Definite
Other contract	D 1 to no. 08219-2020-O10	Dodatek č. 1 k Rámcové smlouvě o poskytování služeb (strojvedoucí)	Výzkumný Ústav Železniční, a.s., ID: 27257258	Definite
Other contract	O10	Smlouva o spolupráci při zajišťování pobytových zájezdů pro zaměstnance a rodinné příslušníky, důchodce ČD Cargo, a.s., s příspěvkem z	ČD travel, s.r.o., ID: 27364976	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
		centralizovaných prostředků SF ČD Cargo, a.s., v roce 2023		
Other contract	0261/2023-O10	Smlouva o zajištění posuzování psychické způsobilosti pro výkon profese a o zajištění služby psychologické poradny	Dopravní vzdělávací institut, a.s., ID: 27378225	Indefinite
Other contract	2914-2022-O10/2	Dodatek č. 3 ke smlouvě o službách (zajištění služeb spojených se vzděláváním zaměstnanců ČD Cargo)	Dopravní vzdělávací institut, a.s., ID: 27378225	Indefinite
Other contract	0019-2022-O10/2	Dílní smlouva o vzdělávání na rok 2023, na základě Rámcové smlouvy o zajištění vzdělávání, č. 1831-2019-O10	Dopravní vzdělávací institut, a.s., ID: 27378225	Definite
Lease	1290-2023-O10/2	Dodatek č. 1 ke smlouvě o podnájmu prostor č. 09894-2022-O10 - učebna Jesenius Praha Karlín	Dopravní vzdělávací institut, a.s., ID: 27378225	Definite
Other contract	O10	Smlouva o zajišťování kondičních pobytů zaměstnancům ČD Cargo, a.s., v roce 2023	ČD relax s.r.o., ID: 05783623	Definite
Other contract	D 4 to no. 55567/2018-O16 O10	Dodatek č. 4 ke Smlouvě o spolupráci	České dráhy, a.s., ID: 70994226	Indefinite
Lease	2977200814 O10	Nájemní smlouva	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	2974905114 O10	Smlouva na dodávku služeb spojených s nájmem	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 1 to no. 2977200814 O10	Dodatek č. 1 k nájemní smlouvě	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	1668000108/1 O10	Smlouva o poskytování služeb	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	1668000309/1 O10	Smlouva o poskytování služeb	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 1 - 6 to no. 1668000309/1 O10	Dodatek č. 1 až 6 ke Smlouvě o poskytování služeb	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 1 to no. 1668000309 O10	Dodatek č. 1 ke smlouvě o nájmu nemovitosti	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	168/2015-RSM HK O10	Smlouva na provádění služby	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	178/2015-RSM HK O10	Smlouva na provádění služby	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 1 to no. 2647102315 O10	Dodatek č. 1 k nájemní smlouvě	České dráhy, a.s., ID: 70994226	Indefinite



Contract type	Contract number	Contract name	Counterparty	Duration
Lease	2677203119 O10	Smlouva o nájmu prostor	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 1 to no. 2672900619 O10	Dodatek č. 1 ke Smlouvě na dodávku služeb spojených s nájmem	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	E292-S- 00018/14 O10	Smlouva na dodávku služeb spojených s nájmem	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	E292-S- 00020/14 O10	Smlouva na dodávku služeb spojených s nájmem	České dráhy, a.s., ID: 70994226	Indefinite
Contract for work	00058-2022- 001	Rámcová smlouva o dílo_HDV 242-R2 R3_2023-24_DPOV	DPOV, a.s., ID: 27786331	Definite
Purchase contract	D 2 to no. 09691-2022- 001	Dodatek č. 2 ke smlouvě na odprodej 200 ks nákladních vozů řady Tams	ČD Cargo Adria d.o.o., ID: 0813763	Indefinite
Other contract	09596-2022- 001	Rámcová smlouva o nákupu poukazů	ČD travel, s.r.o., ID: 27364976	Definite
Other contract	09879-2022- 001	Smlouva o obstarání konsignačních skladů pro skladování motorové nafty	České dráhy, a.s., ID: 70994226	Definite
Contract for work	07527-2019- 001	Opravy dvojkolí pro HDV nezávislé trakce	DPOV, a.s., ID: 27786331	Indefinite
Purchase contract	00432-2023- 001	Vybavení hnacích vozidel řady 122 systémem měření spotřeby trakční elektrické energie	DPOV, a.s., ID: 27786331	Indefinite
Other contract	00382-2023- 001	Prodej 10 HDV TRAXX MS3	CD Cargo Poland Sp. z o.o., ID: 140769114	Indefinite
Other contract	00152-2023- 001	Prodej 120 ks vozů ř. Eas 53	CD Cargo Slovakia, s. r. o., ID: 44349793	Indefinite
Contract for work	00381-2023- 001	Prodej 2 HDV TRAXX MS3	CD Cargo Slovakia, s. r. o., ID: 44349793	Indefinite
Purchase contract	00153-2023- 001	Prodej 40 ks vozů ř. Eas 53	CD Cargo Poland Sp. z o.o., ID: 140769114	Indefinite
Lease	05804-2017- 009	Smlouva o nájmu dopravního prostředku P 17 01 006_D03	RAILLEX, a.s., ID: 27560589	Definite
Lease	07180-2018- 009	Smlouva o nájmu dopravního prostředku P 18 02 003 - DS011	Ostravská dopravní společnost, a.s., ID: 60793171	Definite
Lease	07511-2019- 009	Smlouva o nájmu dopravního prostředku P 19 02 003 - DS033 až DS062	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Lease	07786-2019- 009	Smlouva o nájmu dopravního prostředku P 19 06 001 - DS23 a DS24	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Lease	08089-2020-009	Smlouva o nájmu dopravního prostředku P 20 02 001 - DS23 až DS29	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Lease	09209-2021-009	Smlouva o nájmu dopravního prostředku P 21 01 034_D01	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Lease	00587-2023-009	Smlouva o nájmu dopravního prostředku P 23 01 044	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Lease	2/2022 009	Smlouva o nájmu nemovitosti č.2/2022	Terminal Brno, a.s., ID: 282 95 374	Indefinite
Lease	00378-2023-009	Smlouva o nájmu dopravního prostředku N 23 01 003	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Lease	08955-2021-009	Smlouva o nájmu dopravního prostředku N 21 01 014_D01	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Lease	09427-2022-009	Smlouva o nájmu dopravního prostředku N 21 01 041_D01 a N 21 01 041_D02	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Lease	D 3 to no. 8741-2020-009	Dodatek č. 3 ke smlouvě o nájmu dopravního prostředku č. 8741-2020-009	České dráhy, a.s., ID: 70994226	Indefinite
Lease	0633-2023-009	Smlouva o nájmu dopravního prostředku 0633-2023-009	České dráhy, a.s., ID: 70994226	Definite
Purchase contract	D 1 to no. 9930-2022-009	Dodatek č. 1 ke kupní smlouvě	České dráhy, a.s., ID: 70994226	Definite
Purchase contract	427-2023-009	Kupní smlouva	České dráhy, a.s., ID: 70994226	Definite
Purchase contract	610-2023-009	Kupní smlouva	České dráhy, a.s., ID: 70994226	Definite
Purchase contract	497-2023-009	Kupní smlouva	České dráhy, a.s., ID: 70994226	Definite
Purchase contract	611-2023-009	Kupní smlouva	České dráhy, a.s., ID: 70994226	Definite
Lease	D 2 to no. 9686-2022-009	Dodatek č. 2 k smlouvě o nájmu dopravního prostředku číslo 9686-2022-009	CD Cargo Hungary, Kft., ID: 090931990	Definite
Lease	D 2 to no. 09229-2021-009	Dodatek č. 2 ke smlouvě o nájmu dopravního prostředku číslo 09229-2021-009	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Lease	D 3 to no. 07985-2019-009	Dodatek č. 3 k rámcové smlouvě o poskytnutí hnacích drážních vozidel č.07985-2019-009	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Lease	D 1 to no. 09316-2021-009	Dodatek č. 1 k rámcové smlouvě o poskytnutí hnacích drážních vozidel č. 09316-2021-009	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Lease	D 1 to no. 9549-2022-009	Dodatek č. 1 ke smlouvě o nájmu dopravního prostředku číslo 9549-2022-009	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Lease	D 1 to no. 9550-2022-O09	Dodatek č. 1 k rámcové smlouvě o poskytnutí hnacích drážních vozidel číslo 9550-2022-O09	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Lease	D 1 and D2 to no. 07396-2019-O09	Dodatek č. 1 a 2 ke smlouvě o nájmu dopravního prostředku č. 07396-2019-O09	Ostravská dopravní společnost - Cargo, a.s., ID: 05663041	Definite
Lease	0453-2023-O09	Smlouva o nájmu dopravního prostředku číslo smlouvy 0453-2023-O09	Výzkumný Ústav Železniční, a.s., ID: 27257258	Definite
Lease	00214-2023-O09	Rámcová smlouva o poskytnutí hnacích drážních vozidel č.00214-2023-O09	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Lease	D 1 to no. 00330-2023-O09	Dodatek č. 1 k rámcové smlouvě o poskytnutí hnacích drážních vozidel číslo 00330-2023-O09	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Purchase contract	0302-2023-O09	Kupní smlouva č. 0302-2023-O09	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Lease	09494-2022-PJ BNO	Nájemní smlouva č. 2627100122	České dráhy, a.s., ID: 70994226	Indefinite
Lease	D 1 - D12 to no. 04476-2015-PJ BNO	Dodatek č. 1 - 12 k nájemní smlouvě č. 2637300615	České dráhy, a.s., ID: 70994226	Indefinite
Lease	04453-2015-PJ BNO	Nájemní smlouva č. 2627100315	České dráhy, a.s., ID: 70994226	Indefinite
Lease	07909-2019-PJ BNO	Nájemní smlouva č. 2637703419	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	04533-2015-PJ BNO	Smlouva č. 2635000012 o dodávce služby - tepelné energie spojené s pronájmem nebytových prostor	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	90165-2009-PJ BNO	Smlouva o dodávce tepelné energie E292-S-01447/09	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	09494-2022-PJ BNO	Dohoda o dodávce a odběru tepla a teplé užitkové vody č.V184-1848000118-teplo	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	3-2009-PJ BNO	Smlouva o rozúčtování nákladů na úklid	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	no. 6/2009 PJ BNO	Smlouva č. 6/2009 o dodávce pitné vody a odvádění odpadních a srážkových vod	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	166/2009-PJ BNO	Smlouva o podmínkách poskytnutí parkovacích míst	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	ČD-ČDC-2023-2024-O02	Smlouva o poskytování podpůrných služeb ve Skupině ČD	České dráhy, a.s., ID: 70994226	Definite
Other contract	ČD - no. 59053/2023-KNEN O02	Smlouva o rozložení nákladů na služby ESG poradenství	České dráhy, a.s., ID: 70994226	Definite
Other contract	58860 O02	Smlouva o úvěru ze dne 13.10.2016	České dráhy, a.s., ID: 70994226	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	O02	Smlouva o vzájemných úvěrových rámcích ze dne 23.5.2013, včetně Dodatků 1 až 4	České dráhy, a.s., ID: 70994226	Definite
Other contract	O02	Smlouva o poskytnutí uživatelského práva, zajištění provozu a drobné údržby k SW eRisk, včetně Dodatku č. 1 ke službě ASPI	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D1 and D2 to no. 36-2022-O02	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	D1 and D2 to no. 77-2022-O02	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	D1 and D2 to no. 124-2022-O02	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	15-2023-O2, incl. D1	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	16-2023-O2, incl. D1	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	104-2023-O2, incl. D1	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	141-2023-O2	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	146-2023-O2	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	160-2023-O2	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	168-2023-O2	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	195-2023-O2	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	215-2023-O2	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	233-2023-O2	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	301-2023-O2	Smlouva o zápůjčce	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	D1 - D3 to no. 08406 - 2020 - O13; O21	Dodatek č. 1 až 3 ke Smlouvě o spolupráci v nákladní dopravě a přepravě	ČD Cargo Slovakia, s.r.o., ID: 44349793	Indefinite
Other contract	00056 - 2022 - O21	Smlouva o poskytování služeb v nákladní dopravě a přepravě	Ostravská dopravní společnost – Cargo, a.s., ID: 05663041	Indefinite
Other contract	08272-2020-O13; O21	Dodatek č. 1 až 3 ke Smlouvě o spolupráci v nákladní dopravě a přepravě	CD Cargo Poland Sp. z o.o., ID: 140769114	Indefinite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	O21	Smlouva o spolupráci v oblasti provozu drážní dopravy České dráhy, a.s.	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	O21	Dodatek č. 34 a 35 ke Smlouvě o spolupráci v oblasti provozu drážní dopravy	České dráhy, a.s., ID: 70994226	Definite
Other contract	O21	Dodatek č. 36 ke Smlouvě o spolupráci v oblasti provozu drážní dopravy	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D7 to no. 5FJ382066 O21	Dodatek č. 7 ke Smlouvě o zajištění výkonu	Ostravská dopravní společnost - Cargo, a.s., ID: 05663041	Indefinite
Other contract	D 4 to no. 5RJ939005 O21	Dodatek č. 4 ke Smlouvě o zajištění výkonu	Ostravská dopravní společnost - Cargo, a.s., ID: 05663041	Indefinite
Other contract	D 2 to no. 5FJ382067 O21	Dodatek č. 2 ke Smlouvě o zajištění výkonu	Ostravská dopravní společnost - Cargo, a.s., ID: 05663041	Indefinite
Other contract	D 1 to no. 5FJ882117 O21	Dodatek č. 1 ke Smlouvě o provozování drážní dopravy na dráze celostátní provozované Českými drahami a.s.	České dráhy, a.s., ID: 70994226	Definite
Other contract	5FJ382519 O21	Smlouva o provozování drážní dopravy na dráze celostátní provozované Českými drahami, a.s.	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 1 to no. 5FJ182111 O21	Dodatek č. 1 ke Smlouvě o provozování drážní dopravy na veřejně nepřístupných vlečkách s veřejným užitím provozovaných společností České dráhy a.s.	České dráhy, a.s., ID: 70994226	Definite
Other contract	5FJ382520 O21	Smlouva o provozování drážní dopravy na veřejně nepřístupných vlečkách s veřejným užitím provozovaných společností České dráhy, a.s.	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	10D/4/2012 O21	Smlouva o provozování drážní dopravy na dráze - vlečce „Vlečka RSM Přerov“	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	9D/4/2014 O21	Smlouva o provozování drážní dopravy na dráze - vlečce „Vlečka RSM Brodek u Přerova“	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	195D/1/2023 O21	Smlouva o provozování drážní dopravy na veřejně nepřístupné vlečce „RSM Olomouc ŽST Krnov“	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D1 - D5 to no. 5FP723001 O21	Dodatek č. 1 až 5 ke Smlouvě o obchodních a přepravních podmínkách na vlečce RSM Hradec Králové, žst. Česká Třebová	České dráhy, a.s., ID: 70994226	Indefinite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	22D/5/2016 O21	Smlouva o provozování drážní dopravy na vlečce RSM Hradec Králové, žst. Česká Třebová	České dráhy, a.s., ID: 70994226	Definite
Other contract	D1 and D2 to no. 1D/5/2021 O21	Dodatek č. 1 a 2 ke Smlouvě o provozování drážní dopravy na vlečce ŠKODA AUTO Solnice	České dráhy, a.s., ID: 70994226	Definite
Other contract	33D/5/2015 O21	Smlouva o provozování drážní dopravy na vlečce RSM Hradec Králové, žst. Třebovice v Čechách	České dráhy, a.s., ID: 70994226	Definite
Other contract	3D/5/2015 O21	Smlouva o provozování drážní dopravy na vlečce RSM Hradec Králové, žst. Ostroměř	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	19D/5/2012 O21	Smlouva o provozování drážní dopravy na vlečce RSM Velký Osek	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 1 to no. 5FT419001 O21	Dodatek č. 1 ke Smlouvě o provozování dráhy – vlečky „Vlečka Ždírec nad Doubravou – manipulační kolej číslo 1b a kolejová spojka	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	D 1 to no. 365D/3/2021 O21	Dodatek č. 1 ke Smlouvě o provozování drážní dopravy na veřejně nepřístupných vlečkách s veřejným užitím provozovaných společností České dráhy, a.s. - vlečka ČD, a.s. Brno d.n.	České dráhy, a.s., ID: 70994226	Definite
Other contract	386D/3/2023 O21	Smlouva o provozování drážní dopravy na veřejně nepřístupných vlečkách s veřejným užitím provozovaných společností České dráhy, a.s. - vlečka ČD, a.s. Brno d.n.	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	5FP234001 O21	Smlouva o obchodních a přepravních podmínkách na vlečce DPOV Nymburk	DPOV, a.s., ID: 27786331	Indefinite
Other contract	D 1 to no. 14D/4/2011 O21	Dodatek č. 1 ke Smlouvě o provozování drážní dopravy na vlečce DPOV Nymburk	DPOV, a.s., ID: 27786331	Indefinite
Other contract	5FP213001 O21	Smlouva o obchodních a přepravních podmínkách na vlečce „Vlečka DPOV Veselí nad Moravou“	DPOV, a.s., ID: 27786331	Indefinite
Other contract	D 1 to no. 13D/4/2011 O21	Dodatek č. 1 ke Smlouvě o provozování drážní dopravy na vlečce „Vlečka DPOV Veselí nad Moravou“	DPOV, a.s., ID: 27786331	Indefinite
Other contract	D 1 to no. 1 k 5FP214001 O21	Dodatek č. 1 ke Smlouvě o obchodních a přepravních podmínkách na vlečce „Vlečka DPOV Přerov“	DPOV, a.s., ID: 27786331	Indefinite
Other contract	D 1 to no. 15D/4/2011 O21	Dodatek č. 1 ke Smlouvě o provozování drážní dopravy na vlečce „Vlečka DPOV Přerov“	DPOV, a.s., ID: 27786331	Indefinite
Other contract	D 3 to no. 5FJ082502 O21	Dodatek č. 3 ke Smlouvě o zajištění výkonu na vlečce T-PORT (žst. Pardubice hl.n.)	ČD Cargo Logistics, a.s., ID: 27906931	Indefinite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	D 3 to no. 5FJ082504 O21	Dodatek č. 3 ke Smlouvě o zajištění výkonu ŽST Obrnice	ČD Cargo Logistics, a.s., ID: 27906931	Indefinite
Other contract	8D/9/2014 O21	Smlouva o provozování drážní dopravy na vlečce ČD-DUSS Terminál, a.s.	ČD-DUSS Terminal, a.s. ID: 27316106	Indefinite
Other contract	5FP030066 O21	Smlouva o obchodních a přepravních podmínkách na vlečce „Železniční zkušební okruh Cerhenice“	Výzkumný Ústav Železniční, a.s.	Indefinite
Other contract	5FP117004 O21	Smlouva o obchodních a přepravních podmínkách na vlečce „Terminal Brno“	Terminal Brno, a.s., ID: 282 95 374	Indefinite
Other contract	5FT117001 O21	Smlouva o provozování dráhy-vlečky „Terminal Brno“	Terminal Brno, a.s., ID: 282 95 374	Indefinite
Other contract	D 1 - D 4 to no. 5FT117001 O21	Dodatek č. 1 až 4 ke Smlouvě o provozování dráhy-vlečky „Terminal Brno“	Terminal Brno, a.s., ID: 282 95 374	Indefinite
Other contract	D 1 and D 2 to no. 5FP2 05 585 O21	Dodatek č. 1 a 2 ke Smlouvě o obchodních a přepravních podmínkách na vlečce „Vlečka Terminál Ostrava Mošnov OAMP“	Terminál Mošnov, a.s., ID: 14198240	Indefinite
Other contract	186D/1/2022 O21	Smlouva o provozování drážní dopravy na dráze-vlečce „Vlečka Terminál Ostrava Mošnov OAMP“	Terminál Mošnov, a.s., ID: 14198240	Indefinite
Other contract	D 1 and D 14 to no. 5RP6 06 O21	Dodatek č. 1 a 14 ke Smlouvě o obchodních a přepravních podmínkách na vlečce „HMMC Nošovice“	RAILLEX, a.s., ID: 27560589	Indefinite
Other contract	64D/1/2008 O21	Smlouva o provozování drážní dopravy na dráze-vlečce „HMMC Nošovice“	RAILLEX, a.s., ID: 27560589	Indefinite
Other contract	D 17 to no. 01078-2013-O06	Dodatek č. 17 ke Smlouvě o poskytování služeb	Terminal Brno, a.s., ID: 282 95 374	Definite
Other contract	D 8 to no. 5FI670028	Dodatek č. 8 k Rámcové zasílatelské smlouvě	Ostravská dopravní společnost - Cargo, a.s., ID: 05663041	Definite
Other contract	D 6 and D 7 to no. 01294_2013-O06	Dodatek č. 6 a 7 k Mandátní smlouvě	RAILLEX, a.s., ID: 27560589	Definite
Other contract	D 25 - 27 to no. 5FI670007	Dodatek č. 25 až 27 k Rámcové zasílatelské smlouvě	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 11 to no. 5FI670053.01	Dodatek č. 11 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Other contract	D 18 and D 19 to no. 5FI670053.06	Dodatek č. 18 a 19 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	D 9 to no. 5FI670053.09	Dodatek č. 9 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Other contract	D 9 - D 12 to no. 5FI670053.12	Dodatek č. 9 až 12 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Other contract	D 10 to no. 5FI670053.14	Dodatek č. 10 Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Other contract	D 4 and D 5 to no. 5FI670053.16	Dodatek č. 4 a 5 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Other contract	D 8 to no. 5FI670053.18	Dodatek č. 8 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Other contract	D 6 to no. 5FI670053.26	Dodatek č. 6 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID: 140769114	Definite
Other contract	D 10 and D 11 to no. 5FI670053.30	Dodatek č. 10 a 11 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 10 to no. 5FI670053.31	Dodatek č. 10 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 4 to no. 5FI670053.34	Dodatek č. 4 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 6 and 7 to no. 5FI670053.35	Dodatek č. 6 a 7 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 9 and 10 to no. 5FI670053.46	Dodatek č. 9 a 10 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 4 and D 5 to no. 5FI670053.51	Dodatek č. 4 a 5 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 17 - D 19 to no. 5FI670053.54	Dodatek č. 17 až 19 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	D 6 to no. 5FI670053.55	Dodatek č. 6 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 5 to no. 5FI670053.57	Dodatek č. 5 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 6 to no. 5FI670053.63	Dodatek č. 6 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 6 to no. 5FI670053.67	Dodatek č. 6 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 3 and 4 to no. 5FI670053.68	Dodatek č. 3 a 4 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 3 to no. 5FI670053.86	Dodatek č. 3 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 6 - 8 to no. 5FI670053.89	Dodatek č. 6 až 8 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 4 and D 5 to no. 5FI670053.90	Dodatek č. 4 a 5 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 6 to no. 5FI670053.95	Dodatek č. 6 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 10 - 12 to no. 5FI670053.AB	Dodatek č. 10 až 12 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 13 to no. 5FI670053.AB	Dodatek č. 13 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 3 and D 4 to no. 5FI670053.AC	Dodatek č. 3 a 4 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 3 to no. 5FI670053.AG	Dodatek č. 3 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	D 3 to no. 5FI670053.AO	Dodatek č. 3 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 2 and D 3 to no. 5FI670053.AS	Dodatek č. 2 a 3 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 2 and D 3 to no. 5FI670053.AT	Dodatek č. 2 a 3 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 2 to no. 5FI670053.AV	Dodatek č. 2 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 2 to no. 5FI670053.AW	Dodatek č. 2 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 2 and D 3 to no. 5FI670053.BC	Dodatek č. 2 a 3 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 to no. 5FI670053.BE	Dodatek č. 1 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 3 to no. 5FI670053.BK	Dodatek č. 3 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 3 to no. 5FI670053.BL	Dodatek č. 3 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 and D 2 to no. 5FI670053.BV	Dodatek č. 1 a 2 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 2 to no. 5FI670053.BW	Dodatek č. 2 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 to no. 5FI670053.BX	Dodatek č. 1 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 2 k č. 5FI670053.CB	Dodatek č. 2 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	D 1 and D 2 to no. 5FI670053.CD	Dodatek č. 1 a 2 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 to no. 5FI670053.CE	Dodatek č. 1 Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.CG	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.CI	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 to no. 5FI670053.CJ	Dodatek č. 1 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 to no. 5FI670053.CL	Dodatek č. 1 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 and D 2 to no. 5FI670053.CN	Dodatek č. 1 a 2 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 and D 2 to no. 5FI670053.CO	Dodatek č. 1 a 2 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 2 to no. 5FI670053.CO	Dodatek č. 2 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 to no. 5FI670053.CP	Dodatek č. 1 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.CQ	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.CR	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.CS	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.CT	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	5FI670053.CU	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.CV	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 to no. 5FI670053.CV	Dodatek č. 1 k Dílčí smlouvě podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.CW	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.CX	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.CY	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.CZ	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.DA	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.DB	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	5FI670053.DC	Dílčí smlouva podle Rámcové smlouvy o subdodávkách v nákladní železniční přepravě č. 5FI670053	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 13 to no. 5FI570023	Rámcová zasílatelská smlouva	CD Cargo Austria GmbH, ID:291407s	Definite
Other contract	D 73 - D 77 to no. 5FI270011	Rámcová zasílatelská smlouva	CD Cargo Germany GmbH, ID:73576	Definite
Other contract	D 141 - D 159 to no. 5FI670008	Rámcová zasílatelská smlouva	CD Cargo Slovakia, s.r.o., ID: 44349793	Definite
Contract f work	59698/2012-O29 O07	Dodatek č. 4 ke Smlouvě o spolupráci (Železničář)	České dráhy, a.s., ID: 70994226	Indefinite
Contract f work	55355/2023-O27 O07	Smlouva o vzájemné spolupráci (preventivní vlaky)	České dráhy, a.s., ID: 70994226	Definite
Other contract	O07	Smlouva o zajištění mezinárodní činnosti	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	O07	Smlouva o obchodním zastupování	CD Cargo Germany GmbH, ID:73576	Indefinite
Other contract	O07	Smlouva o obchodním zastupování	CD Cargo Slovakia, s.r.o., ID: 44349793	Indefinite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	O07	Smlouva o obchodním zastupování	CD Cargo Poland Sp. z o.o., ID:140769114	Indefinite
Other contract	O07	Smlouva o obchodním zastupování	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	9149000117 O07	Smlouva o přístupu na pozemky ČD	České dráhy, a.s., ID: 70994226	Indefinite
Other contract	5456.80	Smlouva o ceně za přepravu	BOHEMIAKOMBI, spol. s r.o., ID: 45270589	Definite
Other contract	D 1 and D 2 to no. 9153.02	Smlouva o ceně za přepravu	BOHEMIAKOMBI, spol. s r.o., ID: 45270589	Definite
Other contract	D 1 to no. D309400	Smlouva o ceně za přepravu	BOHEMIAKOMBI, spol. s r.o., ID: 45270589	Definite
Other contract	D309401	Smlouva o ceně za přepravu	BOHEMIAKOMBI, spol. s r.o., ID: 45270589	Definite
Other contract	D309402	Smlouva o ceně za přepravu	BOHEMIAKOMBI, spol. s r.o., ID: 45270589	Definite
Other contract	D 1 - D3 to no. D309404	Smlouva o ceně za přepravu	BOHEMIAKOMBI, spol. s r.o., ID: 45270589	Definite
Other contract	D 1 and D 2 to no. D309408	Smlouva o ceně za přepravu	BOHEMIAKOMBI, spol. s r.o., ID: 45270589	Definite
Other contract	D106161	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D 1 to no. D106162	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D206163	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D258040	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D258041	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D258051	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D258054	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D258055	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite



<b>Contract type</b>	<b>Contract number</b>	<b>Contract name</b>	<b>Counterparty</b>	<b>Duration</b>
Other contract	D269523	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D321210	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D 1 to no. D321510	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D328211	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D 1 - D 9 to no. D356536	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D 1 - D 2 to no. D369023	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D 1 to no. D369269	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D369675	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D369730	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D371146	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	D 1 –D 10 to no. D844153	Smlouva o ceně za přepravu	CD Cargo Austria GmbH., ID: 291407s	Definite
Other contract	153027	Smlouva o ceně za přepravu	CD Cargo Germany GmbH, ID:73576	Definite
Other contract	157007	Smlouva o ceně za přepravu	CD Cargo Germany GmbH, ID:73576	Definite
Other contract	D 5 to no. 8847.68	Smlouva o ceně za přepravu	CD Cargo Germany GmbH, ID:73576	Definite
Other contract	D 3 and D 4 to no. 9104.20	Smlouva o ceně za přepravu	CD Cargo Germany GmbH, ID:73576	Definite
Other contract	9104.26	Smlouva o ceně za přepravu	CD Cargo Germany GmbH, ID:73576	Definite
Other contract	D 1 – D 3 to no. D044155	Smlouva o ceně za přepravu	CD Cargo Germany GmbH, ID:73576	Definite
Other contract	D 1 – D 6 to no. D339012	Smlouva o ceně za přepravu	CD Cargo Germany GmbH, ID:73576	Definite
Other contract	D371129	Smlouva o ceně za přepravu	CD Cargo Germany GmbH, ID:73576	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	5651.01	Smlouva o ceně za přepravu	CD Cargo Hungary, Kft., ID: 090931990	Definite
Other contract	D 1 – D 3 to no. D322101	Smlouva o ceně za přepravu	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D334403	Smlouva o ceně za přepravu	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 to no. D336600	Smlouva o ceně za přepravu	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 to no. D371148	Smlouva o ceně za přepravu	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 – D 5 to no. D377200	Smlouva o ceně za přepravu	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 to no. D381363	Smlouva o ceně za přepravu	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 to no. D381801	Smlouva o ceně za přepravu	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 – D 3 to no. D381803	Smlouva o ceně za přepravu	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 to no. D381806	Smlouva o ceně za přepravu	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 – D 4 to no. D447004	Smlouva o ceně za přepravu	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	D 1 to no. D991205	Smlouva o ceně za přepravu	CD Cargo Poland Sp. z o.o., ID:140769114	Definite
Other contract	153029	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	157061	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D 1 to no. D004080	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D 1 to no. D004081	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D004082	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D138093	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D172500	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D238092	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D239011	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D306014	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	D 1 to no. D321096	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D 1 – D 3 to no. D321097	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D321240	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D 1 – D 5 to no. D322100	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D 1 – D 4 to no. D328057	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D 1 – D 6 to no. D334301	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D 1 to no. D339015	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D 1 to no. D371143	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D373073	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D 1 – D 11 to no. D377002	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D 1 to no. D395098	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D 1 – D 31 to no. D444104	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D638096	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D772503	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D 1 – D 4 to no. D838098	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D 1 – D 6 to no. D936080	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D738099	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	D738199	Smlouva o ceně za přepravu	CD Cargo Slovakia, s. r. o., ID: 44349793	Definite
Other contract	153113	Smlouva o ceně za přepravu	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	344403	Smlouva o ceně za přepravu	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	344407	Smlouva o ceně za přepravu	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	344413	Smlouva o ceně za přepravu	ČD Cargo Adria d.o.o., ID: 0813763	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	344417	Smlouva o ceně za přepravu	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	5460.01	Smlouva o ceně za přepravu	ČD Cargo Adria d.o.o., ID: 0813763	Definite
Other contract	309640	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5000.03	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5000.36	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5000.75	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5042.28	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5054.01	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5054.03	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5054.04	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5054.06	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5054.08	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5054.09	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5054.12	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5054.19	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 and D 2 to no. 5054.20	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5054.26	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	5054.31	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5054.42	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5054.64	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5054.67	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5054.70	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	505411	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5100.14	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5451.52	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5451.55	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5451.56	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5451.57	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5455.12	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5456.23	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5456.35	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. 5475.01	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	5480.04	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. 5488.01	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	8154.16	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	8154.17	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D038248	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D106103	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D138048	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D206100	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D206104	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D206114	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D236020	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 - D 4 to no. D238548	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D247110	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D273024	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D275004	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D306109	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D309393	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D309394	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D309395	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	D309397	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D309618	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D309702	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D321123	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D321162	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D321201	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D321237	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D321238	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D321239	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D321243	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D321900	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D322028	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 and D 2 to no. D333018	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D334100	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 and D 2 to no. D334101	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D334102	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D334104	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	D334105	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 - D 10 to no. D334106	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D334113	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D334114	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D334121	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D334122	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D334138	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 and D 2 to no. D334139	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D335001	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D335111	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D335114	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D371142	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D371144	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D371162	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D371243	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D372800	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D373009	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	D 1 – D 4 to no. D373025	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D373052	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D373055	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 3 to no. D377150	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 5 to no. D384099	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 6 to no. D384100	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 5 to no. D384101	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 3 to no. D384102	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 8 to no. D384103	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 3 to no. D384104	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 4 to no. D384105	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D384107	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 2 to no. D384108	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 3 to no. D384109	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 2 to no. D384110	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 3 to no. D384111	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 8 to no. D384113	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	D 1 – D 15 to no. D384115	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D384121	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D384124	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D384130	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D384131	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D503105	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 and D 2 to no. D506101	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D506102	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D547070	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 12 to no. D547110	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 – D 5 to no. D547111	Smlouva o ceně za přepravu	ČD Cargo Logistics, a.s., ID: 27906931	Definite
Other contract	D 1 to no. D447002	Smlouva o ceně za přepravu	České dráhy, a.s., ID: 70994226	Definite
Other contract	D 1 to no. D572011	Smlouva o ceně za přepravu	České dráhy, a.s., ID: 70994226	Definite
Other contract	D447003	Smlouva o ceně za přepravu	DPOV, a.s., ID: 27786334	Definite
Other contract	D 1 to no. D447017	Smlouva o ceně za přepravu	DPOV, a.s., ID: 27786334	Definite
Other contract	D 1 – D 5 to no. D227021	Smlouva o ceně za přepravu	Ostravská dopravní společnost - Cargo, a.s., ID:05663041	Definite
Other contract	D326005	Smlouva o ceně za přepravu	Ostravská dopravní společnost - Cargo, a.s., ID:05663041	Definite
Other contract	D 1 – D 24 to no. D326021	Smlouva o ceně za přepravu	Ostravská dopravní společnost - Cargo, a.s., ID:05663041	Definite



Contract type	Contract number	Contract name	Counterparty	Duration
Other contract	D335015	Smlouva o ceně za přepravu	Ostravská dopravní společnost - Cargo, a.s., ID:05663041	Definite
Other contract	D 1 and D 2 to no. D444006	Smlouva o ceně za přepravu	Ostravská dopravní společnost - Cargo, a.s., ID:05663041	Definite
Other contract	D322001	Smlouva o ceně za přepravu	Ostravská dopravní společnost - Cargo, a.s., ID:05663041	Definite
Other contract	5479.02	Smlouva o ceně za přepravu	RAILLEX, a.s., ID: 27560589	Definite
Other contract	D309615	Smlouva o ceně za přepravu	RAILLEX, a.s., ID: 27560589	Definite
Other contract	D309804	Smlouva o ceně za přepravu	RAILLEX, a.s., ID: 27560589	Definite
Other contract	D 1 to no. D444134	Smlouva o ceně za přepravu	RAILLEX, a.s., ID: 27560589	Definite
Other contract	D444134	Smlouva o ceně za přepravu	RAILLEX, a.s., ID: 27560589	Definite
Other contract	344409	Smlouva o ceně za přepravu	Terminal Brno, a.s., ID: 282 95 374	Definite
Other contract	D 1 to no. D447036	Smlouva o ceně za přepravu	Výzkumný Ústav Železniční, a.s., ID: 27257258	Definite

The term “other” contract is defined by the Controlled Entity as a contract that cannot be allocated to a specific legal regulation of some of the types of contracts, such as a contract for work, a purchase or a lease contract; however, the conclusion of such a contractual relationship is allowed and not ruled out by the relevant legal regulation. This includes, in particular, the contracting of the Controlled Entity’s transport services in any form.

In the reporting period, business obligations with the ČD Group Entities based on orders were not included in the table of contracts/agreements, and for ČD-Telematika and ČD-Informační Systémy we refer to the Report on Relationships between these companies due to their specificity.

The Board of Directors declares that it identified relations between the relevant ČD Group Entities according to the current list of related parties and described these relations in the Report on Relations.

#### Article IV.

##### Assessment as to whether the Controlled Entity incurred detriment and method of its settlement

The Controlled Entity incurred no detriment in the reporting period from 1 January 2023 to 31 December 2023:



- In connection with the contracts and agreements concluded in the reporting period between the Controlled Entity and the Controlling Entity or between entities controlled by the same controlling entity based on which performance and consideration were provided, or
- In connection with providing or receiving consideration in the reporting period based on valid and effective contracts and agreements entered into between the Controlled Entity and the Controlling Entity or entities controlled by the same controlling entity before 1 January 2023;
- In the reporting period from 1 January 2023 to 31 December 2023, no legal acts were realised between the Controlled Entity and the Controlling Entity or entities controlled by the same controlling entity in the interest or at the initiative of the Controlling Entity or other ČD Group Entities;
- No measures were taken or implemented by the Controlled Entity in the interest or at the initiative of the Controlling or other entities controlled by the same controlling entity causing detriment, benefit, advantage or disadvantage.

During the reporting period from 1 January 2023 to 31 December 2023, no legal acts were performed by the Controlled Entity in the interest of other ČD Group Entities other than common legal acts.

#### **Article V.**

##### **Measures between ČD Group Entities**

During the reporting period from 1 January 2023 to 31 December 2023, no measures were taken by the Controlled Entity in the interest or at the initiative of another ČD Group Entity other than common measures implemented by the Controlling Entity as the shareholder in relation to the Controlled Entity. All contracted consideration, provided or received by the Controlled Entity (which prepared this report), was offset by contracted payments. These payments were contracted with volumes, places and times similar to common practice, at arm's length, and no advantages or disadvantages were provided. The Controlled Entity incurred no detriment from the concluded contracts, other legal acts or measures between the ČD Group Entities pursuant to Section 71 of Act No. 90/2012 Coll., Business Companies and Cooperatives Act (the Business Corporations Act), as amended.

#### **Article VI.**

##### **Confidentiality of information**

Confidential information in the ČD Group includes information and facts that are part of the trade secrets of the ČD Group Entities and information described as confidential by any Related Entity. Confidential information further comprises all trade relation information that could, in itself or in connection with



other information or facts, cause detriment to any of the ČD Group Entities. To avoid causing detriment to the Controlled Entity, the report of the Statutory Body of the Controlled Entity does not include a detailed breakdown of the above-stated items.

## **Article VII.**

### **Conclusion**

This report has been prepared by the Statutory Body of the Controlled Entity, ČD Cargo, a.s. and will be submitted to the auditor who performs the audit of the financial statements within the meaning of the special law. The report will be deposited in the Collection of Deeds maintained by the Register of Companies held by the Municipal Court in Prague.

In Prague on 12 March 2024

Signature of the Chairman of the Board of Directors and the Members of the Board of Directors of the Controlled Entity ČD Cargo, a.s.:

Ing. Tomáš Tóth

Chairman of the Board of Directors

Zbyszek Waclawik

Member of the Board of Directors

Martin Svojanovský

Member of the Board of Directors



## 19 List of Used Abbreviations

BOZP	Occupational health and safety
CZK	Czech crown
ČMŽO	Czech-Moravian railway repair shop
ČNB	Czech National Bank
ČR	Czech Republic
ČSAV	Czechoslovak Academy of Sciences
DKV	Railway vehicle depot
ETCS	European Train Control System
EUR	Currency of the European Union
GDP	Gross domestic product
HZS	Fire brigade
IS	Information systems
MU	Extraordinary event
OPŘ	Business and Operations Directorate
OSŽ	Trade Union of Railway Workers
OU	Operating unit
Eas, Zacns	Classes of railway vehicles
OKV	Railway vehicle repair shop
SOKV	Repair centres for railway vehicles
SŽ	Railway Administration (Správa železnic)
ÚDIV	Central carriage-to-train allocation
UJEP	Jan Evangelista Purkyně University
VUT	Brno University of Technology
VŠE	Prague University of Economics and Business



## 20 Identification and Contact Information

Name: ČD Cargo, a.s.  
Registered office: Holešovice, Jankovcova 1569/2c, Prague 7, 170 00  
Corporate ID: 281 96 678  
Tax ID: CZ 281 96 678  
Registry court: Prague  
File: Section B, Insert 12844  
Telephone: +420 972 242 100  
Data box: 8tscdpq  
Website: [www.cdcargo.cz](http://www.cdcargo.cz)

### **Infoline:**

Telephone: +420 226 066 066  
Email: [info@cdcargo.cz](mailto:info@cdcargo.cz)

### **Customer centre:**

Telephone/control centre: +420 725 957 735  
Email: [ZakaznickeCentrum@cdcargo.cz](mailto:ZakaznickeCentrum@cdcargo.cz)  
Website: [www.cdcargo.cz/zakaznicke-centrum](http://www.cdcargo.cz/zakaznicke-centrum)

## 21 Separate Financial Statements (IFRS)\*



### Separate Financial Statements for the Year Ended 31 December 2023

Prepared in accordance with IFRS as adopted by the EU

Name of the Company: ČD Cargo, a.s.  
Registered Office: Praha 7, Holešovice, Jankovcova 1569/2c, 170 00  
Legal Status: Joint Stock Company  
Corporate ID: 281 96 678

#### Component of the Financial statements:

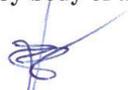
Statement of Financial Position (Balance Sheet)  
Statement of Profit or Loss  
Statement of Comprehensive Income  
Statement of Changes in Equity  
Cash Flow Statement  
Notes to the Financial statements

In Prague on 9 April 2024



Ing. Robert Heděnc  
Chief Financial Officer

#### Statutory body of the reporting entity:



Ing. Tomáš Tóth  
Chairman of the Board of Directors



Martin Svojanovský  
Member of the Board of Directors

\* Chapters relating to financial statements are numbered separately



SEPARATE STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AS AT  
31 DECEMBER 2023

		31 Dec 2023	31 Dec 2022
		CZK million	CZK million
Property, plant and equipment	5	25,223	24,310
Intangible assets	6	718	715
Right-of-use assets	19	3,045	3,687
Investments in subsidiaries, associates and joint ventures	7	1,136	624
Other financial assets	10	12	77
Other assets	11	1	1
<b>Total non-current assets</b>		<b>30,135</b>	<b>29,414</b>
Inventories	8	448	392
Trade receivables	9	1,697	1,881
Income tax prepayments	14	0	9
Cash and cash equivalents	12	1,049	1,105
Other financial assets	10	188	191
Other assets	11	309	640
<b>Total current assets</b>		<b>3,691</b>	<b>4,218</b>
<b>TOTAL ASSETS</b>		<b>33,826</b>	<b>33,632</b>
Share capital	13	8,494	8,494
Capital funds	13	366	613
Retained earnings	13	965	798
<b>Total equity</b>		<b>9,825</b>	<b>9,905</b>
Loans, borrowings and lease liabilities	15	15,493	14,419
Deferred tax liability	31	1,963	1,766
Provisions	16	121	87
Other financial liabilities	17	1	0
Other liabilities	18	0	10
<b>Total non-current liabilities</b>		<b>17,578</b>	<b>16,282</b>
Trade payables	14	2,311	2,864
Loans, borrowings and lease liabilities	15	2,813	3,517
Income tax liabilities		42	0
Provisions	16	249	122
Other financial liabilities	17	167	149
Other liabilities and contractual commitments	18	841	793
<b>Total current liabilities</b>		<b>6,423</b>	<b>7,445</b>
<b>TOTAL LIABILITIES</b>		<b>33,826</b>	<b>33,632</b>



SEPARATE STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2023

		Year ended 31 Dec 2023	Year ended 31 Dec 2022
		CZK million	CZK million
Revenues	23	14,055	13,382
Other operating income	24	643	551
Services, rental, material and energy consumption	25	(5,727)	(5,991)
Employee benefit costs	26	(5,006)	(4,547)
Depreciation, amortisation and impairment	27	(2,474)	(2,384)
Other operating expenses	28	(468)	(386)
Gains and losses from impairment of financial assets		(4)	(37)
<b>Profit (loss) from operating activities</b>		<b>1,019</b>	<b>588</b>
Finance costs	29	(576)	(402)
Finance income	30	70	47
<b>Profit (loss) before tax</b>		<b>513</b>	<b>233</b>
Income tax	31	(318)	(44)
<b>Profit (loss) for the period</b>		<b>195</b>	<b>189</b>

SEPARATE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

		Year ended 31 Dec 2023	Year ended 31 Dec 2022
		CZK million	CZK million
<b>Profit (loss) for the period</b>		<b>195</b>	<b>189</b>
Actuarial gains/losses on liabilities related to employee retirement benefits	13	(4)	(5)
<b>Other comprehensive income for the period (items that are not subsequently reclassified to profit or loss)</b>		<b>(4)</b>	<b>(5)</b>
Cash flow hedge	13	(311)	140
Related deferred income tax	31	59	(27)
<b>Other comprehensive income for the period (items that are not subsequently reclassified to profit or loss)</b>		<b>(252)</b>	<b>113</b>
<b>Total comprehensive income for the period</b>		<b>(61)</b>	<b>297</b>



SEPARATE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital	Share premium*	Other reserves*	Cash flow hedge reserve*	Actuarial gains/losses*	Retained earnings	Total equity
	CZK mil	CZK mil	CZK mil	CZK mil.	CZK mil.	CZK mil.	CZK mil.
<b>Balance at 1 Jan 2022</b>	<b>8,494</b>	<b>197</b>	<b>191</b>	<b>144</b>	<b>16</b>	<b>620</b>	<b>9,662</b>
Profit for the period	0	0	0	0	0	189	189
Other comprehensive income for the period	0	0	0	113	(5)	0	108
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>113</b>	<b>(5)</b>	<b>189</b>	<b>297</b>
Allocation to the reserve fund	0	0	11	0	0	(11)	0
Use of the reserve fund	0	0	(54)	0	0	0	(54)
<b>Total transactions with the owners for the period</b>	<b>0</b>	<b>0</b>	<b>(43)</b>	<b>0</b>	<b>0</b>	<b>(11)</b>	<b>(54)</b>
<b>Balance at 31 Dec 2022</b>	<b>8,494</b>	<b>197</b>	<b>148</b>	<b>257</b>	<b>11</b>	<b>798</b>	<b>9,905</b>
Profit for the period	0	0	0	0	0	195	195
Other comprehensive income for the period	0	0	0	(252)	(4)	0	(256)
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(252)</b>	<b>(4)</b>	<b>195</b>	<b>(61)</b>
Allocation to the reserve fund	0	0	9	0	0	(9)	0
Use of the reserve fund	0	0	0	0	0	(19)	(19)
<b>Total transactions with the owners for the period</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>(28)</b>	<b>(19)</b>
<b>Balance at 31 Dec 2023</b>	<b>8,494</b>	<b>197</b>	<b>157</b>	<b>5</b>	<b>7</b>	<b>965</b>	<b>9,825</b>

\* In the statement of financial position these items are included under 'Capital funds' (see Note 13.2.).



SEPARATE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

		Year ended 31 Dec 2023	Year ended 31 Dec 2022
		CZK million	CZK million
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit for the period before tax		513	233
Dividend and profit distribution income	24	(195)	(151)
Finance costs	29	522	363
Profit from sale and disposal of non-current assets	24	(100)	(130)
Depreciation and amortisation of non-current assets	27	2,538	2,447
Loss (profit) from impairment of non-current assets	27	(64)	(63)
Changes in allowances for trade receivables		6	37
Change in provisions		161	25
Foreign exchange rate gains		(20)	(9)
Change in provisions for investments in subsidiaries, associates and joint ventures		15	0
Other		(10)	(28)
<b>Cash flows from operating activities before changes in working capital</b>		<b>3,366</b>	<b>2,724</b>
Change in trade receivables		201	(298)
Change in inventories		(67)	(68)
Change in other assets		48	176
Change in trade payables		363	(188)
Change in other payables	18	51	44
<b>Total changes in working capital</b>		<b>596</b>	<b>(334)</b>
<b>Cash flows from operating activities</b>		<b>3,962</b>	<b>2,390</b>
Interest paid	29	(513)	(360)
Income tax paid	31	(17)	(43)
Dividends received		51	68
Dividends paid		(19)	0
<b>Net cash flows from operating activities</b>		<b>3,464</b>	<b>2,055</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment	5	(3,870)	(4,656)
Income from property, plant and equipment sold		6	54
Payments for intangible assets	6	(103)	(147)
Interest received		9	3
Loans and borrowings provided to related parties		(117)	(9)
Repayments of loans and borrowings from related parties		10	0
Subsidies received for acquisition of assets	5	662	360
<b>Net cash flows from investing activities</b>		<b>(3,403)</b>	<b>(4,395)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issued bonds	15	0	974
Bonds repayments	15	(500)	0
Drawing of loans and borrowings	15	3,108	3,400
Repayments of loans and borrowings	15	(1,784)	(1,079)
Lease payments under IFRS 16	15	(938)	(855)
<b>Net cash flows from financing activities</b>		<b>(114)</b>	<b>2,440</b>
The effect of exchange rate changes on cash balances		(3)	2
<b>Net increase/decrease in cash and cash equivalents</b>		<b>(56)</b>	<b>102</b>
Cash and cash equivalents at the beginning of the period	12	1,105	1,003
<b>Cash and cash equivalents at the end of the period</b>	<b>12</b>	<b>1,049</b>	<b>1,105</b>



# 1. GENERAL INFORMATION

## 1.1. Incorporation and Description of the Company

ČD Cargo, a.s., (the “Company”) was established following its registration in the Commercial Register held by the Municipal Court in Prague, Section B, Insert 12844 on 1 December 2007 through the investment of a business part of České dráhy, a.s.

The legal form of the Company is a joint stock company. The Company has its registered office at Jankovcova 1569/2c, Prague 7 - Holešovice, the Czech Republic.

As of 31 December 2023, the Company’s registered share capital amounted to CZK 8,494 million and it was paid in full.

The sole shareholder of the Company is České dráhy, a.s. The ultimate controlling party is the Czech Republic.

The financial statements were prepared as of 31 December 2023. The reporting period is the calendar year from 1 January 2023 to 31 December 2023.

## 1.2. Principal Activities

The principal activities of ČD Cargo, a.s., are the railway transportation of goods with complex related services. The aim of the Company is to improve its leading position and to be the driving force on the rail freight transport market both in the Czech Republic and in the Central Europe.

The principal business activity – railway transport of goods – is structured into three principal units:

- operation of freight transportation (transport of complete train load, individual wagon load);
- lease of railway vehicles; and
- additional transport services offered to customers.

The above units are structured by the type of transport as follows:

- local;
- export;
- import; and
- transit.

## 1.3. Impact of the War in Ukraine on the Separate Financial Statements for the Year Ended 31 December 2023

In late February 2022, ongoing political tensions between Russia and Ukraine escalated into conflict with a Russian military invasion of Ukraine. After the outbreak of the conflict, the Company provided free transportation of military equipment and humanitarian trains with material aid to people in Ukraine.



The global response to Russia's violations of international law and aggression against Ukraine has been the imposition of extensive sanctions and restrictions on business activities. The consequent rise in input prices was also reflected in rail freight transportation. There have been dramatic increases in prices, particularly in respect of energy and fuel, finance costs in the form of rising interest rates and delays in the delivery of materials, spare parts and longer repair times for vehicles. At the same time, it was necessary to redirect some of the transport flows of products, raw materials and materials by rail. Some shipments to/from the war-affected territories were completely stopped, but this did not have a significant impact on the Company's turnover.

## 1.4. Relationships with Related Parties

In accordance with IAS 24 Related Party Disclosures, an entity ensures that its financial statements include disclosures necessary to identify the possibility that its financial position and profit or loss are affected by the existence of related parties and transactions and outstanding balances, including liabilities arising from such parties. In line with this standard, such relationships are described in detail in Note 32.

### 1.4.1. České dráhy Group

ČD Cargo, a.s. is part of the České dráhy Group, which is led by the Parent Company České dráhy, a.s.

Starting from 2023, Smart Ticketing s.r.o was excluded from the consolidation group of České dráhy. In the reporting period ended 31 December 2022, changes were made in the following entities. Within the České dráhy Group, new companies ČD Bus a.s., formed by the merger of VYDOS BUS a.s. with ČD Reality a.s., and Terminál Mošnov, a.s. were established.

Name of the entity	Share: ČD, a.s. 2023 (%)	Share: ČD, a.s. 2022 (%)	Type of influence	Registered office	Corporate ID
ČD Cargo, a.s.	100.00	100.00	Parent company of the ČDC Group	Prague 7 – Holešovice, Jankovcova 1569/2c, 17000	28196678
CD Cargo Germany GmbH*	100.00	100.00	Control	Niddastrasse 98-102, 60329 Frankfurt am Main, Germany	HRB 73576
CD Cargo Austria GmbH*	100.00	100.00	Control	Rotenturmstraße 22/24, 1010 Vienna, Austria	FN 291407s
CD Cargo Poland Sp. z o.o.*	100.00	100.00	Control	Ul. Grzybowska nr. 4, lok. 3, 00-131 Warsaw, Poland	140769114
CD Cargo Slovakia, s.r.o.*	100.00	100.00	Control	Seberíniho 1, Bratislava 821 03, Slovakia	44349793
CD Cargo Hungary Korlátolt Felelősségű Társaság*	100.00	100.00	Control	Keleti sor utca 26-4, 4150 Püspökladány, Hungary	09-09-031990
ČD Cargo Adria d.o.o.*	100.00	100.00	Control	Savska cesta 32, Zagreb, Croatia	081371623
ČD Cargo Logistics, a.s.*	100.00	100.00	Control	Prague 1 – Nové Město, Opletalova 1284/37, 11000	27906931
Terminál Mošnov, a.s.*	25.00	25.00	Significant	Na Florenci 1332/23, Nové Město, 110 00 Prague 1	14198240
Terminal Brno, a.s.*	66.93	66.93	Control	K terminálu 614/11, Horní Heršpice, 619 00 Brno	28295374
ČD-DUSS Terminál, a.s.*	51.00	51.00	Control	Lovosice, Lukavecká 1189, 41002	27316106



OTHER entities outside the ČD Group	Share: ČD, a.s. 2023 (%)	Share: ČD, a.s. 2022 (%)	Relation	Registered office	Corporate ID
RAILLEX, a.s.*	50.00	50.00	Joint control	Belgická 196/38, Vinohrady, 120 00 Prague 2	27560589
BOHEMIAKOMBI, spol. s r.o.*	30.00	30.00	Significant	Opletalova 921/6, Nové Město, 110 00 Prague 1	45270589
Ostravská dopravní společnost, a.s.*	50.00	50.00	Joint control	U Tiskárny 616/9, 702 00 Ostrava	60793171
Ostravská dopravní společnost - Cargo, a.s.*	20.00	20.00	Significant	U Tiskárny 616/9, 702 00 Ostrava	05663041
ČD - Informační Systémy, a.s.	100.00	100.00	Control	Pernerova 2819/2a, Žižkov, 130 00 Prague 3	24829871
ČD - Telematika a.s.	100.00	100.00	Control	Prague 3, Pernerova 2819/2a, 13000	61459445
Výzkumný Ústav Železniční, a.s.	100.00	100.00	Control	Novodvorská 1698/138b, Braník, 142 00 Prague 4	27257258
JLV, a.s.	38.79	38.79	Significant	Chodovská 228/3, Michle, 141 00 Prague 4	45272298
DPOV, a.s.	100.00	100.00	Control	Husova 635/1b, Přerov I-Město, 750 52 Přerov	27786331
ČD Cargo, a.s.	100.00	100.00	Control	Praha 7 – Holešovice, Jankovcova 1569/2c, PSČ 17000	28196678
Dopravní vzdělávací institut, a.s.	100.00	100.00	Control	Prvního pluku 621/8a, Karlín, 186 00 Prague 8	27378225
ČD travel, s.r.o.	51.72	51.72	Control	28. října 372/5, Staré Město, 110 00 Prague 1	27364976
ČD relax s.r.o.	51.72	51.72	Control	28. října 372/5, Staré Město, 110 00 Prague 1	05783623
ODP-software, spol. s r.o.	100.00	100.00	Control	Pernerova 2819/2a, Žižkov, 130 00 Prague 3	61683809
CHAPS spol. s r.o.	100.00	100.00	Control	Bráfova 1617/21, Žabovřesky, 616 00 Brno	47547022
ČSAD SVT Praha, s.r.o.	100.00	100.00	Control	Prague 8, Křížkova 4-6	45805202
SVT Slovakia s.r.o.	80.00	80.00	Control	Partizánska cesta 97, Banská Bystrica 974 01, Slovakia	36620602
INPROP, s.r.o.	100.00	100.00	Control	Rosinská cesta 12, Žilina 010 08, Slovakia	31609066
Smíchov Station Development, a.s.	51.00	51.00	Joint control	U Sluncové 666/12a, Karlín, 186 00 Prague 8	27244164
Žižkov Station Development, a.s.	51.00	51.00	Joint control	U Sluncové 666/12a, Karlín, 186 00 Prague 8	28209915
Masaryk Station Development, a.s.	34.00	34.00	Significant	Na Florenci 2116/15, Nové Město, 110 00 Prague 1	27185842
Tramex Rail s.r.o.	100.00	100.00	Control	Brněnská 1748/21b, 678 01 Blansko	26246422
Smart Ticketing s.r.o.	50.00	50.00	Joint control	Pernerova 2819/2a, Žižkov, 130 00 Prague 3	02033011
ČD Restaurant, a.s.	100.00	100.00	Control	Prague 3, Prvního pluku 81/2a, 13011	27881415
VUZ Slovakia, s.r.o.	10.00	100.00	Control	Seberíniho 1, Bratislava – mestská časť Ružinov 821 03, Slovakia	53156587
ČD Bus a.s.	100.00	100.00	Control	Jeremenkova 231/9, Bělidla, 779 00 Olomouc	17377404
Smart Ticketing s.r.o.	0	50.00	Joint control	Pernerova 2819/2a, Žižkov, 130 00 Prague 3	02033011
České dráhy, a.s.	-	-	Parent company of the ČD Group	Prague 1, Nábřeží L. Svobody 1222, 11015	70994226

\* Ownership interest is exercised through ČD Cargo, a.s.

## 1.5. Key Management

The term key management mainly relates to the members of the statutory and supervisory bodies of the Company. Information about individual bodies is disclosed in Note 1.8.



## 1.6. Relationships with Správa železnic and ČEZ Group

The sole shareholder of the Company, České dráhy, a.s., is fully owned by the State. The parent company and the entire Group apply the exemption from reporting related party information, as specified in paragraphs 25-27 of IAS 24. In respect of other state-controlled companies, groups and organisations, only transactions with Správa železnic, s.o. and ČEZ Group have been quantified in these financial statements, due to their significant impact on the Company's activities. The most significant transactions carried out with these entities include the use of infrastructure, purchase of traction electricity and revenues from freight transportation. Detailed information about the relationships is disclosed in Notes 32.7. and 32.8.

## 1.7. Organisational Structure

The organisational structure is composed of departments directly reporting to the Chairman of the Board of Directors or directors of particular departments:

- Commercial Director's Department;
- Operation Director's Department;
- Finance Director's Department; and
- Executive Director's Department.

In addition, the organisational structure includes Operating Units, Repair Centres for Railway Vehicles, Accounting of Revenues from Transport Services in Olomouc and the Operation Control in Česká Třebová.

## 1.8. The Company's Bodies

The sole owner of the Company is České dráhy, a.s., which, as the sole shareholder, acts in the capacity of the General Meeting, the supreme body of the Company. The statutory body of the Company comprises the three-member Board of Directors; the supervisory body is the six-member Supervisory Board. The Company established a three-member Audit Committee, the members of which were appointed by the sole shareholder.

The composition of ČD Cargo, a.s. bodies as of 31 December 2023 was as follows:

<b>Board of Directors</b>	
Chairman	Tomáš Tóth
Member	Martin Svojanovský
Member	Zbyszek Waclawik

<b>Supervisory Board</b>	
Chairman	Michal Krapinec
Member	Tomáš Vrbík
Member	Petr Doležal
Member	Marta Urbanová
Member	Drago Sukalovský
Member	Jan Kasal



Between 23 October 2023 and 27 October 2023, the election of members of the Supervisory Board of ČD Cargo, a.s. elected by the employees was held. Following the results, employees Marta Urbancová and Petr Doležal were elected members of the Supervisory Board with effect from 1 December 2023.

---

**Audit Committee**

---

Chairman	Oldřich Vojtř
Member	Miroslav Zámečník
Member	Libor Joukl

---

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1. Statement of Compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union (IFRS). The Separate Financial Statements are part of the Consolidated Financial Statements of the ČD Cargo Group.

The accounting policies applied in the reporting period are consistent with the policies used in prior periods, unless stated otherwise below.

### 2.2. Basis of Preparation

The financial statements have been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value.

The preparation of financial statements in accordance with IFRS as adopted by the EU requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the application of accounting policies. Areas with a high degree of judgment or complexity, or areas where assumptions and estimates are material to these financial statements are disclosed in Note 4.

### 2.3. Revenue Recognition

#### 2.3.1. *Revenue from contracts with customers*

All contracts with customers are initially analysed in order to identify all performance obligations towards the customer. Subsequently, the transaction price is determined and if more performance obligations are identified, it is allocated according to the relative stand-alone selling prices. Consequently, the revenue from individual performance obligations is recognised in the appropriate amount either at a certain point in time, or over the contract life on an ongoing basis (it may be reported over several reporting periods). Revenues are reduced by the expected returns from customers, rebates and other similar discounts.

Revenue is recognised in the amount that reflects the consideration to which an entity expects to be entitled in exchange for services. Revenue is recognised net of value added tax. Revenue is recognised when the services are transferred to the customer at the transaction price.



## **Railway Transportation Services**

Sales of railway transportation services are recognised in the reporting period in which the services are rendered based on the stage of completion of individual transactions. The stage of completion is determined by the actual number of days of transportation in the reporting period relative to the total number of days of transportation.

Transaction price has both fixed and variable components. The fixed component represents the transaction price less fines and penalties. If the amount of the service rendered by the Company is higher than the received payment for the service, a contract asset is accounted for. If the payment for the service is higher than the price of the service provided, a contract liability is recognised. A variable component exists in the form of fines and penalties connected with the inappropriate fulfilment of the contractual commitment by the Company to the customer, i.e. transit time distortion, damages to the transported goods, etc. In case of variable consideration, revenues are recognised to the extent to which it is highly probable that the revenue item is not subject to significant reversal risk.

### **2.3.2. Other revenues**

#### **Dividends and interest income**

Dividend income is recognised when there is a legal entitlement to receive a payment if the receipt of such payment is probable.

Interest income is recognised when it is probable that the economic benefits will flow into the Company and the amount can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding at the applicable effective interest rate, i.e. the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to that asset's net carrying amount.

#### ***Revenue from the lease of railway vehicles***

The Company leases railway vehicles to third parties for a period varying from days to five years. Revenue from operating leases of railway vehicles is recognised on a straight-line basis over the term of the lease.

## **2.4. Lease**

Details of the accounting policies under IFRS 16 are presented separately for the Company as a lessee and as a lessor.

### **2.4.1. The Company as a lessee**

At the commencement of the contract, the Company determines whether it is, or contains, a lease. The Company recognises a right-of-use asset and a corresponding lease liability in respect of all lease agreements in which the Company is the lessee, except for short-term leases (with a lease term of 12 months or less and containing no purchase options) and low-value asset lease (such as laptops and



personal computers). For these leases, the Company recognises lease payments as operating expenses on a straight-line basis over the term of the lease.

At the commencement date, the lease liability is initially measured at the present value of the lease payments that have not yet been paid. The lease payments are discounted using the internal lease interest rate or, if that rate cannot be readily determined, the incremental borrowing rate is used.

Lease payments included in the measurement of a lease liability include the following:

- fixed lease payments less any receivables from lease incentives;
- variable lease payments that are based on an index or a rate, initially measured using an index or rate as at the commencement date;
- amounts expected to be paid by the Company as the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease if the lease term reflects the lessee exercising the lease termination option.

Lease liabilities are presented within Loans, borrowings and lease liabilities in the statement of financial position.

Subsequently, a lease liability is measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest rate method) and reducing the carrying amount to reflect the lease payments made.

The lease liability is remeasured (and the related right-of-use asset must be adjusted accordingly), if:

- there is a change in a lease term or if there is a material event or change in circumstances that led to a change in the assessment of an option to purchase the underlying asset. In such a case, the lease liability is remeasured by discounting the revised lease payments using the revised discount rate;
- there is a change in lease payments resulting from changes in an index or a rate or change in the amounts expected to be payable under a residual value guarantee. In this case, the lease liability is remeasured by discounting the revised lease payments using the unchanged discount rate; and
- the lease contract is modified, and the modification is not accounted for as a separate lease. In this case, the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using the revised discount rate as of the effective date of the modification.

The right-of-use assets include the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date after deduction of any lease incentives received and any initial direct costs. Subsequently, they are measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities.



The right-of-use assets are depreciated over the shorter of the lease term and the useful life of the underlying asset. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease, or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation begins at the commencement of the lease (at the date the asset is available for use by the Company).

Right-of-use assets are presented on a separate line “Right-of-use assets” in the statement of financial position.

At the end of each reporting period, the Company uses IAS 36 to determine whether the right-of-use assets are impaired and account for any identified impairment losses as described in the “Property, plant and equipment” policy.

Variable lease payments that do not depend on an index or a rate are not included in the measurement of the lease liability and the right-of-use assets. Related payments are recognised as an expense in the period in which the event or condition that gave rise to those payments occurred and are included in the line Other operating expenses in the statement of profit or loss.

As a practical expedient, IFRS 16 allows the lessee not to separate non-lease components from lease components and instead to account for each lease component and any associated non-lease components as a single arrangement. The Company did not use this practical expedient. For contracts that contain a lease component and one or more other lease or non-lease components, the Company allocates the contract consideration to each lease and non-lease component on the basis of the relative stand-alone price of the given component. The Company records no such contracts.

Assets acquired under finance lease are depreciated over the expected useful lives as own assets. If there is insufficient certainty that the lessee gets the ownership of an asset at the end of the lease term, the asset is depreciated over the lease term, if shorter than the period of its expected useful life.

#### ***2.4.2. The Company as a lessor***

Leases under which the Company is the lessor are classified as finance or operating leases. Leases that transfer substantially all the risks and rewards of ownership of an asset to lessees were classified as finance leases. All other leases are classified as operating leases.

In an operating lease, revenue is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and concluding an operating lease are included in the carrying amount of the leased asset and are accounted for on a straight-line basis over the term of the lease.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company’s net investment in the leases. Finance lease income is allocated to reporting periods so as to reflect a constant periodic rate of return on the Company’s net investment in finance lease.



### **2.4.3. Sale and leaseback**

A sale and leaseback transaction involves the sale of an asset and lease-back of the same asset. The lease payment and the sale price are usually interdependent because they are negotiated in a single transaction. The accounting treatment of the sale and leaseback transaction depends on the type of lease that is part of this transaction.

If the leaseback is a finance lease, the lessor provides the lessee with cash and the leased asset as guarantee. For this reason, the excess proceeds from the sale over the carrying amount is not treated as income. The Company recognises the collected funds as a financial liability (debt), which is amortised by lease payments together with interest.

## **2.5. Foreign Currencies**

Given the economic substance of transactions and the environment in which the Company operates, the presentation currency used is the Czech crown (CZK). The functional currency of the Company is CZK.

Transactions denominated in foreign currencies are translated at the rate prevailing on the transaction date, which is derived from the exchange rate published by the Czech National Bank. At the date of the separate financial statements, monetary items denominated in foreign currencies are translated to Czech crowns using the exchange rate as stated by the Czech National Bank on that date. Non-monetary items that are measured at historical cost and were acquired in a foreign currency transaction are reported using the exchange rate at the date of acquisition.

The identified exchange differences are recognised in profit or loss, except for exchange differences on transactions entered into in order to hedge certain foreign currency risks. Such foreign exchange differences are recognised directly in other comprehensive income and reclassified to profit or loss when the hedged underlying item is settled.

## **2.6. Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to be ready for their intended use or sale, are added to the cost of those assets, until the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. No such asset was identified.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

## **2.7. Government Grants**

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.



Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as a reduced cost of those non-current assets in the statement of financial position.

Other government grants are recognised as revenue over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support without future related costs are recognised in profit or loss in the period in which they become receivable.

## 2.8. Employee Benefit Costs

Employee benefit costs predominantly include payroll costs, the employer's payments to the statutory health insurance, social security and pension insurance schemes and other employee benefit costs resulting from the collective agreement.

The employee benefit obligations and provisions recognised in the statement of financial position represent their present value. Additions to these liabilities and provisions are recognised as an expense when the employees perform the services that entitle them to the benefits.

Provision for long-term employee benefits is recognised in the present value of future cash outflows that will be needed for their payment. The discount rate used is a market rate of return on government bonds as at the balance sheet date, as there is no developed market for high-quality corporate bonds denominated in Czech crowns. The currency and terms of these bonds are consistent with the currency and terms of the corresponding other long-term benefits. Gains or losses arising from changes in actuarial assumptions for retirement benefits are included in other comprehensive income, changes in provisions for other benefits are recognised in profit or loss.

## 2.9. Taxation

The income tax includes current tax payable and deferred tax.

### 2.9.1. *Current tax payable*

Current income tax is calculated from taxable profit for the year. The taxable profit differs from the profit as reported in the statements of profit or loss as it does not include items of income or expense that are taxable or deductible in other years or items that are not taxable or deductible. The Company's current tax payable is calculated using the statutory tax rates, or rates that have been enacted or substantively enacted by the end of the reporting period.

### 2.9.2. *Deferred tax*

Deferred tax is recognised based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used to calculate the taxable profit.



Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied in the period in which the liability is settled, or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects to recover or settle the carrying amount of its assets and liabilities at the end of the reporting period.

### ***2.9.3. Current tax payable and deferred tax for the period***

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside of profit or loss (i.e. in other comprehensive income or directly in equity). In such case the tax is also recognised outside of profit or loss.

## **2.10. Property, Plant and Equipment**

Property, plant and equipment are carried at cost less accumulated impairment losses and, in case of buildings and equipment, less accumulated depreciation. Land is not depreciated.

Assets under construction are carried at cost less impairment loss. The value of assets under construction includes advances provided for the acquisition of non-current assets. Spare parts for the replacement of components in the higher grades of repair of vehicles are also part of the assets under construction. Cost includes professional service fees and, for qualifying assets, borrowing costs. Depreciation of these assets, on the same basis as depreciation of other assets, commences when the assets are ready for their intended use (including the installation of a spare part).

Depreciation is recognised in order to allocate the cost of assets (other than land owned by the Company and assets under construction) less their residual values over their useful lives, applying the straight-line method (with the exception of some components which are depreciated using the mileage method).

The Company records the components representing R3, R2 and R1 type repairs of the traction railway vehicles. These components are related to extending vehicle serviceability and expand the technical parameters, equipment and usability of traction railway vehicles. In the case of diesel traction vehicles, other types of repairs (D3, D2 and D1) are carried out, which are related to the restoration of serviceability and development of technical parameters, equipment and usability of the diesel combustion engine. Other components used on traction railway vehicles include locomotive battery and radio components. For freight wagons and passenger train units, the Company records revision repairs, wheelset



replacements as components, as well as vehicle body and technical inspection components. In addition, new components TR1, TR2 are allocated to the TRAXX class of traction railway vehicles. These components are recommended by the manufacturer's maintenance schedule and have a time validity (8 and 16 years).

The Company determined a depreciation plan for components of railway vehicles which is based on a repair plan for R3, R2 and R1 traction vehicles and inspection repairs and replacement of wagon wheelsets for freight wagons. As for traction railway vehicles and freight wagons, the mileage depreciation is based on the actual mileage per month (i.e. actual kilometres covered). The amount of depreciation in the particular reporting period is calculated as the number of kilometres in the reporting period multiplied by the rate per one kilometre. The rate per one kilometre is determined as the ratio of the purchase price of the relevant component to the maximum mileage determined for the R3, R2 and R1 repairs of traction railway vehicles and inspection repairs and replacements of wheelsets of freight wagons. After reaching the maximum mileage, it is necessary to undertake a new major (R3) or substantial (R2) repair of a traction vehicle or a new inspection repair or replacement of wheelsets. For components D3, D2 and D1, a depreciation plan was determined on the basis of operating hours. For the components radio station, locomotive battery, wagon body and technical control, depreciation is calculated on a time basis based on the set useful life.

Within the R3 repair type of traction railway vehicles, there are activities that are parts of and relate to R2 repair type; therefore, activities falling within R2 repair are separated from R3 major repair. The same applies to R1 repair which is separated from R2 and R3 repairs.

As for modernising or renovating freight wagons (extending their useful lives by 20 years) which also involves activities relating to inspection repairs, these activities are separated and recorded as new components of the relevant freight wagon. This approach also applies to wheelsets, technical inspections and wagon bodies. Those components are subsequently depreciated in line with the accounting policy disclosed above.

Freight wagons and traction railway vehicles without components are depreciated to the estimated residual value. The estimated residual value means the estimated justifiable positive amount that the Company can acquire upon the expected disposal of assets after deducting the estimated costs associated with their disposal. The estimated residual value for freight wagons and traction railway vehicles is based on the scrap amount that could be received at disposal. The estimated useful lives, residual values and depreciation method are reviewed at each year-end and the effect of any changes in estimates is accounted for on a prospective basis.

Property, plant and equipment items are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of these assets. Gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the proceeds from the sale and the carrying amount of the asset and is recognised in profit or loss.



## 2.11. Intangible Assets

### 2.11.1. Separately acquired intangible assets

Intangible assets acquired separately are carried at cost less accumulated amortisation and impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at each year-end, and the effect of any changes in estimates is accounted for on a prospective basis.

An intangible asset is derecognised upon disposal, or when no future economic benefits are expected to arise from its use or disposal. Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net proceeds from disposal and the carrying amount of the asset and are recognised in profit or loss in the period when such derecognition took place.

## 2.12. Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication of their impairment. If any such indication exists, the recoverable amount is determined in order to assess the amount of impairment loss. When it is not possible to determine the recoverable amount of an individual asset, the Company determines the recoverable amount of the cash-generating unit to which the asset belongs. Company assets are allocated to individual cash-generating units, if a reasonable and consistent basis of allocation can be determined. Otherwise, corporate assets are allocated to the smallest groups of cash-generating units for which it is possible to determine a reasonable and consistent basis of allocation.

Intangible assets not yet available for use, are tested for impairment at least once a year or when any indication of potential impairment occurs.

The recoverable amount is the higher of fair value less cost to sell and value in use. When assessing value in use, the future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, which the future cash flows have not been adjusted for.

If the recoverable amount of the asset (or cash-generating unit) is lower than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

If the impairment loss is subsequently reversed, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimated recoverable amount while ensuring that the increased carrying amount does not exceed the carrying amount that would have been determined in previous years if no impairment had occurred in relation to the asset (or cash-generating unit). Reversal of impairment loss is recognised immediately in profit or loss.



## 2.13. Investments in Subsidiaries, Associates and Joint Ventures

A subsidiary is an entity that is controlled by the Company. The Company controls an investee when it is exposed to, or has the right to, variable returns due to its involvement in the investee and is able to influence those returns through its control over it, and when it has control over the investee (i.e. holds existing rights based on which it is able to govern the activities that significantly impact the revenues of this entity).

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. In such case, the Company usually controls 20-50% of the voting rights.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

In the separate financial statements, subsidiaries, associates, and joint ventures are stated at cost, unless held for sale.

Investments in subsidiaries are tested for impairment at least on an annual basis by comparing the fair value and the carrying amount of the equity investment.

## 2.14. Inventories

Inventories are measured at the lower of cost and net realisable value. Costs of inventories are determined using the weighted-average method. The net realisable value represents the estimated selling price of inventories less all estimated cost to sell. Inventory is mainly held for own use rather than for resale. Spare parts for the replacement of components in the repair of higher grades of vehicles are also part of assets under construction.

## 2.15. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering related risks and uncertainties. If a provision is measured based on the cash flows estimated to settle the present obligation, its carrying amount equals the present value of those cash flows.



When some or all of the economic benefits required to settle a provision are expected to be recovered by a third party, a receivable is recognised in assets when it is certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

The provision can only be utilised in relation to expenses for which it was originally created. A change in a provision is recognised in profit or loss for a specific expense category; the unused portion of the provision is recognised in Other operating income.

## 2.16. Loans, Borrowings and Bonds

At initial recognition, loans are stated at fair value less transaction costs. In subsequent periods, loans are carried at amortised cost using the effective interest rate method; any differences between the consideration (less transaction costs) and the value of the instalments are recognised in the statement of profit or loss over the period of the loan.

## 2.17. Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to contractual provisions of a financial instrument.

Financial assets and liabilities are initially measured at fair value. Trade receivables without significant financing component are initially recognised at transaction prices. Transaction costs that are directly attributable to the acquisition or issue of financial assets or liabilities other than those measured at fair value through profit or loss are added upon initial recognition to the fair value of financial assets or deducted from the fair value of financial liabilities, respectively, except for transaction costs that are directly attributable to the acquisition of financial assets or liabilities at fair value through profit or loss which are recognised immediately in profit or loss.

Financial assets are classified into the following three categories: financial assets at amortised cost, financial assets at fair value through profit or loss or financial assets at fair value through other comprehensive income. The classification depends on the Company's financial assets management and the nature of the contractual cash flows of the particular financial asset.

Financial liabilities are classified as financial liabilities at fair value through profit or loss or as financial liabilities at amortised cost.

### 2.17.1. *Effective interest rate method*

The effective interest rate method is a method of calculating the amortised cost of a debt instrument and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that exactly discounts expected future cash inflow/outflow (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) over the expected life of the debt instrument to the net book value at initial recognition.



Income and expenses are recognised using the effective interest rate of debt instruments, other than financial assets and liabilities classified at fair value through profit or loss.

#### ***2.17.2. Financial assets at fair value through other comprehensive income***

Financial assets at fair value through other comprehensive income include equity investments that were designated as investments in equity instruments at fair value through other comprehensive income at initial recognition.

These investments in equity instruments are initially measured at fair value increased by transaction costs. Subsequently, they are measured at fair value while gains and losses from changes in fair value are recognised in other comprehensive income and accumulated in the investment revaluation reserve. Cumulative profits or losses will not be reclassified to profit or loss upon derecognition of equity investments, they will be transferred to retained earnings instead.

Dividends from these equity investments are recognised in profit or loss when the Company has the right to receive the dividends.

#### ***2.17.3. Financial assets at amortised costs***

Financial assets (including bank balances) are financial assets held under a business model which intends to collect contractual cash flows that are solely payments of principal and interest on the outstanding principal. For this reason, the Company recognises these assets at amortised cost using the effective interest method, less impairment losses. These assets arise when the Company provides cash, goods or services directly to the borrower without planning to trade with the receivable.

Interest income is recognised by applying the effective interest rate, except for short-term receivables for which the recognition of interest would be immaterial.

#### ***2.17.4. Impairment of financial assets***

Financial assets, other than those at fair value through profit or loss, are assessed for expected credit loss at the time the asset is recognised in the accounts and upon subsequent valuation the amount of the expected credit losses is updated always as of the financial statements date.

Full model (3-stage impairment model): the financial asset is initially categorised within Stage 1, where credit loss allowance is recognised at an amount equal to 12-month expected credit losses. During the useful life of an asset, the Company considers if there is a significant increase in credit risk. If a significant increase in credit risk is identified, the financial asset is reclassified to Stage 2, where the credit loss allowance is recognised at a lifetime expected credit loss. In case of a counterparty default, such asset is reclassified to Stage 3, where interest income on financial assets is recognised by applying the initial effective interest rate to the amortised cost net of allowances for expected credit losses.

For the purpose of determining the expected credit losses, the Company applies a simplified IFRS 9 approach that uses the lifetime expected loss measurement for all trade and finance lease receivables.



The simplified model is applied to trade receivables that do not have a significant financing component. The Company recognises the allowances for receivables assessed on a portfolio basis based on the impairment matrix including historical inputs and inputs reflecting future expectations.

For receivables assessed on an individual basis, the Company considers the following factors that affect the debtors' ability to meet their obligations:

- forward-looking information;
- knowledge of a customer; and
- payment discipline.

### ***Significant increase in credit risk***

When assessing whether the credit risk of a financial asset has increased significantly since the initial recognition, and when assessing the anticipated credit loss, the Company sees the information which is relevant and available without unreasonable costs or efforts as adequate and well-founded information. It involves both qualitative information and analyses, based on historical experience of the Company and informed assessment of the credit risk, including forward-looking information.

The Company assumes that the credit risk in a financial asset significantly increased if it is by more than 180 days past due date, and if the Company has no adequate and provable information that would document otherwise.

In spite of the above, the Company assumes that there was no significant increase in the credit risk relating to a financial instrument since the initial recognition date, if it is determined that the credit risk of the financial instrument is low as at the financial statements date. A financial instrument bears low credit risk if:

- the financial instrument shows a low default risk;
- the debtor has a strong ability to meet its contractual obligations in cash flows in the near future; and
- negative changes in economic and business conditions may, however, do not have to limit the ability of the debtor to meet its contractual obligations in cash flows in the long term.

The Company believes that there is a low credit risk in a financial asset if an external credit rating of this asset corresponds to the "investment grade" under the internationally recognised definition or if the international rating is not available, the asset has a "no default" internal rating. No default means that the counterparty has a strong financial position and there are no due amounts from prior periods.

### ***Definition of default***

Based on historical experience, the Company uses the following criteria for default determination:

- if information gathered from internal or external sources indicates that the debtor will not be able to pay its creditors in full (announcement of bankruptcy, initiation of insolvency proceedings); and



- if the financial asset is more than 180 days past due and the Company has no reasonable and supportable information to demonstrate that the delay in payments is not a sufficient criterion for default determination.

### ***Write-off policy***

The Company writes off a financial asset when there is information indicating that the debtor is in serious financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs first. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures. Any recoveries made are recognised in profit or loss.

#### ***2.17.5. Derecognition of financial assets***

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing.

Upon derecognition of a financial asset in its entirety, the difference between the assets' carrying amount and the sum of the consideration received or receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

#### ***2.17.6. Financial liabilities at fair value through profit and loss***

Financial liabilities are classified as financial liabilities at fair value through profit or loss when they are either held for trading or designated as hedging measured at fair value through profit or loss.

This category includes financial derivatives recognised under other financial liabilities.

#### ***2.17.7. Other financial liabilities at amortised costs***

Financial liabilities that are not held for trading or designated as financial liabilities at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

#### ***2.17.8. Derecognition of financial liabilities***

The Company derecognises financial liabilities only when the Company's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.



### ***2.17.9. Financial derivatives***

The Company enters into financial derivative contracts to manage its exposure to currency, interest rate, and commodity risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured at their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit or loss depends on the nature of the hedging relationship.

Derivatives that do not meet the criteria for hedging derivatives are recorded by the Company at fair value through profit or loss.

### ***2.17.10. Hedge accounting***

The Company designates hedging instruments as either fair value hedges, or cash flow hedges. Hedge accounting is kept in compliance with the requirements of IFRS 9.

At the inception of the hedging relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Since the inception, the Company documents and monitors on an ongoing basis, whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk. The Company monitors the existence of an economic relationship, the hedge ratio, sources of ineffectiveness and credit risk impact. Hedge accounting corresponds to the Company's risk management strategy.

If the hedging relationship ceases to meet the hedge effectiveness requirement associated with the hedging ratio, but the risk management objectives for that hedging relationship remain the same, the Company adjusts the hedging ratio for that hedging relationship (i.e. rebalances the hedging) to meet the required criteria.

### ***2.17.11. Cash flow hedge***

The effective portion of changes in the fair value of financial derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in the cash flow hedge reserve. Under IFRS 9, the Company recognises the costs of hedge accounting separately if the conditions for recognising these costs in other comprehensive income are met. The gain or loss relating to the ineffective portion is recognised directly in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss, within the same line of the statement of profit or loss as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are



transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

The Company prospectively ceases hedge accounting only when the hedging relationship (or a portion of it) no longer meets the hedging criteria (after considering any rebalancing of the hedging relationship). This includes cases where the hedging instrument expires, is sold, terminated, or settled. Any gain or loss that is recognised in other comprehensive income and accumulated in the cash flow hedge reserve remains in equity and is reclassified to profit or loss when the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the gains or losses accumulated in the cash flow hedge reserve are reclassified immediately to profit or loss.

#### **2.17.12. Financial derivatives held for trading**

All derivative transactions that the Company concludes are agreed based on economic terms for hedging purposes, but some of them are not classified as hedging instruments for formal reasons.

Derivatives that do not meet the conditions for hedging derivatives are classified by the Company as held for trading.

The change in fair value of derivatives held for trading is recognised as an expense or income from derivative transactions. In 2023 and 2022, the Company records no such derivatives.

### **3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS**

#### **3.1. Standards and interpretations effective for the annual period ended 31 December 2023**

During the year ended 31 December 2023, the following standards, amendments and interpretations (relevant to the Company’s activities) became effective:

<b>Amendments, new and revised standards and interpretations</b>	<b>Effective for annual periods beginning on or after</b>
IFRS 17 and its amendments – Insurance Contracts	1 January 2023
IAS 1 – Amendments to IAS and IFRS Practice Statement 2 – Disclosure of Accounting Policies	1 January 2023
IAS 8 – Amendments to IAS 8 – Definition of Accounting Estimates	1 January 2023
IAS 12 – Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
IAS 12 – Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules	1 January 2023

Amendments to IAS 1 and IAS 12 have an impact on the disclosure of Company’s accounting policies; however, they have no impact on the valuation, recognition or presentation of any items in the separate financial statements. The amendment to IAS 12 relating to the international tax reform introduces a temporary exception to the accounting requirements for deferred tax – the Company used an exception



for the recognition and disclosure of information on deferred tax assets and liabilities related to pillar two income taxes.

The adoption of the above-stated amendments during the period did not have a significant impact on the disclosures or amounts presented in these financial statements.

### 3.2. Standards and interpretations applied before the effective date

The Company has not applied any standard or interpretation before the effective date.

### 3.3. Standards and interpretations issued but not yet applied

As of the date of the separate financial statements, the following standards and interpretations (relevant to the Company's activities) were published but were not yet effective or applied by the Company before their effective dates.

<b>Amendments, new and revised standards and interpretations</b>	<b>Effective for annual periods beginning on or after</b>
IFRS 10, IAS 28 – Amendment to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date will be determined*)
IFRS 16 – Amendment to IFRS 16 – Lease Liability in a Sale and Leaseback	1 January 2024
IAS 1 - Amendments to IAS 1 – Classification of Liabilities as Current or Non-current	1 January 2024
IAS 1 – Amendment to IAS 1 – Non-current Liabilities with Covenants	1 January 2024
IAS 7 and IFRS 7 – Amendments to IAS 7 and IFRS 7 Supplier Finance Agreement	1 January 2024*)
IAS 21 – Amendments to IAS 21 Lack of Exchangeability	1 January 2025*)

\*) Standards, amendments and interpretations that have not yet been approved for use in the EU.

The management of the Company expects that the adoption of the above-stated amendments to the existing standards in the following periods will not have a significant impact on the Company's financial statements.

## 4. CRITICAL ACCOUNTING JUDGEMENTS, KEY SOURCES OF ESTIMATION UNCERTAINTY AND CHANGE IN THE METHOD

In the application of the Company's accounting policies, which are described in Note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are evidently apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.



The key judgements, basic assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have the significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are presented below.

#### **4.1. Provisions for legal disputes**

The Company is involved in a number of in-court and out-of-court commercial disputes. Where the criteria for the recognition of provisions have been met, the Company creates provisions for these disputes on the basis of the best available information and estimates. However, the actual outcome of the disputes may differ from these estimates. Information on legal disputes is disclosed in Note 16.

#### **4.2. Impairment of assets**

The Company assesses the recoverable amount of all asset components when there are indicators of their impairment (with the exception of intangible assets under construction, the recoverable value of which is assessed annually). This assessment is based on expected assumptions and may change in the future depending on the development of the current situation and the availability of information. Impairment of property, plant and equipment is disclosed in Note 5.

#### **4.3. Lease – discount rate and lease term**

The Company measures the initial lease liability at the present value of the lease payments to be discounted using the implicit interest rate. Since the Company lacks information on many lease contracts to be able to determine this rate reliably, it uses its incremental borrowing rate as the discount rate. In determining the rate, the degree of lease collateral and the length of the lease contracts were considered.

In addition, the Company uses an estimate to determine the lease term for contracts concluded for an indefinite period. This estimate considered the period and circumstances of the potential termination of individual contracts. The Company has determined the estimated lease term for contracts for an indefinite period at 5 years for the lease of non-residential premises and 3 years for the lease of railway vehicles for the following reasons:

- the Company operates under a medium-term plan for a period of 5 years; and
- based on past experience, there is sufficient assurance that these leases will not be terminated by the Company.

In addition, each significant contract is also assessed separately in terms of the individual provisions of the contract, the economic situation on the market of the asset and the experience with the lessor in the past; subsequently, the lease term is adjusted according to these parameters. The lease term on building and vehicle contracts in a total amount of CZK 267 million was thus extended for the period of 2023 (in the total amount of CZK 244 million for the period of 2022). The carrying amount of lease liabilities



arising from contracts concluded for an indefinite period amounted to CZK 733 million as of 31 December 2023 and CZK 1,087 million as of 31 December 2022.

## 5. PROPERTY, PLANT AND EQUIPMENT

(CZK million)									
Cost	Balance at 1 Jan 2022	Additions	Disposals	Transfers	Balance at 31 Dec 2022	Additions	Disposals	Transfers	Balance at 31 Dec 2023
Land	117	0	0	26	143	0	0	0	143
Structures	1,783	62	0	31	1,876	25	(1)	4	1,904
Individual movable assets	42,599	3,068	(1,787)	210	44,090	2,464	(806)	465	46,213
- Machinery, equipment, and furniture and fixtures	481	4	(8)	20	497	27	(37)	2	489
- Vehicles*	38,921	3,064	(1,779)	839	41,045	2,437	(769)	258	42,971
- Leased vehicles	3,194	0	0	(649)	2,545	0	0	205	2,750
- Other	3	0	0	0	3	0	0	0	3
Assets under construction	627	838	(117)	(270)	1,078	326	(168)	(468)	768
Advances	316	729	(219)	0	826	26	(249)	0	603
<b>Total</b>	<b>45,442</b>	<b>4,697</b>	<b>(2,123)</b>	<b>(3)</b>	<b>48,013</b>	<b>2,841</b>	<b>(1,224)</b>	<b>1</b>	<b>49,631</b>

(CZK million)													
Accumulated depreciation and impairment	Balance at 1 Jan 2022	Additions	Elimination	Disposals	Transfers	Impairment	Balance at 31 Dec 2022	Additions	Elimination	Disposals	Transfers	Impairment	Balance at 31 Dec 2023
Structures	1,007	35	0	0	0	0	1,042	37	0	(1)	0	0	1,078
Individual movable assets	22,872	1,531	102	(1,787)	0	(63)	22,655	1512	28	(806)	0	(88)	23,301
- Machinery, equipment, and furniture and fixtures	325	17	0	(8)	13	0	347	18	0	(37)	2	0	330
- Vehicles*	21,035	1,456	102	(1,779)	136	(63)	20,887	1,425	28	(769)	(64)	(88)	21,419
- Leased vehicles	1,509	58	0	0	(149)	0	1,418	69	0	0	62	0	1,549
- Other	3	0	0	0	0	0	3	0	0	0	0	0	3
Assets under construction	6	0	0	0	0	0	6	1	23	(24)	0	23	29
<b>Total</b>	<b>23,885</b>	<b>1,566</b>	<b>102</b>	<b>(1,787)</b>	<b>0</b>	<b>(63)</b>	<b>23,703</b>	<b>1550</b>	<b>51</b>	<b>(831)</b>	<b>0</b>	<b>(65)</b>	<b>24,408</b>

(CZK million)			
Net book value	Balance at 31 Dec 2023	Balance at 31 Dec 2022	Balance at 1 Jan 2022
Land	143	143	117
Structures	826	834	776
Individual movable assets	22,912	21,435	19,727
- Machinery, equipment, and furniture and fixtures	159	150	156
- Vehicles*	21,552	20,158	17,886
- Leased vehicles	1,201	1,127	1,685
- Other	0	0	0
Assets under construction	739	1,072	621
Advances	603	826	316
<b>Total</b>	<b>25,223</b>	<b>24,310</b>	<b>21,557</b>

\*Vehicles acquired under secured loan are presented in the financial statements under "Vehicles". Their net book value amounted to CZK 3,250 million as at 31 December 2023 and CZK 3,817 million as of 31 December 2022. The value of these secured loans is included in Note 15 "Loans, borrowings and lease liabilities". The Company's secured loan transactions are guaranteed by the lessor's title to the leased assets.

Property includes mainly structures and land. Land and structures do not include railway infrastructure owned by Správa železnic, s.o.

Vehicles mainly comprise rolling stock (traction railway vehicles, freight wagons) used for railway freight transportation. Inventory procedures showed that the net book value of some types of vehicles was higher than their market value or future use value. The market value of freight wagons was determined based on the expert opinion of a sample of wagons from each interval, which is reduced by the cost of



commissioning for wagons with a failed overhaul or technical inspection, or by the recoverable amount at physical disposal for freight wagons and traction vehicles based on their weight and the current scrap price. This applies to freight wagons and traction railway vehicles that are out of service and are currently not scheduled to be put into operation. As of 31 December 2023, a loss allowance for these assets is recognised in the amount of the difference between the carrying amount and the recoverable amount of CZK 323 million (of which the impairment of the traction vehicles amounted to CZK 61 million, the rest was attributable to freight wagons) and CZK 411 million as of 31 December 2022 (of which the impairment of the traction vehicles amounted to CZK 38 million, the rest was attributable to freight wagons). In addition, the Company recognises an allowance for assets under constructions of CZK 29 million and CZK 6 million as of 31 December 2023 and 31 December 2022, respectively.

Additions to Individual movable assets:

	(CZK million)	
	2023	2022
Inspection repairs (components) of freight wagons	544	841
R and D type repairs (components) of traction railway vehicles	406	296
Purchase of traction railway vehicles from ČD, a.s.	306	0
Zacns class freight wagons	291	172
Components of wagon body for freight wagons	240	203
Vectron traction railway vehicles	175	364
Wheelsets (components) for freight wagons	160	146
Technical inspections (components) to wagons	102	101
TRAXX 388 class traction vehicles	85	31
Technical improvements on traction railway vehicles	56	607
Technical improvements on freight wagons	48	99
Conversion of the 163 class traction railway vehicles to 363 class vehicles	0	133
Other	51	75
<b>Total</b>	<b>2,464</b>	<b>3,068</b>

The Company leases some of its assets that it does not currently use for its activities to external entities. The most significant leased assets are vehicles, especially freight wagons and some traction vehicles. No other significant assets are leased. None of the contracts is irrevocable.

	(CZK million)	
	Balance at 31 Dec 2023	Balance at 31 Dec 2022
Cost	2,750	2,545
Accumulated depreciation	(1,549)	(1,418)
<b>Net book value</b>	<b>1,201</b>	<b>1,127</b>

In 2023, the Company used part of the grant advance received for the implementation of the European Train Control System (ETCS) on locomotives. The system was installed on the 753.7 and 130 class locomotives, the implementation on the 742.7 class is underway and the ETCS is being upgraded on the 383 class locomotive. In addition, the Company received a grant for the ETCS installation on the 363.5, 240, 388 and 393 classes locomotives. The total value of the assets involved was CZK 316 million (in 2022: CZK 427 million).

Disposals of advances in the amount of CZK 249 million mainly include TRAXX locomotives (CZK 27 million), Vectron locomotives (CZK 34 million) and the ETCS (CZK 23 million).



Railway vehicles are depreciated according to the below-stated useful lives to the estimated residual value. Components of these railway vehicles are depreciated by the actual mileage. When calculating depreciation of other assets, the following useful lives were applied:

	Number of years
Structures	20 – 50
Traction railway vehicles (without components)	20 – 35
Freight wagons (without components)	30
Machinery and equipment	8 – 20

## 5.1. Pledged Assets

The Company's assets as of 31 December 2023 and 31 December 2022 were not pledged. The Company's liabilities from leaseback transactions are secured by the lessor's title to the leased assets.

## 6. INTANGIBLE ASSETS

(CZK million)								
Cost	Balance at 1 Jan 2022	Additions	Transfers	Balance at 31 Dec 2022	Additions	Disposals	Transfers	Balance at 31 Dec 2023
Software	1,251	74	85	1,410	66	0	40	1,516
Valuable rights	184	9	1	194	3	0	6	203
Assets under construction	93	51	(83)	61	46	(1)	(47)	59
<b>Total</b>	<b>1,528</b>	<b>134</b>	<b>3</b>	<b>1,665</b>	<b>115</b>	<b>(1)</b>	<b>(1)</b>	<b>1,778</b>

(CZK million)							
Accumulated amortisation	Balance at 1 Jan 2022	Additions	Transfers	Balance at 31 Dec 2022	Additions	Transfers	Balance at 31 Dec 2023
Software	717	86	2	805	101	0	906
Valuable rights	138	9	(2)	145	9	0	154
<b>Total</b>	<b>855</b>	<b>95</b>	<b>0</b>	<b>950</b>	<b>110</b>	<b>0</b>	<b>1,060</b>

(CZK million)			
Net book value	Balance at 31 Dec 2023	Balance at 31 Dec 2022	Balance at 1 Jan 2022
Software	610	605	534
Valuable rights	49	49	46
Assets under construction	59	61	93
<b>Total</b>	<b>718</b>	<b>715</b>	<b>673</b>

Assets under construction consists of items that are developed in cooperation with supplier companies and are not internally developed software.

As of 31 December 2023, intangible assets include valuable rights (licences) in a total net book value of CZK 49 million. The most significant items are the Modular System licence in the amount of CZK 13 million, the SAP licence in the amount of CZK 11 million, the Microsoft licence in the amount of CZK 10 million, the Noetic licence in the amount of CZK 9 million, and the Altworx licence in the amount of CZK 4 million. In 2023, licences in the total amount of CZK 9 million were activated.

Amortisation period of intangible assets:

	Number of years
Software	3 – 10
Valuable rights	6 – 10



## 6.1. Software

Net book value	(CZK million)		
	Balance at 31 Dec 2023	Balance at 31 Dec 2022	Balance at 1 Jan 2022
Operational and business tasks under the PROBIS project	402	409	315
SAP	54	65	69
IT Security Programme	13	14	13
Other	141	117	137
<b>Total</b>	<b>610</b>	<b>605</b>	<b>534</b>

Software predominantly includes the SAP system and the operational and business tasks under the PROBIS project. Software additionally includes the information system supporting freight transportation, the development of the SAP information system, the Altworx software used to monitor and evaluate the use of the Company's basic capacities (operating personnel, traction vehicles and freight wagons), the IT security system and other systems used in ČD Cargo, a.s.

Additions to software in 2023 consist mainly of modifications and upgrades of existing systems: Dispatching Information System under the Complete Train Load project in the amount of CZK 31 million, ÚDIV (Central Wagon-to-train Allocation System) in the amount of CZK 14 million, the development of the PRIS Operational Information System in the amount of CZK 10 million, the Oscar business system in the amount of CZK 9 million and Altworx software in the amount of CZK 6 million.

## 7. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

Category	(CZK million)	
	Equity investment* at 31 Dec 2023	Equity investment* at Dec 2022
Subsidiaries	1,090	578
Joint ventures and associates	46	46
<b>Total</b>	<b>1,136</b>	<b>624</b>

\* The value of the share represents the net value of the investment consisting of the acquisition cost less any allowance.

### 7.1. Information on Subsidiaries

Name of the entity	Registered office	(CZK million)	
		Equity investment* At 31 Dec 2023	Equity investment* at Dec 2022
CD Cargo Germany GmbH	Niddastrasse 98-102, 60329 Frankfurt am Main, Germany	1	1
CD Cargo Poland Sp. z o.o.	Grzybowska nr 4, lok. 3, 00-131 Warsaw, Poland	437	260
CD Cargo Austria GmbH**	Rotenturmstraße 22/24, 1010 Vienna, Austria	0	0
CD Cargo Slovakia, s.r.o.	Seberíniho 1, 821 03 Bratislava, Slovakia	289	218
CD Cargo Hungary Kft.**	Keleti sor utca 26-4, 4150 Püspökladány, Hungary	0	0
ČD Cargo Adria d.o.o.**	Savska cesta 32, Zagreb, Croatia	264	0
Terminal Brno, a.s.	K Terminálu 614/11, Heršpice, 619 00 Brno	49	49
ČD-DUSS Terminál, a.s.	Lukavecká 1189, 41002 Lovosice	2	2
ČD Cargo Logistics, a.s.	Opletalova 1284/37, 11000 Prague 1	48	48
<b>Total</b>		<b>1,090</b>	<b>578</b>

\* The value of the equity investment represents the net value of the investment consisting of the acquisition cost less any allowance.

\*\* The value is not decreased by an allowance, however, 0 is reported in the table as the value of the equity investment is in CZK thousands.



Name of the entity	Principal activities	Equity investment at 31 Dec 2023	Equity investment at 31 Dec 2022
CD Cargo Germany GmbH	Brokerage of freight transportation services on behalf of and for ČD Cargo, a.s. and freight forwarding	100%	100%
CD Cargo Poland Sp. z o.o.	Brokerage of freight transportation services on behalf of and for ČD Cargo, a.s. and freight forwarding, operations of railway transport and lease of traction vehicles and wagons	100%	100%
CD Cargo Austria GmbH	Brokerage of freight transportation services on behalf of and for ČD Cargo, a.s. and freight forwarding	100%*	100%*
CD Cargo Slovakia, s.r.o.	Brokerage of freight transportation services on behalf of and for ČD Cargo, a.s. and freight forwarding	100%	100%
CD Cargo Hungary Kft.	Rail freight transport, wholesale brokerage of raw materials and fuel, storage and other	100%**	100%**
ČD Cargo Adria d.o.o.	Rail freight transport, wholesale brokerage of raw materials and fuel, storage and other	100%	100%
Terminal Brno, a.s.	Operations of the combined transport terminal in Brno	66.93%	66.93%
ČD-DUSS Terminál, a.s.	Operations of the container terminal in Lovosice	51%	51%
ČD Cargo Logistics, a.s.	Freight forwarding	100%	100%

\* The entity is fully owned by CD Cargo Germany GmbH.

\*\* The entity is fully owned by CD Cargo Slovakia, s.r.o.

## 7.2. Information on Joint Ventures

		(CZK million)	
Name of the entity	Registered office	Equity investment* at 31 Dec 2023	Equity investment* at 31 Dec 2022
Ostravská dopravní společnost, a.s.	U Tiskárny 616/9, 702 00 Ostrava – Přívoz	18	18
RAILLEX, a.s.	Belgická 196/38, 120 00 Prague 2	1	1
<b>Total</b>		<b>19</b>	<b>19</b>

\* The value of the equity investment represents the net value of the investment consisting of the acquisition cost less any allowance.

Name of the entity	Principal activities	Equity investment at 31 Dec 2023	Equity investment at 31 Dec 2022
Ostravská dopravní společnost, a.s.	Railway transportation and lease of traction vehicles and wagons	50%	50%
RAILLEX, a.s.	Cargo handling and technical services in transportation, freight forwarding	50%	50%

## 7.3. Information on Associates

		(CZK million)	
Name of the entity	Registered office	Equity investment* at 31 Dec 2023	Equity investment* at 31 Dec 2022
BOHEMIAKOMBI, spol. s r.o.	Opletalova 921/6, 110 00 Prague 1	0	0
Ostravská dopravní společnost – Cargo, a.s.	U Tiskárny 616/9, 702 00 Ostrava - Přívoz	27	27
Terminál Mošnov, a.s.	Na Florenci 1332/23, 110 00 Prague 1	0	0
<b>Total</b>		<b>27</b>	<b>27</b>

\* The value of the equity investment represents the net value of the investment consisting of the acquisition cost less any allowance.

Name of the entity	Principal activities	Equity investment at 31 Dec 2023	Equity investment at 31 Dec 2022
BOHEMIAKOMBI, spol. s r.o.	Brokerage of transportation services except for the transportation by own vehicles	30%	30%
Ostravská dopravní společnost – Cargo, a.s.	Railway transportation and lease of traction vehicles and wagons	20%	20%
Terminál Mošnov, a.s.	Operation of the Mošnov terminal	25%*	25%*

\* The equity investment in the entity is owned by ČD Cargo Logistics, a.s.

## 7.4. Summary of financial information on joint ventures and associates

(CZK million)

31 Dec 2023	RAILLEX, a.s.	Ostravská dopravní společnost, a.s.	Total joint ventures	BOHEMIAKOMBI, spol. s r.o.	Ostravská dopravní společnost – Cargo, a.s.	Terminál Mošnov, a.s.	Total associates
<b>Total assets</b>	<b>65</b>	<b>85</b>	<b>150</b>	<b>18</b>	<b>313</b>	<b>46</b>	<b>377</b>
Current assets	64	85	149	17	150	39	206
Non-current assets	1	0	1	1	163	7	171
<b>Total liabilities</b>	<b>33</b>	<b>48</b>	<b>81</b>	<b>10</b>	<b>155</b>	<b>50</b>	<b>215</b>
Current liabilities	33	48	81	10	57	50	117
Non-current liabilities	0	0	0	0	98	0	98
Net assets	32	37	69	8	158	(4)	162
<b>Share of net assets</b>	<b>16</b>	<b>18</b>	<b>34</b>	<b>0</b>	<b>32</b>	<b>0</b>	<b>32</b>

(CZK million)

31 Dec 2022	RAILLEX, a.s.	Ostravská dopravní společnost, a.s.	Total joint ventures	BOHEMIAKOMBI, spol. s r.o.	Ostravská dopravní společnost – Cargo, a.s.	Terminál Mošnov, a.s.	Total associates
<b>Total assets</b>	<b>68</b>	<b>160</b>	<b>228</b>	<b>22</b>	<b>305</b>	<b>25</b>	<b>352</b>
Current assets	67	160	227	21	130	18	169
Non-current assets	1	0	1	1	175	7	183
<b>Total liabilities</b>	<b>47</b>	<b>124</b>	<b>171</b>	<b>13</b>	<b>136</b>	<b>19</b>	<b>168</b>
Current liabilities	47	124	171	13	38	19	70
Non-current liabilities	0	0	0	0	98	0	98
Net assets	21	36	57	9	169	6	184
<b>Share of net assets</b>	<b>11</b>	<b>18</b>	<b>29</b>	<b>0</b>	<b>34</b>	<b>1</b>	<b>35</b>

(CZK million)

Joint ventures	2023	2022
Total income	687	909
Profit for the period	28	20
<b>Share of profit for the period</b>	<b>12</b>	<b>10</b>

(CZK million)

Joint ventures	2023	2022
Total income	471	310
Profit for the period	(4)	9
<b>Share of profit for the period</b>	<b>(4)</b>	<b>4</b>

## 8. INVENTORIES

(CZK million)

	31 Dec 2023	31 Dec 2022
Spare parts to railway vehicles and traction railway vehicles	396	336
Spare parts to other machines, devices and equipment	8	7
Fuels, lubricants and other petroleum products	6	6
Work clothes, work shoes, protective devices	4	6
Other	42	46
<b>Total cost</b>	<b>456</b>	<b>401</b>
Write-down of inventories to their net realisable value	(8)	(9)
<b>Total net book value</b>	<b>448</b>	<b>392</b>

## 9. TRADE RECEIVABLES

The increase in receivables relates to the increase in sales both abroad and in the Czech Republic. More information on receivables is disclosed in Note 33.6. Credit risk management. Trade receivables include the following items:



Category	Before due date	Past due date (days)					(CZK million)		
		1 - 30	31 – 90	91- 180	181 -365	366 and more	Total past due	Total	
		31 Dec 2023	<b>Gross</b>	1,648	79	1	2	27	82
	<b>Provisions</b>	(42)	(2)	0	(1)	(15)	(82)	(100)	(142)
	<b>Net</b>	<b>1,606</b>	<b>77</b>	<b>1</b>	<b>1</b>	<b>12</b>	<b>0</b>	<b>91</b>	<b>1,697</b>
31 Dec 2022	Gross	1,825	99	6	3	9	77	194	2,019
	Provisions	(45)	(4)	(1)	(2)	(9)	(77)	(93)	(138)
	<b>Net</b>	<b>1,780</b>	<b>95</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>101</b>	<b>1,881</b>

## 9.1. Movements of allowances for doubtful trade receivables

	(CZK million)	
Movement of allowances for doubtful trade receivables	2023	2022
<b>Allowances at 1 January</b>	<b>138</b>	<b>98</b>
Recognition of allowances – trade receivables	20	56
Release of allowances – trade receivables	(14)	(11)
Write-offs – trade receivables	(2)	(5)
<b>Allowances at 31 December</b>	<b>142</b>	<b>138</b>

\* Information on the credit risk is disclosed in Note 33.6.

## 10. OTHER FINANCIAL ASSETS

	(CZK million)	
	31 Dec 2023	31 Dec 2022
Lease receivables (see Note 10.1.)	4	19
Hedging derivatives	1	37
Restricted cash	0	21
Other financial assets	7	0
<b>Other non-current financial assets</b>	<b>12</b>	<b>77</b>
Lease receivables (see Note 10.1.)	17	15
Hedging derivatives	56	82
Group cash-pooling	3	2
Receivables for damages and losses	12	10
Receivables for damages and losses - allowances	(4)	(5)
Restricted cash	49	17
Other financial assets	58	72
Other financial assets – allowances	(3)	(2)
<b>Other current financial assets</b>	<b>188</b>	<b>191</b>
<b>Total other financial assets</b>	<b>200</b>	<b>268</b>

Hedging derivatives are measured at fair value, other financial assets are measured at amortised cost.

In 2023, Other financial assets primarily include unpaid dividends for CD Cargo Germany GmbH of CZK 4 million and for CD Cargo Slovakia, s.r.o. of CZK 10 million.

In 2022, Other financial assets consisted mainly of unpaid dividends for Cargo Poland Sp. z o.o. in the amount of CZK 12 million and CD Cargo Slovakia, s.r.o. in the amount CZK 4 million and loan of ČD Cargo Adria d.o.o. in the amount of CZK 8 million.

In relation to IFRS 9, there was no reason to create an allowance for any individual other financial assets due to the expected credit loss.

### 10.1. Finance lease receivables

ČD Cargo, a.s. leased a part of the building in the Lovosice logistics centre to Mondi Štětí a.s. under finance lease.



Disclosure required by IFRS 16:

Analysis of the maturity of receivables arising from lease payments:

	(CZK million)	
	31 Dec 2023	31 Dec 2022
1 <sup>st</sup> year	18	15
2 <sup>nd</sup> year	4	15
3 <sup>rd</sup> year	0	5
<b>Undiscounted lease payments</b>	<b>22</b>	<b>35</b>
Minus: unrealised finance income	(1)	(1)
<b>Present value of lease payment receivable</b>	<b>21</b>	<b>34</b>
<b>Net investment in leases</b>	<b>21</b>	<b>34</b>
In the statement of financial position as:		
<i>Short-term lease receivables</i>	<i>17</i>	<i>15</i>
<i>Long-term lease receivables</i>	<i>4</i>	<i>19</i>
<b>Total</b>	<b>21</b>	<b>34</b>

Amounts recognised in the statement of profit or loss:

	(CZK million)	
	Balance at 31 Dec 2023	Balance at 31 Dec 2022
Net proceeds from finance leases	1	1

The Company applies a simplified approach in accordance with IFRS 9 to measure expected credit losses, using an allowance for expected losses over the useful lives for all finance lease receivables.

In order to measure expected credit losses, finance lease receivables are grouped on the basis of shared credit risk characteristics and days past due. The expected rates of losses are based on the payment profiles of the leases before the end of the reporting period and the corresponding historical credit losses that occurred in that period.

None of the finance lease receivables is overdue at the end of the reporting period, and considering past experience and future prospects of the industries in which the lessee operates, the management of the Company believes that no finance lease receivables are impaired.

The Company is not exposed to currency risk as a result of lease arrangements, as the lease is denominated in CZK. The risk of residual value of the leased building is not material.

## 11. OTHER ASSETS

	(CZK million)	
	31 Dec 2023	31 Dec 2022
Prepayments made	1	1
<b>Non-current other assets</b>	<b>1</b>	<b>1</b>
Tax receivables from VAT	68	45
Prepaid expenses	76	83
Grants	149	336
Other	16	176
<b>Current other assets</b>	<b>309</b>	<b>640</b>
<b>Total other assets</b>	<b>310</b>	<b>641</b>

The line Grants mainly represents an unquestionable entitlement to a part of the grant received by the Company within the grant project for equipping traction vehicles with on-board parts of the European Train Control System.



The item Other in 2022 included a receivable from the subsidiary ČD Cargo Adria d.o.o. from the sale of 200 Tams freight wagons in the amount of CZK 160 million. In 2023, this receivable was capitalised.

The line Prepayments made represents amounts paid to domestic and foreign suppliers in connection with business relations.

## 12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are measured at amortised cost in the balance sheet and tested for impairment under IFRS 9. The Company considers the potential impairment of these items to be insignificant due to the high credit quality of the cash deposits held by reputable financial institutions with a high investment credit rating.

	(CZK million)	
	31 Dec 2023	31 Dec 2022
Cash on hand	1	1
Cash at bank*	1,048	1,104
<b>Total</b>	<b>1,049</b>	<b>1,105</b>

\* The contractual partners of the Company are renowned banks with a high credit rating (required investment grade) with which the Company cooperates on the basis of long-term and stable relationships.

Table of final balances of the Company's accounts held in banking institutions:

	(CZK million)			
Bank	Short-term rating*	Long-term rating*	31 Dec 2023	31 Dec 2022
Citibank Europe plc	Aa3	P-1	25	11
Česká spořitelna, a.s.	Aa3	P-1	1	1
Československá obchodní banka, a.s.	Aa3	P-1	535	486
ING Bank, N.V.	Aa3	P-1	58	75
Komerční banka, a.s.	Aa3	P-1	12	212
Raiffeisenbank a.s.	A2	P-1	296	88
UniCredit Bank Czech Republic and Slovakia, a.s.	A3	P-2	35	10
Všeobecná úverová banka a.s.	A2	-**	86	221
<b>Total</b>			<b>1,048</b>	<b>1,104</b>

\* Moody's bank rating is effective at the end of 2022.

\*\* Rating is not available.

## 13. EQUITY

### 13.1. Share capital

As of 31 December 2023, the Company's share capital amounted to CZK 8,494 million in the form of 100 book-entry registered shares. The share capital was fully paid.

### 13.2. Capital funds

	(CZK million)	
	31 Dec 2023	31 Dec 2022
Share premium	197	197
Statutory reserve fund	157	148
Cash flow hedge reserve	5	257
Actuarial losses	7	11
<b>Total</b>	<b>366</b>	<b>613</b>



The allocations to the statutory reserve fund are made in accordance with the internal regulations of the Company.

### **13.2.1. Share premium**

The premium is the difference that arose between the nominal and issue price of shares when the Company was established in the amount of CZK 197 million as of 1 December 2007.

### **13.2.2. Reserve fund**

	(CZK million)	
	2023	2022
<b>Balance at 1 January</b>	<b>148</b>	<b>191</b>
Profit allocation to the reserve fund	9	11
Transfer from the reserve fund	0	(54)
<b>Balance at 31 December</b>	<b>157</b>	<b>148</b>

In accordance with the Company's internal regulations, the allocation to the reserve fund amounted to CZK 9 million in 2023.

### **13.2.3. Cash flow hedge reserve**

	(CZK million)	
	2023	2022
<b>Balance at the beginning of the year</b>	<b>257</b>	<b>144</b>
Revaluation gain/ change in fair value	(401)	22
Impact on profit or loss	90	118
<b>Total change in the cash flow hedge reserve</b>	<b>(311)</b>	<b>140</b>
Related income tax	59	(27)
<b>Balance at the end of the year</b>	<b>5</b>	<b>257</b>

The cash flow hedge reserve represents the accumulated gains and losses from effective cash flow hedge. It is primarily the hedge of currency risk arising from a change in the CZK/EUR exchange rate, which is hedged by currency forwards, foreign currency loans and bonds and foreign currency lease liabilities. Another component of cash flow hedging is the hedge of the commodity risk associated with fluctuations in the price of diesel. The cumulative accrued gain or loss on hedging derivatives is reclassified to profit or loss only if the hedged transaction affects profit or loss or is included as a carrying amount adjustment to the hedged non-financial item in accordance with the applicable accounting policy.

Gains and losses reclassified during the year from equity are recognised in the statement of profit or loss on the lines Revenues, Services, rental, material and energy consumption and Finance costs, Finance income.

### **Reclassification from cash flow hedge reserve into profit or loss**

	(CZK million)	
	2023	2022
<b>Currency forwards – hedging future income in foreign currencies</b>		
<b>Balance at 1 January</b>	<b>90</b>	<b>46</b>
Change in the fair value of the hedging derivatives	(164)	(14)
Impact on profit or loss	101	68
Related corporate income tax – change	10	(10)
<b>Balance at 31 December</b>	<b>37</b>	<b>90</b>



			(CZK million)	
<b>Foreign currency lease liabilities under IFRS 16 - hedging future income in foreign currencies</b>			<b>2023</b>	<b>2022</b>
<b>Balance at 1 January</b>			<b>150</b>	<b>77</b>
Revaluation gain			(99)	61
Impact on profit or loss			0	29
Related corporate income tax – change			17	(17)
<b>Balance at 31 December</b>			<b>68</b>	<b>150</b>

			(CZK million)	
<b>Foreign currency loans and bonds - hedging future income in foreign currencies</b>			<b>2023</b>	<b>2022</b>
<b>Balance at 1 January</b>			<b>20</b>	<b>0</b>
Revaluation gain			(157)	25
Impact on profit or loss			0	0
Related corporate income tax – change			33	(5)
<b>Balance at 31 December</b>			<b>(104)</b>	<b>20</b>

			(CZK million)	
<b>Commodity forwards – hedging prices for the purchases of diesel</b>			<b>2023</b>	<b>2022</b>
<b>Balance at 1 January</b>			<b>(3)</b>	<b>21</b>
Change in the fair value of the hedging derivatives			19	(50)
Impact on profit or loss			(11)	21
Related corporate income tax – change			(1)	5
<b>Balance at 31 December</b>			<b>4</b>	<b>(3)</b>

#### 13.2.4. Actuarial gains and losses

			(CZK million)	
			<b>2023</b>	<b>2022</b>
<b>Balance at 1 January</b>			<b>11</b>	<b>16</b>
Actuarial gains/ losses			(4)	(5)
<b>Balance at 31 December</b>			<b>7</b>	<b>11</b>

Actuarial losses represent the results of the revaluation of net liabilities (provisions for employee benefits) from such defined benefits, for more details see Note 16. Provisions.

## 14. TRADE PAYABLES

		(CZK million)							
Year	Category	Before due date	Past due date (days)					Total past due	Total
			1 – 30	31 – 90	91–180	181-365	365 and more		
31 Dec 2023	Short-term	2,281	25	0	2	3	0	30	<b>2,311</b>
31 Dec 2022	Short-term	2,838	23	1	0	0	2	26	<b>2,864</b>

The Company does not recognise any long-term trade payables. Liabilities overdue for more than 365 days are part of legal disputes.



## 15. LOANS, BORROWINGS AND LEASE LIABILITIES

	(CZK million)	
	31 Dec 2023	31 Dec 2022
Long-term bank loans	6,613	4,681
Secured loans – long-term	1,988	2,279
Lease liabilities	2,144	2,739
Bonds issued	4,748	4,720
<b>Total long-term</b>	<b>15,493</b>	<b>14,419</b>
Short-term bank loans	1,153	750
Secured loans – short-term	314	383
Lease liabilities	900	941
Overdraft accounts	415	856
Loan from České dráhy, a.s.	0	57
Bonds issued	31	530
<b>Total short-term</b>	<b>2,813</b>	<b>3,517</b>
<b>Total</b>	<b>18,306</b>	<b>17,936</b>

### 15.1. Bank loans

	(CZK million)				
Bank	Nominal value	Final maturity date	Interest	Carrying value at 31 Dec 2023	Carrying value at 31 Dec 2022
UniCredit Bank, a.s.	CZK 1,000 million	29 March 2030	fixed	625	725
ING Bank NV	CZK 1,000 million	31 Aug 2027	fixed	615	769
UniCredit Bank, a.s.	CZK 1,000 million	31 Dec 2027	fixed	571	714
ING bank, a. s.	CZK 500 million	30 June 2028	fixed	346	423
Raiffeisenbank, a. s.	CZK 1,000 million	30 June 2031	fixed	800	900
EIB loan – 1 <sup>st</sup> tranche	CZK 500 million	2 July 2031	fixed	455	500
Raiffeisenbank, a. s.	EUR 40 million*	30 June 2032	fixed	841	917
ING bank, a. s.	EUR 40 million *	31 March 2028	fixed	890	483
VÚB Bank	EUR 30 million*	21 March 2030	fixed	647	0
EIB loan – 2 <sup>nd</sup> tranche	EUR 40 million*	1 June 2033	fixed	988	0
Raiffeisenbank, a. s.	EUR 40 million*	1 June 2033	fixed	988	0
<b>Total</b>				<b>7,766</b>	<b>5,431</b>
of which short-term				1,153	750
of which long-term				6,613	4,681

\* The amount to be used in CZK is stated in the text.

In 2022, two new credit lines of EUR 40 million were agreed, one of which was fully used in the amount of CZK 975 million. The balance of this investment loan in Raiffeisenbank, a. s., was CZK 917 million as of 31 December 2022 and CZK 841 million as of 31 December 2023. The second credit line from ING bank, a.s., was signed in the amount of CZK 965 million in 2022 and partially used in 2022 in the amount of EUR 20 million (CZK 483 million). The remaining portion of EUR 20 million (CZK 484 million) was used in January 2023, its carrying value as of 31 December 2023 was CZK 890 million.

In December 2020, a loan agreement was signed with the European Investment Bank (EIB). According to the contractual conditions, the total amount of the loan framework is EUR 130 million (CZK 3,412 million). This credit framework is and will be gradually drawn down in the following years to finance the Company's pre-selected investment projects. In 2021, the first tranche of CZK 500 million was used. In 2023, the second tranche of EUR 40 million (CZK 947 million) was used in June 2023.



In 2023, an investment loan was agreed in Všeobecná úverová banka, a.s., pobočka Praha, and was used as of 22 March 2023. The total amount of the loan is EUR 30 million (CZK 703 million).

Another loan was obtained from Raiffeisenbank, a.s. and used in the 1st tranche amounting to EUR 40 million (CZK 974 million). The total agreed amount of the credit line is CZK 1.5 billion with the possibility to be used in CZK or EUR.

Detailed overview of the movements of the investment facilities is disclosed in Note 33.8.2. Sources of financing.

Portions of long-term loans and borrowings that are due within one year from the balance sheet date are recognised as short-term loans and borrowings.

The Company breached no loan covenants in the reporting period. Bank loans are not guaranteed.

## 15.2. Issued bonds

On 4 May 2011, the resolution of the Czech National Bank approved the Bond Programme of ČD Cargo, a.s. The highest volume of outstanding bonds issued under the Bond Programme may amount up to CZK 6,000 million with the term of the Bond Programme being ten years. The above resolution of the Czech National Bank took effect on 5 May 2011. Furthermore, from 5 May 2021, following the expiry of the first Bond Programme, a new bond programme with the term of 10 years is valid without a limit on the maximum amount of outstanding bonds.

Under the above-stated bond programmes or under separate issuance conditions, the following bond issues exist as of 31 December 2023:

							(CZK million)
Date of issue	Nominal value	Maturity date	Publicly traded	Coupon rate	Carrying value at 31 Dec 2023	Carrying value at 31 Dec 2022	
29 Dec 2016	CZK 500 million	29 Dec 2023	yes	1.26%	0	500	
20 July 2018	CZK 1,000 million	20 July 2025	yes	2.55%	1,010	1,010	
17 July 2019	CZK 1,000 million	17 July 2026	no	2.17%	1,009	1,008	
18 Nov 2019	CZK 770 million	18 Nov 2026	no	2.09%	771	771	
31 July 2020	CZK 1,000 million	31 July 2027	no	1.65%	999	997	
20 April 2022	EUR 40 million	31 Dec 2028	no	1.92%	990	964	
<b>Total</b>					<b>4,479</b>	<b>5,250</b>	
of which short-term					31	530	
of which long-term					4,748	4,720	

In 2023 and 2022, the Company breached no conditions applicable to issued bonds.



## 16. PROVISIONS

(CZK million)

	Balance at 1 Jan 2023	Recognition	Use	Release	Balance at 31 Dec 2023
Retirement benefit provision	24	36	4	0	56
- of which long-term part	21				47
Provision for other employee benefits	120	62	53	0	129
- of which long-term part	66				74
<b>Total provision for employee benefits</b>	<b>144</b>	<b>98</b>	<b>57</b>	<b>0</b>	<b>185</b>
Provision for legal disputes	1	25	0	0	26
Provision for restructuring	0	23	0	0	23
Other provisions	64	292	195	25	136
<b>Total provisions</b>	<b>209</b>	<b>438</b>	<b>252</b>	<b>25</b>	<b>370</b>
Long-term	87				121
Short-term	122				249

The provision for employee benefits represents the employees' entitlement to a financial contribution upon reaching a life anniversary, a financial contribution upon retirement and to a payment of medical expenses, including compensation for wages during curative and rehabilitation stays. As of 31 December 2023, it was calculated at CZK 185 million (as of 31 December 2022: CZK 144 million). Compared to 2022, there was a change primarily in the contribution upon retirement which amounts to CZK 57 million as of 31 December 2023 (2022: CZK 25 million). In 2023, the provision also included a contribution upon reaching a life anniversary of CZK 61 million (2022: CZK 61 million), a contribution for medical expenses, including compensation of wages during curative and rehabilitation stays of CZK 58 million (2022: CZK 54 million) and other financial contributions of CZK 9 million (2022: CZK 4 million). In calculating the provision for employee benefits, the Company used an actuarial model based on current employee data (number of employees, date of old-age pension, average salary, amount of financial contribution) and expected parameters determined by a qualified estimate and publicly available statistical data such as: expected employee turnover, expected wage growth, expected inflation rate and the curve of disability and death according to the data of the Czech Statistical Office. Cash flows are discounted to the present value using a discount rate derived from the government bond yield rate.

As of 31 December 2023, other provisions primarily include the Company's provisions for complaints and settlement of damage events where no exact amount and degree of guilt of individual parties involved is so far known.

## 17. OTHER FINANCIAL LIABILITIES

(CZK million)

	31 Dec 2023	31 Dec 2022
Hedging derivatives	1	0
<b>Other long-term financial liabilities</b>	<b>1</b>	<b>0</b>
Hedging derivatives	4	11
Liability from the terminated lease contract	121	121
Other	42	17
<b>Other short-term financial liabilities</b>	<b>167</b>	<b>149</b>
<b>Total Other financial liabilities</b>	<b>168</b>	<b>149</b>



Other financial liabilities are measured at amortised cost.

Three lease contracts on the sale and subsequent lease of 1,141 vehicles were concluded between the ČD Cargo, a.s. and Financial Found, a.s. According to the contractual arrangements, ČD Cargo, a.s. withdrew from the contract in 2019 and immediately settled the remaining lease payments in the amount of CZK 146 million. Since Financial Found, a.s., disagreed with the withdrawal, it returned the amount back to ČD Cargo, a.s. account. In order to avoid the senseless forwarding of funds, ČD Cargo, a.s. informed Financial Found, a.s. that it had the funds ready and asked it to confirm that the company would accept them. Up to the current date, Financial Found, a.s. has not responded. In parallel, Financial Found, a.s., filed a legal action with the District Court for Prague 7 to determine the ownership of the 1,141 vehicles. No resolution has been made yet. As of 31 December 2023, the carrying value of these railway vehicles amounted to CZK 807 million, as of 31 December 2022, it amounted to CZK 733 million. Financial Found, a.s., also unsuccessfully tried to register its ownership of the vehicles at the Rail Authority. This means that ČD Cargo, a.s. is registered as the owner and holder of these vehicles. In accordance with the described information, the Company's management has decided to record the vehicles in the Company's assets and to account for all related accounting transactions (segregation of components, accounting for depreciation, etc.). As of 31 December 2023, the liability arising from this terminated lease contract amounted to CZK 121 million (excluding VAT). As of 31 December 2022, this liability also amounted to CZK 121 million.

## 18. OTHER LIABILITIES AND CONTRACTUAL COMMITMENTS

Other liabilities and contractual commitments are composed of the following items:

	31 Dec 2023	31 Dec 2022
<b>Other liabilities</b>	0	10
<b>Other long-term liabilities</b>	<b>0</b>	<b>10</b>
Payables to employees	574	556
Social security and health insurance payables	170	165
Tax liabilities - tax withheld from employees	31	25
Subsidy received	49	30
<b>Other short-term liabilities</b>	<b>824</b>	<b>776</b>
Contractual commitments	2	1
Refund liabilities	15	16
<b>Other short-term liabilities and contractual commitments</b>	<b>841</b>	<b>793</b>
<b>Total other liabilities and contractual commitments</b>	<b>841</b>	<b>803</b>

In 2023, a part of the subsidy from the CEF II programme in the amount of CZK 200 million was provided. This was used for the delivery of the ETCS safety system for traction vehicles of selected classes. The remaining balance of the grant from the CF II programme is in restricted funds in the amount of CZK 49 million (10. Other financial assets). The Connecting Europe Facility (CEF) allows EU funds to be used for transport infrastructure in the Czech Republic. The Connecting Europe Facility is aimed at providing EU financial assistance for trans-European networks to support projects of common interest in



the transport, telecommunications and energy infrastructure sectors and exploit potential synergies between these sectors. Moreover, the grant of CZK 472 million was provided from the SFDI that was used for the delivery of the ETCS for the 130 and 753.7 class traction vehicles and upgrade of the ETCS 4 in the 383 class traction railway vehicles; the grant was used in full.

Other long-term liabilities also include liabilities to employees arising from the applicable collective agreement.

Short-term liabilities to employees represent a liability for unpaid December salaries.

The Company has no overdue liabilities to tax authorities, social security authorities and health insurance companies.

## 19. LEASE CONTRACTS

### 19.1. Right-of-use assets and lease liabilities

The Company leases land, buildings (administrative and railway stations), equipment (Innofreight technologies) and vehicles (freight wagons, tanks and passenger cars). Lease contracts are usually concluded for a definite period (from 3 to 10 years). A minority of contracts are concluded for an indefinite period.

(CZK million)

Cost	Balance as at 1 Jan 2022	Additions	Change of lease period	Change of rent amount	Disposals	Balance at 31 Dec 2022	Additions	Change of lease period	Change of rent amount	Disposals	Balance at 31 Dec 2023
Buildings	422	19	39	93	(139)	434	16	35	48	(91)	442
- of which Lovosice logistics centre	33	0	0	0	0	33	0	0	0	0	33
Equipment	896	35	14	97	(12)	1,030	9	75	49	(154)	1,009
- of which Innofreight technologies	894	35	14	97	(12)	1,028	0	75	49	(154)	998
Vehicles	3,293	1,152	191	2	(664)	3,974	90	157	328	(653)	3,896
- of which freight wagons	3,264	901	179	2	(651)	3,695	44	31	306	(595)	3,481
- of which traction railway vehicle	0	238	12	0	0	250	34	126	22	(48)	384
<b>Total</b>	<b>4,611</b>	<b>1,206</b>	<b>244</b>	<b>192</b>	<b>(815)</b>	<b>5,438</b>	<b>115</b>	<b>267</b>	<b>425</b>	<b>(898)</b>	<b>5,347</b>

(CZK million)

Accumulated depreciation and impairment	Balance at 1 Jan 2022	Depreciation	Disposals	Balance at 31 Dec 2022	Depreciation	Disposals	Balance at 31 Dec 2023
Buildings	145	65	(51)	159	59	(8)	210
- of which Lovosice logistics centre	20	3	0	23	3	0	26
Equipment	229	157	(1)	385	147	(7)	525
- of which Innofreight technologies	229	157	(1)	385	146	(7)	524
Vehicles	997	564	(354)	1,207	672	(312)	1,567
- of which freight wagons	979	534	(343)	1,170	540	(302)	1,408
- of which traction railway vehicle	0	22	0	22	124	0	146
<b>Total</b>	<b>1,371</b>	<b>786</b>	<b>(406)</b>	<b>1,751</b>	<b>878</b>	<b>(327)</b>	<b>2,302</b>

(CZK million)

Net book value	Balance at 31 Dec 2023	Balance at 31 Dec 2022	Balance at 1 Jan 2022
Buildings	232	275	277
- of which Lovosice logistics centre	7	10	13
Equipment	484	645	667
- of which Innofreight technologies	474	643	665
Vehicles	2,329	2,767	2,296
- of which freight wagons	2,073	2,525	2,285
- of which traction railway vehicle	238	228	0
<b>Total</b>	<b>3,045</b>	<b>3,687</b>	<b>3,240</b>



The Company recorded an increase of CZK 44 million in the lease of traction vehicles and of CZK 34 million in the lease of freight wagons. The Company's losses are mainly represented by terminated freight wagons lease contracts.

The right-of-use assets under IFRS 16 also include a lease agreement for the lease of storage space in the Lovosice logistics centre. Since the Company incurs the loss of approximately CZK 59 million per year from this contract, the Company has created a provision for loss-making transactions in respect of this lease contract. As a result of the adoption of IFRS 16, this lease was reclassified as an impairment of right-of-use asset. As of 1 January 2019, the value of this right-of-use asset was calculated at CZK 558 million and decreased by the allowance of CZK 409 million. As of 1 January 2019, the resulting amount of CZK 149 million was recorded in the above "Cost" table. In 2021, the value of the right-of-use assets decreased due to the lower profitability of the logistics centre. As of 31 December 2023, this right-of-use assets was recognised in the carrying amount of CZK 7 million (as of 31 December 2022, the value was CZK 10 million).

The item "Buildings", in addition to the logistics centre in Lovosice, includes lease agreements of non-residential premises within the railway stations used by our operating employees who are responsible for the operation of the Company's rail transport.

The amount of impairment of the aforementioned right-of-use assets is determined by a reasonable estimate of the estimated net future commitment. The amount represents the difference between discounted net expected income and discounted expected expense.

The Company recognised the lease liability as follows:

	(CZK million)	
	Balance at 31 Dec 2023	Balance at 31 Dec 2022
Short – term lease liabilities	900	941
Long – term lease liabilities	2,144	2,739
<b>Total lease liabilities</b> (see Note 15)	<b>3,044</b>	<b>3,680</b>

The amounts recognised in statement of profit or loss:

	(CZK million)	
	2023	2022
Depreciation of right-of-use assets	27	(878)
Interest expense on lease liabilities	29	(92)
Short-term lease expenses	25	(124)
Low-value assets lease expenses		(19)
Variable lease payments (not included in the measurement of the lease liability) expenses	28	(15)
	(55)	(32)

Short-term lease and low-value assets lease expenses that are not included in the above-stated short-term lease liabilities are included in the statement of profit or loss under Services, rental, material and energy consumption.

In 2023, total monetary expenses related to leases amounted to CZK 1,228 million (of which lease payments of CZK 938 million, interest expenses of CZK 92 million, short-term lease payments of CZK



124 million, low-value assets lease payments of CZK 19 million, variable lease payments of CZK 55 million).

In 2022, total monetary expenses related to leases amounted to CZK 1,159 million (of which lease payments of CZK 855 million, interest expenses of CZK 48 million, short-term lease payments of CZK 209 million, low-value assets lease payments of CZK 15 million, variable lease payments of CZK 32 million).

## 20. CONTRACTUAL COMMITMENTS RELATING TO EXPENSES

As of the balance sheet date, the Company has concluded contracts for the purchase of property, plant and equipment, and investment property in the amount of CZK 10,420 million. Of this amount, CZK 5,982 million relates to outstanding deliveries of which CZK 4,243 million represents investments agreed for 2024 and CZK 1,739 million deliveries agreed for subsequent years. The remaining CZK 4,437 million had already been paid as of 31 December 2023. A substantial part of the commitments relating to expenses in the amount of CZK 8,245 million represents investments in railway vehicles.

## 21. CONTINGENT ASSETS

As of 31 December 2023, ČD Cargo, a.s. recorded no contingent assets.

## 22. RECEIVED AND ISSUED GUARANTEES

### 22.1. Issued bank guarantees

Bank guarantees as of 31 December 2023 issued by Komerční banka, a.s., from the liability limit of CZK 50 million. This is a guarantee for liabilities. The table shows liabilities that are not on the balance sheet (e.g. lease guarantees) or liabilities that may only arise (e.g. customs debt).

List of active bank guarantees issued by ČD Cargo, a.s. at 31 December 2023					
In favour of	Type of guarantee	Amount of guarantee	Currency	Termination date	Reason for bank guarantee
SCF LH I, s.r.o., Sokolovská 394/17, 186 00 Praha 8 - Karlín	Warranty for rent	0.2 million	EUR	5 June 2024	Bank guarantee to fulfil all liabilities and obligations of the Lessee under the Lease Agreement with West Invest Waterfront Towers s.r.o. - Lighthouse.
P3 Lovosice s.r.o., Na Florenci 2116/15, 110 00 Praha 1	Warranty for rent	17 million	CZK	8 July 2024	Bank guarantee in the event that ČD Cargo, a.s. does not comply with the obligations under the Lease Agreement of buildings and land in the Logistics Centre in Lovosice.
Celní úřad pro Jihočeský kraj, Kasárenská 6, 370 21 České Budějovice	Customs guarantee	0.5 million	CZK	15 Jan 2024	Guarantor's undertaking - comprehensive guarantee; issued to the South Bohemian Region Customs Office to secure the customs debt and other charges



<b>Celní úřad pro Jihočeský kraj,</b> Kasárenská 6, 370 21 České Budějovice	Customs guarantee	3.5 million	CZK	15 Jan 2024	Warranty deed for the purpose of securing duties by a comprehensive principal by the customs agent, acting on the basis of direct representation; issued to the South Bohemian Region Customs Office
<b>AKIEM SAS,</b> 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint-Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	23 Nov 2024	Bank guarantee to secure payments for AKIEM SAS
<b>AKIEM SAS,</b> 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint-Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	23 Nov 2024	Bank guarantee to secure payments for AKIEM SAS
<b>AKIEM SAS,</b> 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint-Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	18 May 2024	Bank guarantee to secure payments for AKIEM SAS
<b>AKIEM SAS,</b> 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint-Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	19 March 2024	Bank guarantee to secure payments for AKIEM SAS
<b>AKIEM SAS,</b> 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint-Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	26 Jan 2024	Bank guarantee to secure payments for AKIEM SAS
<b>AKIEM SAS,</b> 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint-Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	2 Feb 2024	Bank guarantee to secure payments for AKIEM SAS
<b>AKIEM SAS,</b> 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint-Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	8 Dec 2024	Bank guarantee to secure payments for AKIEM SAS

## 22.2. Received bank guarantees

The table shows off-balance-sheet receivables to which ČD Cargo, a.s. would be entitled following the significant breach of a contract (e.g. non-compliance with the contractual terms by the supplier).

<b>List of active bank guarantees received by ČD Cargo, a.s. at 31 Dec 2023</b>					
<b>Bank guarantee issued by</b>	<b>Guarantee provider</b>	<b>Amount</b>	<b>Currency</b>	<b>Termination date</b>	<b>Reason for bank guarantee</b>
<b>Bombardier Transportation GmbH,</b> Eichhornstrasse, 3, postal code 10785 Berlin, Deutschland	UniCredit Bank Czech Republic and Slovakia, a.s	10 million	EUR	29 May 2024	In accordance with contract No. 08856-2021-001 of 25 February 2021. Ensuring delivery of up to 10 pieces of TRAXX MS3 locomotives.
<b>Bombardier Transportation GmbH,</b> Eichhornstrasse, 3, postal code 10785 Berlin, Deutschland	UniCredit Bank Czech Republic and Slovakia, a.s	2.8 million	EUR	21 Dec 2026	In accordance with contract No. 06926-2018-001 of 1 September 2018. Ensuring delivery of up to 10 pieces of TRAXX MS locomotives.
<b>Siemens Mobility s.r.o.</b> Siemensova 2715/1 155 Praha 5	Erste Group Bank AG	0.8 million	EUR	10 April 2026	In accordance with contract No. 09606-2022-001 of 6 June 2022. Upgrade of the ETCS for the Vectron MS locomotive.
<b>Metrostav a.s.</b> Koželužská 2450/4 180 00 Praha 8	Raiffeisenbank a.s.	3 million	EUR	14 June 2024	In accordance with contract No. 06695-2018-SOKV of 28 May 2018. SOKV Ústí nad Labem. New steel hall for the cleaning of freight wagons.
<b>Siemens Mobility s.r.o.</b> Siemensova 2715/1 155 00 Praha 5	UniCredit Bank Czech Republic and Slovakia, a.s	1.1 million	EUR	30 June 2025	In accordance with contract No. 09287-2021-001 of 2 Dec 2021. Supplies of new end locomotives for the needs of ČD Cargo, a.s.



**List of active bank guarantees received by ČD Cargo, a.s. at 31 Dec 2023**

<b>Bank guarantee issued by</b>	<b>Guarantee provider</b>	<b>Amount</b>	<b>Currency</b>	<b>Termination date</b>	<b>Reason for bank guarantee</b>
<b>Bombardier Transportation GmbH,</b> Eichhornstrasse, 3, postal code 10785 Berlin, Deutschland	UniCredit Bank Czech Republic and Slovakia, a.s	10 million	EUR	29 May 2024	In accordance with contract No. 08856-2021-001 of 25 February 2021. Ensuring delivery of up to 10 pieces of TRAXX MS3 locomotives.
<b>Bombardier Transportation GmbH,</b> Eichhornstrasse, 3, postal code 10785 Berlin, Deutschland	UniCredit Bank Czech Republic and Slovakia, a.s	2.8 million	EUR	21 Dec 2026	In accordance with contract No. 06926-2018-001 of 1 September 2018. Ensuring delivery of up to 10 pieces of TRAXX MS locomotives.
<b>Siemens Mobility s.r.o.</b> Siemensova 2715/1 155 Praha 5	Erste Group Bank AG	0.8 million	EUR	10 April 2026	In accordance with contract No. 09606-2022-001 of 6 June 2022. Upgrade of the ETCS for the Vectron MS locomotive.
<b>Metrostav a.s.</b> Koželužská 2450/4 180 00 Praha 8	Raiffeisenbank a.s.	3 million	EUR	14 June 2024	In accordance with contract No. 06695-2018-SOKV of 28 May 2018. SOKV Ústí nad Labem. New steel hall for the cleaning of freight wagons.
<b>Siemens Mobility s.r.o.</b> Siemensova 2715/1 155 00 Praha 5	UniCredit Bank Czech Republic and Slovakia, a.s	1.1 million	EUR	30 June 2025	In accordance with contract No. 09287-2021-001 of 2 Dec 2021. Supplies of new end locomotives for the needs of ČD Cargo, a.s.
<b>TATRAVAGÓNKA a.s.</b> Štefánikova 887/53 058 01 Poprad	COMMERZBANK Aktiengesellschaft, pobočka Praha	0.4 million	EUR	31 May 2024	In accordance with contract No. 08476-2020-001 of 19 October 2020. Supply of 100 pieces of new Sgnss wagons.
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	0.3 million	EUR	31 Dec 2024	In accordance with contract No. 08624-2020-001 of 30 November 2020. Supply and installation of a mobile part of the ETCS in the 753.7 class traction vehicles. (30 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	1.5 million	EUR	9 Dec 2024	In accordance with contract No. 08624-2020-001 of 30 November 2020. Supply and installation of the mobile part of the ETCS in the 753.7 class traction vehicles (30 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	0.6 million	EUR	30 Sept 2025	In accordance with contract No. 08624-2020-001 of 30 November 2020. Supply and installation of the mobile part of the ETCS in the 753.7 class traction vehicles (30 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	0.3 mil.	EUR	31 Dec 2024	In accordance with contract No. 08624-2020-001 of 30 November 2020. Supply and installation of the mobile part of the ETCS in the 753.7 class traction vehicles (30 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	99 million	CZK	26 Jan 2025	In accordance with contract No. 7091-2018-001 of 1 November 2018. Modernisation of the 742 class traction vehicles, including the installation of the ETCS (50 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	98.6 million	CZK	20 Dec 2024	In accordance with contract No. 7091-2018-001 of 1 November 2018. Modernisation of the 742 class traction vehicles, including the installation of the ETCS (50 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	1.4 million	EUR	31 March 2024	In accordance with contract No. 7091-2018-001 of 1 November 2018. Modernisation of the 742 class traction vehicles, including the installation of the ETCS (50 pieces).



**List of active bank guarantees received by ČD Cargo, a.s. at 31 Dec 2023**

<b>Bank guarantee issued by</b>	<b>Guarantee provider</b>	<b>Amount</b>	<b>Currency</b>	<b>Termination date</b>	<b>Reason for bank guarantee</b>
<b>Bombardier Transportation GmbH</b> , Eichhornstrasse, 3, postal code 10785 Berlin, Deutschland	UniCredit Bank Czech Republic and Slovakia, a.s	10 million	EUR	29 May 2024	In accordance with contract No. 08856-2021-001 of 25 February 2021. Ensuring delivery of up to 10 pieces of TRAXX MS3 locomotives.
<b>Bombardier Transportation GmbH</b> , Eichhornstrasse, 3, postal code 10785 Berlin, Deutschland	UniCredit Bank Czech Republic and Slovakia, a.s	2.8 million	EUR	21 Dec 2026	In accordance with contract No. 06926-2018-001 of 1 September 2018. Ensuring delivery of up to 10 pieces of TRAXX MS locomotives.
<b>Siemens Mobility s.r.o.</b> Siemensova 2715/1 155 Praha 5	Erste Group Bank AG	0.8 million	EUR	10 April 2026	In accordance with contract No. 09606-2022-001 of 6 June 2022. Upgrade of the ETCS for the Vectron MS locomotive.
<b>Metrostav a.s.</b> Koželušská 2450/4 180 00 Praha 8	Raiffeisenbank a.s.	3 million	EUR	14 June 2024	In accordance with contract No. 06695-2018-SOKV of 28 May 2018. SOKV Ústí nad Labem. New steel hall for the cleaning of freight wagons.
<b>Siemens Mobility s.r.o.</b> Siemensova 2715/1 155 00 Praha 5	UniCredit Bank Czech Republic and Slovakia, a.s	1.1 million	EUR	30 June 2025	In accordance with contract No. 09287-2021-001 of 2 Dec 2021. Supplies of new end locomotives for the needs of ČD Cargo, a.s.
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	0.3 million	EUR	31 Dec 2024	In accordance with contract No. 7091-2018-001 of 1 November 2018. Modernisation of the 742 class traction vehicles, including the installation of the ETCS (50 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	31 Dec 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	31 Dec 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	31 Dec 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	31 Dec 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	31 Dec 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	31 Dec 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	30 June 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	30 June 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	30 June 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	30 June 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).



**List of active bank guarantees received by ČD Cargo, a.s. at 31 Dec 2023**

<b>Bank guarantee issued by</b>	<b>Guarantee provider</b>	<b>Amount</b>	<b>Currency</b>	<b>Termination date</b>	<b>Reason for bank guarantee</b>
<b>Bombardier Transportation GmbH,</b> Eichhornstrasse, 3, postal code 10785 Berlin, Deutschland	UniCredit Bank Czech Republic and Slovakia, a.s	10 million	EUR	29 May 2024	In accordance with contract No. 08856-2021-001 of 25 February 2021. Ensuring delivery of up to 10 pieces of TRAXX MS3 locomotives.
<b>Bombardier Transportation GmbH,</b> Eichhornstrasse, 3, postal code 10785 Berlin, Deutschland	UniCredit Bank Czech Republic and Slovakia, a.s	2.8 million	EUR	21 Dec 2026	In accordance with contract No. 06926-2018-001 of 1 September 2018. Ensuring delivery of up to 10 pieces of TRAXX MS locomotives.
<b>Siemens Mobility s.r.o.</b> Siemensova 2715/1 155 Praha 5	Erste Group Bank AG	0.8 million	EUR	10 April 2026	In accordance with contract No. 09606-2022-001 of 6 June 2022. Upgrade of the ETCS for the Vectron MS locomotive.
<b>Metrostav a.s.</b> Koželušská 2450/4 180 00 Praha 8	Raiffeisenbank a.s.	3 million	EUR	14 June 2024	In accordance with contract No. 06695-2018-SOKV of 28 May 2018. SOKV Ústí nad Labem. New steel hall for the cleaning of freight wagons.
<b>Siemens Mobility s.r.o.</b> Siemensova 2715/1 155 00 Praha 5	UniCredit Bank Czech Republic and Slovakia, a.s	1.1 million	EUR	30 June 2025	In accordance with contract No. 09287-2021-001 of 2 Dec 2021. Supplies of new end locomotives for the needs of ČD Cargo, a.s.
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	30 June 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	40.8 million	CZK	31 July 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	Allianz pojišťovna, a.s.	1.7 million	EUR	31 May 2024	In accordance with contract No. 09545-2022-001 of 10 May 2022. Modernisation of the 742 class traction vehicles, including the installation of the ETCS (25 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	Allianz pojišťovna, a.s.	200 million	CZK	3 May 2024	In accordance with contract No. 09545-2022-001 of 10 May 2022. Modernisation of the 742 class traction vehicles, including the installation of the ETCS (25 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	Česká spořitelna, a.s.	17 million	CZK	31 Dec 2024	In accordance with contract No. 7611-2019-001 of 14 June 2019 for the supplies of modernised diesel locomotives to provide for the railway services in ČD Cargo, a.s.
<b>ČD - Telematika a.s.</b> Pernerova 2819/2a 130 00 Praha 3	Raiffeisenbank a.s.	4.3 million	EUR	31 Dec 2024	Amendment no. 1 to the bank guarantee to contract No. 09695-2022-001 of 9 August 2022. Supply and installation of the mobile part of the ETCS in selected 363.5 class traction vehicles.
<b>ŽOS Vrútky a.s.</b> Dielenská Kružná 2 038 61 Vrútky	Slovenská sporiteľňa, a.s.	0.8 million	EUR	15 Jan 2025	In accordance with contract No. 09963-2022-001 of 21 December 2022. Equipping the 240 class locomotives with the mobile part of the ETCS.
<b>ŽOS Vrútky a.s.</b> Dielenská Kružná 2 038 61 Vrútky	Slovenská sporiteľňa, a.s.	1.6 million	EUR	15 Jan 2025	In accordance with contract No. 09963-2022-001 of 21 December 2022. Equipping the 240 class locomotives with the mobile part of the ETCS.



**List of active bank guarantees received by ČD Cargo, a.s. at 31 Dec 2023**

<b>Bank guarantee issued by</b>	<b>Guarantee provider</b>	<b>Amount</b>	<b>Currency</b>	<b>Termination date</b>	<b>Reason for bank guarantee</b>
<b>Bombardier Transportation GmbH,</b> Eichhornstrasse, 3, postal code 10785 Berlin, Deutschland	UniCredit Bank Czech Republic and Slovakia, a.s	10 million	EUR	29 May 2024	In accordance with contract No. 08856-2021-001 of 25 February 2021. Ensuring delivery of up to 10 pieces of TRAXX MS3 locomotives.
<b>Bombardier Transportation GmbH,</b> Eichhornstrasse, 3, postal code 10785 Berlin, Deutschland	UniCredit Bank Czech Republic and Slovakia, a.s	2.8 million	EUR	21 Dec 2026	In accordance with contract No. 06926-2018-001 of 1 September 2018. Ensuring delivery of up to 10 pieces of TRAXX MS locomotives.
<b>Siemens Mobility s.r.o.</b> Siemensova 2715/1 155 Praha 5	Erste Group Bank AG	0.8 million	EUR	10 April 2026	In accordance with contract No. 09606-2022-001 of 6 June 2022. Upgrade of the ETCS for the Vectron MS locomotive.
<b>Metrostav a.s.</b> Koželušská 2450/4 180 00 Praha 8	Raiffeisenbank a.s.	3 million	EUR	14 June 2024	In accordance with contract No. 06695-2018-SOKV of 28 May 2018. SOKV Ústí nad Labem. New steel hall for the cleaning of freight wagons.
<b>Siemens Mobility s.r.o.</b> Siemensova 2715/1 155 00 Praha 5	UniCredit Bank Czech Republic and Slovakia, a.s	1.1 million	EUR	30 June 2025	In accordance with contract No. 09287-2021-001 of 2 Dec 2021. Supplies of new end locomotives for the needs of ČD Cargo, a.s.
<b>ŽOS Vrútky a.s.</b> Dielenská Kružná 2 038 61 Vrútky	Slovenská sporiteľňa, a.s.	0.3 million	EUR	31 Dec 2024	Amendment No. 2 to the bank guarantee to contract No. 08623-2020-001 of 7 January 2021. Equipping the 130 class locomotives with the mobile part of the ETCS, stage. 1 – Prototype.
<b>ŽOS Vrútky a.s.</b> Dielenská Kružná 2 038 61 Vrútky	Slovenská sporiteľňa, a.s.	1.7 million	EUR	20 Feb 2024	Amendment No. 1 to the bank guarantee to contract No. 08623-2020-001 of 7 January 2021. Equipping the 130 class locomotives with the mobile part of the ETCS, stage 2 - Series implementation.
<b>ČD - Telematika a.s.</b> Pernerova 2819/2a 130 00 Praha 3 <b>AŽD Praha s.r.o.</b> Žirovnická 3146/2 106 00 Praha 10	Česká spořitelna, a.s.	1.2 million	EUR	31 Dec 2024	Amendment No. 3 to the bank guarantee to contract No. 7344-2019-001 of 12 March 2019. Supply and installation of the mobile part of the ETCS in the selected 163 and 363 class traction vehicles.

## 23. REVENUES

(CZK million)

	<b>2023</b>	<b>2022</b>
<b>Revenues from freight transportation:</b>	<b>12,718</b>	<b>12,143</b>
– Revenues from freight transportation - local	4,034	4,159
– Revenues from freight transportation - foreign	8,684	7,984
– Revenues from freight transportation - Germany	3,015	2,350
– Revenues from freight transportation - Poland	1,248	1,314
– Revenues from freight transportation - Austria	1,127	1,119
– Revenues from freight transportation - Slovakia	1,024	1,000
– Revenues from freight transportation - Italy	596	347
– Revenues from freight transportation - Ukraine	391	351
– Revenues from freight transportation - Slovenia	198	224
– Revenues from freight transportation - Hungary	188	160
– Revenues from freight transportation - Romania	166	376
– Revenues from freight transportation - Russia	157	95
– Revenues from freight transportation - Belgium	99	100
– Revenues from freight transportation - Netherlands	86	79
– Revenues from freight transportation - Kazakhstan	11	51
– Revenues from freight transportation – other countries	378	418



Other revenues from freight transportation:*		
– Other revenues from freight transportation - local	488	478
– Other revenues from freight transportation - foreign countries	117	107
<b>Other revenues from freight transportation recognised over time</b>	<b>605</b>	<b>585</b>
Other revenues relating to transportation	281	247
<b>Total revenues from contracts with customers</b>	<b>13,604</b>	<b>12,975</b>
Revenues from short-term lease	451	407
<b>Total revenues</b>	<b>14,055</b>	<b>13,382</b>

\* Other revenues from freight transportation include mainly revenues from services provided at railway stations, additional services, and railway siding services.

Revenue from leases includes revenues from short-term and occasional leases of freight wagons and traction railway vehicles.

The overall volume of freight transportation has been stable over the long term. In connection with the expansion and modernisation of the Company's rolling stock, there is an expansion in both domestic and foreign freight transportation. Due to the war conflict in Ukraine, there was a significant decrease in performance only to Russia and Kazakhstan. The development of invoiced services to other countries, including the domestic market, has a growing trend.

The most significant local customers in terms of the volume of invoiced services are as follows:

- CARBOSPED, spol. s r.o.
- NH-TRANS, SE
- MORAVIA STEEL, a.s.
- ČD Cargo Logistics, a.s.
- Čepro, a.s.
- Rail Cargo Logistics – Czech Republic s.r.o.

The volume of invoiced services at any of the above customers does not exceed 10% of the total invoiced services.

Foreign customers are mainly railway transportation companies (national carriers) and other companies. With respect to the volume of invoiced services, the most important are the following:

Railway transportation companies (national carriers)

- DB Cargo AG
- Rail Cargo Austria AG
- Železničná spoločnosť Cargo Slovakia, a.s.

Other entities

- Maersk Line A/S
- CAT France
- CD Cargo Germany GmbH
- CD Cargo Slovakia s.r.o.
- ARS Altmann AG Automobillo
- CD Cargo Austria GmbH
- DB Cargo Logistics GmbH



## 23.1. Contractual commitments and refund liabilities

The Company recognises the following refund liabilities (refer to Note 18) relating to revenue from customer contracts:

	(CZK million)	
	31 Dec 2023	31 Dec 2022
<b>Refund liabilities</b>		
Refund liabilities	15	16
<b>Total refund liabilities</b>	<b>15</b>	<b>16</b>

## 23.2. Remaining performance obligations

	(CZK million)	
	31 Dec 2023	31 Dec 2022
<b>Remaining liabilities:</b>		
Revenue from freight transportation	13	13
Other revenue from freight transportation	1	1
Other revenue from additional services in transportation	0	2
Other revenue from operating activity	1	0
<b>Total</b>	<b>15</b>	<b>16</b>

These are liabilities from the performance of concluded contracts for which the performance by the Company has not yet been completed.

## 24. OTHER OPERATING INCOME

	(CZK million)	
	2023	2022
Gain from sale of property, plant and equipment	97	105
Gain from disposal of unnecessary assets	3	25
Compensations for deficits and damage - income	50	90
Contractual penalties and default interest	2	12
Foreign exchange gains – operating	172	107
Change in provisions for receivables – income	1	1
Dividends received	195	151
Other	123	60
<b>Total other operating income</b>	<b>643</b>	<b>551</b>

The “Gain from sale of property, plant and equipment” line consists mainly of an item in the amount of CZK 57 million, which represents the profit from the sale of wagons and traction vehicles to CD Cargo Slovakia, s.r.o., the sale of real estate to Terminál Nymburk s.r.o. in the amount of CZK 22 million, and the profit from the sale of wagons to CD Cargo Poland Sp. Z o.o. in the amount of CZK 19 million.

## 25. SERVICES, RENTAL, MATERIAL AND ENERGY CONSUMPTION

	(CZK million)	
	2023	2022
Traction costs	(1,410)	(1,529)
– Traction fuel (diesel)	(382)	(430)
– Traction electricity	(1,028)	(1,099)
Payment for the use of railroads	(846)	(946)
Infrastructure capacity allocation	(28)	(33)
Other services, raw materials and energy	(3,443)	(3,483)
– Consumed material	(250)	(182)
– Consumed other energy	(126)	(124)



– Consumed fuel	(10)	(12)
– Repairs and maintenance	(237)	(232)
– Travel costs	(71)	(55)
– Short-term rent	(124)	(209)
– RIV vehicle charge	(170)	(279)
– Transportation charges	(1,670)	(1,691)
– Services associated with the use of buildings	(49)	(48)
– Operational cleaning of rolling stock	(4)	(3)
– Border area services	(102)	(152)
– Advertising and promotion costs	(26)	(13)
– Consulting and auditing services	(32)	(49)
– Operation, maintenance and other ICT-related services	(236)	(214)
– Complex convalescent stays for the employees	(17)	(16)
– Environmental services	(1)	(4)
– Other services	(318)	(200)
<b>Total cost of services, rental, material and energy consumption</b>	<b>(5,727)</b>	<b>(5,991)</b>
– - Capitalisation of assets and stock inventory	(335)	(390)
Material consumption, including capitalisation	(585)	(572)
<b>Total cost of services, rental, material and energy consumption, including capitalisation</b>	<b>(6,312)</b>	<b>(6,563)</b>

The costs of consumed material are decreased by ČD Cargo, a.s.'s own costs for the acquisition of property, plant and equipment, and the acquisition of intangible fixed assets and stock inventory in the amount of CZK 335 million (2022: CZK 390 million).

The item traction electricity for the period from 1 January 2023 to 31 December 2023 includes mainly traction electricity purchased from Správa železnic, s.o, in the amount of CZK 786 million (in 2022: CZK 1,006 million).

Other services mainly include costs incurred in the area of health care, costs of commissions for representation abroad and other individually insignificant items.

The following table shows the cost of services provided by the Company's statutory auditor – Deloitte Audit, s.r.o.

	(CZK million)	
	2023	2022
Statutory audit of annual financial statements	(1)	(2)
Other non-audit services	(1)	(2)
<b>Total*</b>	<b>(2)</b>	<b>(4)</b>

\* It also includes services provided by PricewaterhouseCoopers Audit, s.r.o. in 2022 and partially in 2023 (completion of the audit in 2022)

## 26. EMPLOYEE BENEFIT COSTS

	(CZK million)	
	2023	2022
Payroll costs	(3,518)	(3,203)
Severance pay	(33)	(44)
Pension benefits	(755)	(694)
Contribution to supplementary pension insurance	(95)	(103)
Contribution to capital life insurance	(15)	(19)
Other social security and health insurance	(426)	(386)
Key management remuneration	(30)	(33)
Other employee benefit costs	(134)	(65)
<b>Total employee benefit costs</b>	<b>(5,006)</b>	<b>(4,547)</b>
– Capitalisation of assets and stock inventory	(129)	(119)
Payroll costs, including capitalisation	(3,647)	(3,322)
– Capitalisation of assets and stock inventory	(44)	(40)
Other social security and health insurance, including capitalisation	(470)	(426)
<b>Employee benefit costs, including capitalisation</b>	<b>(5,179)</b>	<b>(4,706)</b>



Payroll costs are decreased by ČD Cargo, a.s.'s own costs for the acquisition of property, plant and equipment, and the acquisition of intangible fixed assets and stock inventory totalling CZK 129 million (2022: CZK 119 million). In addition, social security and health insurance costs decreased by the aggregate amount of CZK 44 million (2022: CZK 40 million).

Other employee benefit costs mainly include employee education and training costs.

Average recalculated total number of employees:

	2023	2022
Employees	6,322	6,301
Key management	12	12
<b>Total average recalculated total number of employees</b>	<b>6,334</b>	<b>6,313</b>

Key management consists of the Board of Directors, the Supervisory Board and the Audit Committee. More detailed information is disclosed in Note 1.8.

Key management remuneration:

	(CZK million)	
	2023	2022
Short-term benefits	(23)	(25)
Pension benefits	(5)	(5)
Other social security and health insurance	(2)	(3)
<b>Total key management remuneration</b>	<b>(30)</b>	<b>(33)</b>

## 27. DEPRECIATION, AMORTISATION AND IMPAIRMENT

	(CZK million)	
	2023	2022
Depreciation of property, plant and equipment (Note 5)	(55)	(52)
Depreciation of vehicles (Note 5)	(1,495)	(1,514)
Depreciation of leases – IFRS 16	(878)	(786)
Amortisation of intangible assets (Note 6)	(110)	(95)
Losses/gains from impairment of property, plant and equipment	64	63
<b>Total depreciation and amortisation</b>	<b>(2,474)</b>	<b>(2,384)</b>

## 28. OTHER OPERATING EXPENSES

	(CZK million)	
	2023	2022
Costs of contractual penalties and default interest	(34)	(9)
Taxes and fees	(7)	(7)
Foreign exchange losses - operating	(156)	(145)
Insurance premium	(107)	(86)
Compensation for shortage and damage - expense	(110)	(78)
Other	(54)	(61)
<b>Total other operating expenses</b>	<b>(468)</b>	<b>(386)</b>

The line “Other” mainly consists of a difference arising from a payable from lease contracts of CZK 25 million (2022: CZK 32 million).



## 29. FINANCE COSTS

	(CZK million)	
	2023	2022
Interest on bank overdraft accounts and loans	(265)	(173)
Interest on secured loans payables	(57)	(52)
Interest on lease liabilities – IFRS 16	(92)	(48)
Interest expense – bonds	(102)	(89)
Other interest expense	(2)	(1)
Unwinding of the discount of provisions	(5)	(7)
Exchange rate losses – financing	(33)	(30)
Bank expenditures	(1)	(1)
Other finance costs	(19)	(1)
<b>Total finance costs</b>	<b>(576)</b>	<b>(402)</b>

## 30. FINANCE INCOME

	(CZK million)	
	2023	2022
Exchange rate gains - financing	59	44
Interest income	11	3
<b>Total finance income</b>	<b>70</b>	<b>47</b>

## 31. INCOME TAX

### 31.1. Income tax recognised in profit or loss

	(CZK million)	
	2023	2022
Current income tax for the period recognised in the statement of profit or loss	(62)	(32)
<i>-of which income tax relating to previous periods</i>	<i>(1)</i>	<i>(9)</i>
Deferred tax recognised in the statement of profit or loss	(256)	(12)
<b>Total income tax expense</b>	<b>(318)</b>	<b>(44)</b>

\* The increase is due to a change in the corporate income tax in the Czech Republic from 19% to 21%.

Reconciliation of the total tax charge for the year with accounting profit:

	(CZK million)	
	2023	2022
Profit (+)/ loss (-) before tax	513	233
Statutory corporate income tax rate in the Czech Republic	19%	19%
Expected income tax expense	(98)	(44)
<b>Adjustments:</b>		
Dividend income	35	27
Other non-deductible expenses - payroll expenses	(24)	(4)
Other non-deductible expenses - other	(30)	(13)
Non-taxable income - difference in prior years' estimates	0	(7)
Non-taxable income - other	2	4
Borrowing costs	1	(2)
Taxes paid abroad	(19)	2
Income tax related to prior periods	(1)	(9)
Tax relief	2	2
Impact of the change in rate	(186)	0
<b>Income tax reported in the profit or loss</b>	<b>(318)</b>	<b>(44)</b>

Income tax recognised in other comprehensive income:

	(CZK million)	
	2023	2022
Changes in the cash flow hedge reserve	59	(27)
<b>Income tax recognised in other comprehensive income</b>	<b>59</b>	<b>(27)</b>

## 31.2. Deferred tax

(CZK million)

	2023	2022
Provisions	370	209
Payables to employees	128	148
Refund liabilities	15	16
Loans, borrowings and lease liabilities	5,468	6,302
Receivables	55	64
Excessive borrowing costs	152	72
Other	30	36
<b>Basis for calculation of deferred tax</b>	<b>6,218</b>	<b>6,847</b>
Statutory corporate income tax rate in the Czech Republic	21%	19%
Deferred tax asset - recognised	1,306	1,301
Offsetting receivable vs. payable	(1,306)	(1,301)
<b>Deferred tax asset</b>	<b>0</b>	<b>0</b>

(CZK million)

	2023	2022
Non-current assets	(15,476)	(16,032)
Receivables - contractual penalties	(40)	(4)
Derivatives	(52)	(107)
<b>Basis for calculation of deferred tax</b>	<b>(15,568)</b>	<b>(16,143)</b>
Statutory corporate income tax rate in the Czech Republic	21%	19%
Deferred tax asset - recognised	(3,269)	(3,067)
Offsetting receivable vs. payable	1,306	1,301
<b>Deferred tax liability</b>	<b>(1,963)</b>	<b>(1,766)</b>

The tax impact of temporary differences is calculated as follows:

(CZK million)

	1 Jan 2023	Income tax recognised in profit or loss	Income tax recognised in other comprehensive income	Reclassification of discontinued operations	31 Dec 2023
Provisions	40	38	0	0	78
Payables to employees	28	(1)	0	0	27
Refund liabilities	3	0	0	0	3
Loans, borrowings and lease liabilities	1,197	(99)	50	0	1,148
Receivables	12	0	0	0	12
Excessive borrowing costs	14	18	0	0	32
Other	7	(1)	0	0	6
<b>Deferred tax asset</b>	<b>1,301</b>	<b>(45)</b>	<b>50</b>	<b>0</b>	<b>1,306</b>

(CZK million)

	1 Jan 2023	Income tax recognised in profit or loss	Income tax recognised in other comprehensive income	Reclassification of discontinued operations	31 Dec 2023
Non-current assets	(3,046)	(204)	0	0	(3,250)
Receivables - contractual penalties	(1)	(7)	0	0	(8)
Derivatives	(20)	0	9	0	(11)
<b>Deferred tax liability</b>	<b>(3,067)</b>	<b>(211)</b>	<b>9</b>	<b>0</b>	<b>(3,269)</b>

(CZK million)

	1 Jan 2022	Income tax recognised in profit or loss	Income tax recognised in other comprehensive income	Reclassification of discontinued operations	31 Dec 2022
Provisions	35	5	0	0	40
Trade payables	20	8	0	0	28
Payables to employees	3	0	0	0	3
Payables for reimbursement	1,022	197	(22)	0	1,197
Receivables	4	8	0	0	12
Excessive borrowing costs	8	6	0	0	14
Other	6	1	0	0	7
<b>Deferred tax asset</b>	<b>1,098</b>	<b>225</b>	<b>(22)</b>	<b>0</b>	<b>1,301</b>



(CZK million)

	1 Jan 2022	Income tax recognised in profit or loss	Income tax recognised in other comprehensive income	Reclassification of discontinued operations	31 Dec 2022
<b>Non-current assets</b>	(2,797)	(249)	0	0	(3,046)
Receivables - contractual penalties	(13)	12	0	0	(1)
Derivatives	(15)	0	(5)	0	(20)
<b>Deferred tax liability</b>	<b>(2,825)</b>	<b>(237)</b>	<b>(5)</b>	<b>0</b>	<b>(3,067)</b>

## 32. RELATED PARTY TRANSACTIONS

### 32.1. Trade receivables and payables at the end of the reporting period

(CZK million)

31 Dec 2023	Receivables	Payables
České dráhy, a.s.	5	301
<b>Parent company</b>	<b>5</b>	<b>301</b>
CD Cargo Germany GmbH	19	43
CD Cargo Austria GmbH	17	3
CD Cargo Poland Sp. z o.o.	22	43
CD Cargo Slovakia, s.r.o.	25	26
CD Cargo Hungary Kft.	5	0
ČD Cargo Logistics, a.s.	126	3
Terminal Brno, a.s.	0	2
ČD Cargo Adria d.o.o.	14	2
<b>Subsidiaries</b>	<b>228</b>	<b>122</b>
RAILLEX, a.s.	3	2
BOHEMIAKOMBI, spol. s r.o.	2	0
Ostravská dopravní společnost, a.s.	7	0
Ostravská dopravní společnost - Cargo, a.s.	4	10
Terminál Mošnov, a.s.	1	0
<b>Joint ventures and associates</b>	<b>17</b>	<b>12</b>
ČD - Telematika a.s.	0	9
ČD - Informační Systémy, a.s.	0	77
DPOV, a.s.	1	45
Dopravní vzdělávací institut, a.s.	0	1
Výzkumný Ústav Železniční, a.s.	9	0
<b>Other entities</b>	<b>10</b>	<b>132</b>
<b>Total</b>	<b>260</b>	<b>567</b>

(CZK million)

31 December 2022	Receivables	Payables
České dráhy, a.s.	7	137
<b>Parent company</b>	<b>7</b>	<b>137</b>
CD Cargo Germany GmbH	19	35
CD Cargo Austria GmbH	14	0
CD Cargo Poland Sp. z o.o.	21	66
CD Cargo Slovakia, s.r.o.	24	16
CD Cargo Hungary Kft.	4	0
ČD Cargo Logistics, a.s.	139	9
ČD-DUSS Terminal, a.s.	1	0
Terminal Brno, a.s.	0	2
ČD Cargo Adria d.o.o.	166	0
<b>Subsidiaries</b>	<b>388</b>	<b>128</b>
RAILLEX, a.s.	2	1
BOHEMIAKOMBI, spol. s r.o.	2	0
Ostravská dopravní společnost, a.s.	16	0
Ostravská dopravní společnost - Cargo, a.s.	2	9
<b>Joint ventures and associates</b>	<b>22</b>	<b>10</b>
ČD - Telematika a.s.	0	233
ČD - Informační Systémy, a.s.	0	102
DPOV, a.s.	1	10



ČD travel, s.r.o.	0	2
ČD relax, s.r.o.	0	1
Dopravní vzdělávací institut, a.s.	0	1
Výzkumný Ústav Železniční, a.s.	9	0
<b>Other entities</b>	<b>10</b>	<b>349</b>
<b>Total</b>	<b>427</b>	<b>624</b>

Related party transactions were conducted on an arm's length basis reflecting the amount of purchased goods. Outstanding balances are not secured and will be paid by a non-cash payment system or by offsetting. The maturity is set at 30 or 60 days. No guarantees were provided or accepted.

## 32.2. Income generated with related parties

	(CZK million)				
2023	Sale of assets	Sale of services	Other income	Finance income	Total
České dráhy, a.s.	0	31	2	0	33
ČD - Telematika, a.s.	0	0	0	0	0
DPOV, a.s.	0	2	0	0	2
Výzkumný Ústav Železniční, a.s.	0	54	0	0	54
CD Cargo Germany GmbH	0	329	0	0	329
CD Cargo Austria GmbH	0	166	2	0	168
CD Cargo Poland Sp. z o.o.	23	156	0	2	181
CD Cargo Slovakia, s.r.o.	70	171	0	2	243
CD Cargo Hungary Kft	0	30	0	0	30
ČD Cargo Logistics, a.s.	0	764	0	2	766
ČD-DUSS Terminal, a.s.	0	4	0	0	4
ČD Cargo Adria d.o.o.	0	14	0	1	15
RAILLEX, a.s.	0	16	0	0	16
BOHEMIAKOMBI, spol. s r.o.	0	18	0	0	18
Ostravská dopravní společnost, a.s.	0	45	0	0	45
Ostravská dopravní společnost - Cargo, a.s.	0	30	0	0	30
Terminál Mošnov, a.s.	0	5	0	0	5
<b>Total</b>	<b>93</b>	<b>1,835</b>	<b>4</b>	<b>7</b>	<b>1,939</b>

	(CZK million)				
2022	Sale of assets	Sale of services	Other income	Finance income	Total
České dráhy, a.s.	0	30	4	0	34
ČD - Telematika, a.s.	0	0	0	4	4
DPOV, a.s.	0	2	0	0	2
Výzkumný Ústav Železniční, a.s.	0	46	0	0	46
CD Cargo Germany GmbH	0	213	0	0	213
CD Cargo Austria GmbH	0	129	2	1	132
CD Cargo Poland Sp. z o.o.	22	116	1	2	141
CD Cargo Slovakia, s.r.o.	29	141	0	1	171
CD Cargo Hungary Kft	0	27	0	0	27
ČD Cargo Logistics, a.s.	0	694	0	0	694
ČD-DUSS Terminal, a.s.	0	7	0	0	7
ČD Cargo Adria d.o.o.	146	18	0	0	164
RAILLEX, a.s.	0	14	0	0	14
BOHEMIAKOMBI, spol. s r.o.	0	15	0	0	15
Ostravská dopravní společnost, a.s.	0	54	0	0	54
Ostravská dopravní společnost - Cargo, a.s.	0	16	0	0	16
<b>Total</b>	<b>197</b>	<b>1,522</b>	<b>7</b>	<b>8</b>	<b>1,734</b>

Revenues from the sale of services mainly include revenues from the international and domestic transportation of wagon loads, revenues from combined transport and revenues from the work of locomotive crews.

### 32.3. Purchases from related parties

(CZK million)

2023	Assets	Material and energy	Services	Other expenses	Finance costs	Total
České dráhy, a.s.	382	492	102	8	0	984
ČD - Telematika a.s.	2	4	24	0	0	30
ČD - Informační Systémy, a.s.	47	3	148	0	0	198
DPOV, a.s.	28	8	23	0	0	59
ČD relax, s.r.o.	0	0	17	0	0	17
JLV, a.s.	0	0	2	0	0	2
CD Cargo Germany GmbH	0	0	92	0	1	93
CD Cargo Austria GmbH	0	0	11	0	0	11
CD Cargo Poland Sp. z o.o.	0	0	537	0	2	539
CD Cargo Slovakia, s.r.o.	0	0	202	0	2	204
CD Cargo Hungary Kft	0	0	2	0	0	2
ČD Cargo Logistics, a.s.	0	1	17	0	0	18
ČD Cargo Adria d.o.o.	0	0	3	0	0	3
Terminal Brno, a.s.	0	0	15	0	0	15
RAILLEX, a.s.	0	0	6	0	0	6
Ostravská dopravní společnost - Cargo, a.s.	0	0	54	0	0	54
Terminál Mošnov, a.s.	0	0	1	0	0	1
<b>Total</b>	<b>459</b>	<b>508</b>	<b>1 256</b>	<b>8</b>	<b>5</b>	<b>2 236</b>

Purchases in 2023 primarily include purchases of second-hand traction railway vehicles, repairs of components and modernisation of traction railway vehicles and investments in IT.

Purchases of services in 2023 mainly include the cost of purchased railway services, IT services, traction vehicles repair and maintenance, railway wagons rentals, and border area services in freight transport.

Purchases from České dráhy, as in 2023 mainly represent diesel in the amount of CZK 367 million, purchase of second-hand traction vehicles of CZK 306 million, repairs of components and modernisation of traction railway vehicles of CZK 75 million, purchased spare parts of CZK 85 million and purchase of heat of CZK 34 million.

(CZK million)

2022	Assets	Material and energy	Services	Other expenses	Finance costs	Total
České dráhy, a.s.	48	609	100	9	0	766
ČD - Telematika a.s.	347	2	18	0	0	367
ČD - Informační Systémy, a.s.	40	2	130	0	0	172
DPOV, a.s.	1	4	19	0	0	24
ČD relax, s.r.o.	0	0	16	0	0	16
JLV, a.s.	0	0	2	0	0	2
CD Cargo Germany GmbH	0	0	81	0	0	81
CD Cargo Austria GmbH	0	0	3	0	0	3
CD Cargo Poland Sp. z o.o.	0	0	516	0	0	516
CD Cargo Slovakia, s.r.o.	0	0	296	0	1	297
CD Cargo Hungary Kft	0	0	1	0	0	1
ČD Cargo Logistics, a.s.	0	1	68	0	0	69
Terminal Brno, a.s.	0	0	9	0	0	9
RAILLEX, a.s.	0	0	5	0	0	5
Ostravská dopravní společnost - Cargo, a.s.	0	0	63	0	0	63
<b>Total</b>	<b>436</b>	<b>618</b>	<b>1,327</b>	<b>9</b>	<b>1</b>	<b>2,391</b>

Purchases of assets in 2022 mainly include the ETCS for locomotives, repair of components and modernisation of traction railway vehicles and IT investments.



Purchases of services in 2022 primarily include costs of purchase railway services, IT services, repairs and maintenance of traction vehicles, lease of railway wagons and cross-border services.

Purchases from České dráhy, a.s. in 2022 mainly represent diesel fuel in the amount of CZK 503 million and purchased spare parts in the amount of CZK 75 million or other inventories.

## 32.4. Purchases and sales of non-current intangible, tangible and financial assets with the related parties

### 32.4.1. Sales

In 2023, 120 freight wagons and 2 traction vehicles were sold to CD Cargo Slovakia s.r.o. for a total of CZK 70 million, and 40 freight wagons to CD Cargo Poland Sp. Z o.o., in the total amount of 23 million.

In 2022, 200 freight wagons were sold to ČD Cargo Adria d.o.o. for a total of CZK 146 million, 65 freight wagons to CD Cargo Slovakia s.r.o. for a total of CZK 26 million, and 40 freight wagons to CD Cargo Poland Sp. Z o.o., in the total amount of 22 million.

### 32.4.2. Purchases

Purchases	Intangible assets	Property, plant and equipment	Intangible assets	Property, plant and equipment
	2023	2023	2022	2022
České dráhy, a.s.	0	382	0	48
ČD – Telematika a.s.	0	2	0	347
ČD – Informační Systémy, a.s.	47	0	40	0
DPOV, a.s.	0	28	0	1
<b>Total</b>	<b>47</b>	<b>412</b>	<b>40</b>	<b>396</b>

(CZK million)

Purchases of assets predominantly include the purchase of second-hand traction railway vehicles, repairs of components and modernisation of traction railway vehicles, the ETCS for locomotives and investments in IT.

## 32.5. Borrowings from related parties

On 17 October 2016, the Company used a loan from České dráhy, a.s., in the total amount of CZK 540 million to finance the purchase of the 383 class (Vectron) traction vehicles. As of 31 December 2022, the balance was reported as a short-term payable of CZK 57 million. The loan was repaid in 2023, as disclosed in Note 15 “Loans, borrowings and lease liabilities”.

ČD Cargo, a.s. is contractually secured by the Parent Company České dráhy, a.s. with the possibility of drawing financial resources of up to CZK 700 million (above the Group cash-pooling limit, which is CZK 300 million). The cash pooling credit line is maintained with Komerční banka, in case of drawdown, the interest rate on the funds is set at O/N Pribor + margin 0.90% p.a. In 2023, this was used in the amount of CZK 10 million in May.



## 32.6. Loans to related parties

In 2022, ČD Cargo, a.s. provided its subsidiary ČD Cargo Adria d.o.o. with an operating loan in the amount of EUR 0.2 million. In 2023, the loan was capitalised.

## 32.7. Relationships with Správa železnic

In the 2023 and 2022 reporting periods, the costs incurred in relation to Správa železnic, s.o. predominantly include the fees for the allocation of capacity and use of the railroads. The Company also purchased traction electricity from Správa železnic, s.o. The costs for the reporting periods 2023 and 2022 are disclosed in Note 25.

In 2023, the income of the Company includes mainly sales from intrastate wagon consignment in the amount of CZK 20 million. In 2022 it was CZK 14 million.

The expenses and income of the Company resulting from the transactions conducted with Správa železnic, s.o. in 2023 and 2022 were as follows:

	(CZK million)	
<b>31 Dec 2023</b>	<b>Expenses</b>	<b>Income</b>
Use of railroads and allocated railway capacity	702	0
Property rental	14	0
Traction electricity	786	0
Heat energy	0	20
Revenue from freight transportation	0	0
Telecommunication services	42	0
Contractual penalties and default interest	9	0
Compensation of damages	13	8
Extraordinary events investigation	3	0
Energy consumption	17	0
Other	7	0
<b>Total</b>	<b>1,593</b>	<b>28</b>

	(CZK million)	
<b>31 Dec 2022</b>	<b>Expenses</b>	<b>Income</b>
Use of railroads and allocated railway capacity	866	0
Property rental	13	0
Traction electricity	1,006	0
Heat energy	13	0
Revenue from freight transportation	0	14
Telecommunication services	42	0
Contractual penalties and default interest	8	0
Compensation of damages	5	0
Extraordinary events investigation	3	0
Repairs and maintenance	2	0
Other	7	12
<b>Total</b>	<b>1,965</b>	<b>26</b>

As a result of the above-stated activities, the Company records receivables and payables to Správa železnic, s.o.:

	(CZK million)	
<b>Receivables</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
Revenue from freight transportation	12	2
Estimated receivables	0	12
Prepayments made	60	0
<b>Total</b>	<b>72</b>	<b>14</b>



	(CZK million)	
<b>Payables</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
Use of railroads and allocated railway capacity - freight transportation	145	170
Traction electricity	76	20
Radio communication technology	12	0
Other	4	12
Unbilled supplies	14	12
<b>Total</b>	<b>251</b>	<b>214</b>

## 32.8. Relationships with the ČEZ group

The expenses incurred in relation to the ČEZ Group primarily include the purchased railway services and payments for heat energy. The income primarily includes the sales of freight transportation.

	(CZK million)	
<b>31 Dec 2023</b>	<b>Expenses</b>	<b>Income</b>
Real estate rent	1	0
Revenue from freight transportation	0	120
Purchased railway services	55	0
Heat energy	12	0
Other	5	0
<b>Total</b>	<b>73</b>	<b>120</b>

	(CZK million)	
<b>31 Dec 2022</b>	<b>Expenses</b>	<b>Income</b>
Use of railroads and allocated railway capacity	1	0
Real estate rent	2	0
Revenue from freight transportation	0	140
Purchased railway services	46	0
Heat energy	11	0
<b>Total</b>	<b>60</b>	<b>140</b>

Given the activities above, the Company records receivables from the ČEZ Group:

	(CZK million)	
<b>Receivables</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
Sales from freight transportation	26	23
<b>Total</b>	<b>26</b>	<b>23</b>

Given the activities above, the Company records payables to ČEZ Group:

	(CZK million)	
<b>Payables</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
Purchased railway services	17	11
Other	0	2
<b>Total</b>	<b>17</b>	<b>13</b>

## 32.9. Relationships with other related parties

As part of other relationships with the state, state-owned companies and organisations, the Company made payments mainly relating to taxes and fees (VAT, tax payable, customs duties and charges, etc.).



## 33. FINANCIAL INSTRUMENTS

### 33.1. Capital management

The Company manages its capital to ensure that it will be able to continue to operate as a healthy going concern while optimising the ratio between debt and equity. The maximum target ratio between debt and equity is 75% to 25% according to banking requirements.

The Company's capital structure consists of net debt (borrowings less cash and cash equivalents) and the Company's equity (includes share capital, funds, retained earnings).

	Note	31 Dec 2023	31 Dec 2022
(CZK million)			
Loans, borrowings and bonds	15	18,306	17,936
Cash and cash equivalents	12	(1,049)	(1,105)
<b>Total net debt</b>		<b>17,257</b>	<b>16,831</b>

	Note	31 Dec 2023	31 Dec 2022
(CZK million)			
Share capital	13	8,494	8,494
Capital funds	13	366	613
Retained earnings		965	798
<b>Total equity</b>		<b>9,825</b>	<b>9,905</b>

The Company is not subject to any capital requirements imposed by external entities.

The Board of Directors and the Supervisory Board of the Company are regularly informed about the development of debt. Any additional debt is subject to approval by the Company's Board of Directors and Supervisory Board.

### 33.2. Categories of financial instruments

Categories of financial assets under IFRS 9	Classes of financial assets	Note	31 Dec 2023	31 Dec 2022
(CZK million)				
Financial assets at amortised cost	Cash and cash equivalents	12	1,049	1,105
	Trade receivables	9	1,697	1,881
	Other financial assets	10	143	150
Financial assets at fair value through profit or loss	Derivatives used in hedge accounting	10	57	118
<b>Total</b>			<b>2,946</b>	<b>3,254</b>

Categories of financial assets under IFRS 9	Classes of financial assets	Note	31 Dec 2023	31 Dec 2022
(CZK million)				
Financial liabilities at amortised cost	Collateralised loans	15	2,302	2,662
	Lease liabilities	15	3,044	3,680
	Issued bonds	15	4,779	5,250
	Loans	15	8,181	6,344
	Trade payables	14	2,311	2,864
	Other financial liabilities	17	163	138
Financial liabilities at fair value through profit or loss	Derivatives used in hedge accounting	17	5	11
<b>Total</b>			<b>20,785</b>	<b>20,949</b>

Financial instruments are measured at fair value (level 2) as described in Note 33.10. Income from individual classes of financial assets is as follows:



(CZK million)

<b>Class of financial asset</b>	<b>2023</b>	<b>2022</b>	<b>Presented in the statement of profit or loss</b>
Interest on cash and cash equivalents	10	2	Finance income
Interest on finance lease receivables	1	1	Finance income
Dividends on available-for-sale financial assets	195	151	Other operating income
<b>Total</b>	<b>206</b>	<b>152</b>	

Impairment losses on financial assets are presented in the Note “Trade receivables” (Note 9) and “Other financial assets” (Note 10). No impairment was noted with regard to any other class of financial assets.

### 33.3. Financial risk management objectives

The Department of Financial Management and Risks monitors and manages the financial risks related to the operations of the Company. Financial risks include market risks (currency, interest rate and commodity risk), credit risk and liquidity risk.

### 33.4. Interest rate risk management

The Company is not exposed to the risk of changes in interest rates, as it has loans and credits with fixed interest rates.

The variable rate is only in overdrafts and in the loans from the parent company České dráhy a.s. which was repaid in 2023.

(CZK million)

<b>Instruments with fixed interest rate</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
Financial assets	0	0
Financial liabilities	17,892	17,021
<b>Total</b>	<b>17,892</b>	<b>17,021</b>

(CZK million)

<b>Instruments with variable interest rate</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
Financial assets	0	0
Financial liabilities	414	915
<b>Total</b>	<b>414</b>	<b>915</b>

#### 33.4.1. Hedge accounting

The Company used financial derivatives to hedge risks and mitigate their impacts. The use of financial derivatives observes the Company’s principles approved by the Board of Directors. The Company does not arrange financial derivatives for trading for speculative purposes. All derivative transactions that the Company engages in are arranged on an economic basis solely for hedging purposes, but some of them are not classified as hedging for formal reasons. Derivatives that do not meet the hedge accounting criteria are reported as financial derivatives for trading and are recognised at fair value in the profit or loss. There was no such a case in 2023 and 2022.

The accounting principles of the hedge accounting are disclosed in Notes 2.17.10.



The following tables show the concluded derivatives:

		(CZK million)						
Type of risk	Hedging instrument	Other financial assets non-current (Note 10)	Other financial assets current (Note 10)	Loans, borrowing and lease liabilities long-term (Note 15)	Loans, borrowing and lease liabilities short-term (Note 15)	Other financial liabilities non-current (Note 17)	Other financial liabilities current (Note 17)	Note
Currency	Currency par forwards	0	52	0	0	0	0	33.5.2
Currency	Lease liabilities and collateralised loans in EUR	0	0	2,962	892	0	0	33.5.3
Currency	Financing in EUR	0	0	4,824	520	0	0	33.5.4
Commodity	Commodity derivatives diesel	1	4	0	0	1	4	33.7
<b>Total</b>		<b>1</b>	<b>56</b>	<b>7,786</b>	<b>1,412</b>	<b>1</b>	<b>4</b>	

The following tables show the concluded derivatives as of 31 December 2022:

		(CZK million)						
Type of risk	Hedging instrument	Other financial assets non-current (Note 10)	Other financial assets current (Note 10)	Loans, borrowing and lease liabilities long-term (Note 15)	Loans, borrowing and lease liabilities short-term (Note 15)	Other financial liabilities non-current (Note 17)	Other financial liabilities current (Note 17)	Note
Currency	Currency par forwards	37	79	0	0	0	0	33.5.2
Currency	Lease liabilities and collateralised loans in EUR	0	0	3,570	938	0	0	33.5.3
Currency	Financing in EUR	0	0	2,219	145	0	0	33.5.4
Commodity	Commodity derivatives diesel	0	3	0	0	0	11	33.7
<b>Total</b>		<b>37</b>	<b>82</b>	<b>5,789</b>	<b>1,083</b>	<b>0</b>	<b>11</b>	

The information on the effect of the hedge accounting on the cash flow hedge reserve and the cost of hedging reserve is disclosed in Note 13.2.3.

### 33.5. Currency risk management

The Company, in the context of its market position and selected business strategy, is in a position where inputs are purchased primarily in CZK, but services (particularly income from international transport) are widely sold in foreign currency, primarily in EUR. This leads to disproportion between monetary inputs and outputs. The Company has a long-term surplus of EUR-denominated sales over costs. The Company's objective is to minimise the impact of changes in exchange rates on the Company's revenues and expenses.

The Company reduces this currency position using a combination of several instruments: currency derivatives, purchases in EUR and financing in EUR. In accordance with its risk management strategy, the Company hedges the currency risk to which its expected future foreign currency income is exposed using the hedging instruments specified below:

- currency derivatives;
- lease liabilities and collateralised loans denominated in EUR;
- issued bond denominated in EUR; and
- investment loans received denominated in EUR.



The Company applies cash flow hedge accounting for the above hedging instruments. Information about the notional and carrying amounts of the hedging instruments and other information required by IFRS 7 can be found in the descriptions of each hedging relationship in sections 35.5.2., 35.5.3., and 35.5.4.

At the same time, for all hedging relationships where the hedged item is future income in EUR, no more than 75 % of the expected income in EUR is hedged in aggregate.

The net book value of the Group's financial assets and liabilities denominated in foreign currency, excluding financial assets and financial liabilities that are part of hedging relationships at the end of the reporting period:

(CZK million)				
<b>31 Dec 2023</b>	<b>EUR</b>	<b>USD</b>	<b>Other</b>	<b>Total</b>
Financial assets	1,751	3	0	<b>1,754</b>
Financial liabilities	(6,274)	0	(2)	<b>(6,276)</b>
<b>Total</b>	<b>(4,523)</b>	<b>3</b>	<b>(2)</b>	<b>(4,522)</b>

(CZK million)				
<b>31 Dec 2022</b>	<b>EUR</b>	<b>USD</b>	<b>Other</b>	<b>Total</b>
Financial assets	1,886	3	0	<b>1,889</b>
Financial liabilities	(1,486)	0	(2)	<b>(1,488)</b>
<b>Total</b>	<b>400</b>	<b>3</b>	<b>(2)</b>	<b>401</b>

### 33.5.1. Sensitivity to change in exchange rate

The exposure to currency risks is measured by a sensitivity analysis. The Company is exposed to the currency risk due to:

- changes in the value of unhedged cash items denominated in foreign currencies; and
- changes in the fair value of concluded financial derivatives.

The following table shows the impact that the strengthening of the Czech currency by CZK 1 with regard to the relevant foreign currencies would have on the profit and other comprehensive income. A positive value indicates an increase in the profit and other comprehensive income, a negative value indicates a decrease in the profit and other comprehensive income:

(CZK million)		
	<b>2023</b>	<b>2022</b>
Translation of items denominated in foreign currencies at the end of the period	182	(16)
Change in the fair value of derivatives at the end of the period	0	0
<b>Total impact on the profit/ loss before tax</b>	<b>182</b>	<b>(16)</b>
Change in tax effect recognised in profit or loss	(38)	3
<b>Total impact on the profit/ loss after tax</b>	<b>144</b>	<b>(13)</b>
Change in the fair value of hedge derivatives	23	56
Exchange rate difference on lease liabilities under IFRS 16*	156	187
Exchange rate difference on investment loans and bonds *	216	98
<b>Total impact on other comprehensive income before tax</b>	<b>395</b>	<b>341</b>
Change in tax effect recognised in other comprehensive income	(83)	(65)
<b>Total impact on other comprehensive income after tax</b>	<b>312</b>	<b>276</b>

\* Recognised in the current reporting period.

If the Czech currency weakened by CZK 1, the values would be the same, just with the opposite sign.



### 33.5.2. *Currency derivatives*

The Company, in accordance with the risk management strategy, concludes currency forwards, par-forwards to cover future payments received (monetary balance) denominated in foreign currencies with a predetermined hedging ratio of 1:1. The hedge ratio is regularly monitored in relation to the risk management objectives.

The effectiveness of hedging is regularly measured on the basis of a comparison of key terms (critical terms). In the case of currency hedging, it is mainly the nominal value. The control against “over-hedging” of currency risk is monitored on the basis of the above-mentioned hedge report and is fulfilled thanks to the Financial Risk Management Strategy and the determination of the maximum amount of hedging of expected income.

The nominal value of currency forwards is lower than the Company’s future expected income in EUR, i.e. more than 25% of the estimated revenue in EUR is never secured. The CZK/EUR exchange rate is hedged, which then transforms foreign currency income (EUR) into the functional currency (CZK). As of 31 December 2023, the maximum volumes for hedging are set by the Financial Risk Management Strategy in ČD Cargo, a.s., as follows:

- for 2023, a maximum of 20% of EUR revenues; and
- for 2024, a maximum of 15% of EUR revenues.

Currency forwards are contracted under regular market conditions (without premium payment), the fair value of derivatives is nil as of the hedge date. Based on the above, the Company expects that the hedging relationship will be effective for its entire period. The result of the transaction is a predictable (fixed) amount of the CZK/EUR exchange rate obtained from the sale of EUR revenues of the Company.

Potential causes of possible inefficiencies may arise on the basis spread. Another factor may be time discrepancy. The Company does not hedge specific business cases, but only the volume of the planned revenues. The above factors are considered by the Company to be insignificant or highly unlikely, and thus considers currency hedging to be effective.

The table shows outstanding par forwards for the sale of the foreign currency as of:

	Average hedged currency exchange rate	Foreign currency	Nominal value	(CZK million) Fair value
31 Dec 2023	27.185	EUR	652	52
31 Dec 2022	26.928	EUR	1,616	115

For purposes of determining effectiveness, the change in the fair value of the hedged item is equal to the change in the fair value of the hedging instrument because the hedging relationships were fully effective.



### ***Expected realisation of hedged items by foreign currency par forwards:***

The following table shows the expected hedged cash flows of future sales in EUR:

	(CZK million)					
<b>31 Dec 2023</b>	<b>Less than 1 month</b>	<b>1 - 3 months</b>	<b>3 months to 1 year</b>	<b>1 year - 5 years</b>	<b>5 years and more</b>	<b>Total</b>
Hedged future sales in EUR	49	99	445	0	0	<b>593</b>

	(CZK million)					
<b>31 Dec 2022</b>	<b>Less than 1 month</b>	<b>1 - 3 months</b>	<b>3 months to 1 year</b>	<b>1 year - 5 years</b>	<b>5 years and more</b>	<b>Total</b>
Hedged future sales in EUR	72	145	651	579	0	<b>1,447</b>

#### ***33.5.3. Lease liabilities and collateralised loans denominated in EUR***

In accordance with its risk management strategy, the Company has chosen to hedge the foreign currency risk to which its expected future foreign currency income is exposed using the hedging instrument specified below. The hedged risk is the risk of a change in the CZK/EUR spot exchange rate that affects the impact of EUR denominated revenue on the profit or loss of the Company.

Leases in EUR negotiated after 1 January 2020 are treated as hedging instruments on the first day of the month following the commencement of the lease.

The hedged item is the highly probable expected revenues in EUR. The Company considers all revenues in EUR as homogeneous groups with the same currency risk from a managed risk perspective.

Given the nature of the hedging relationship (EUR 1 used to repay the lease liability hedges EUR 1 of the proceeds), the hedge ratio is set at 100%.

The Company has identified as possible sources of inefficiency a time shift between the timing of lease payments and the timing of hedged revenues, the decrease in expected revenues in EUR or changes in the repayment schedule of the hedging instrument. The Company considers the above factors to be immaterial or highly improbable; therefore, considers the currency hedge to be effective.

The table shows lease liabilities and hedged loans denominated in EUR as of:

	(CZK million)				
<b>Start of hedging</b>	<b>Average exchange rate at the date of hedging</b>	<b>Foreign currency</b>	<b>Nominal value in CZK million</b>	<b>Fair value</b>	
31 Dec 2023	25.22	EUR	156	3,854	
31 Dec 2022	25.11	EUR	187	4,508	

The change in the value of the hedged item due to a change in the spot exchange rate is equal to the exchange difference on the hedging instrument for the purpose of determining effectiveness because the hedging relationship was fully effective.



The following table shows the expected hedged cash flows of future sales in EUR:

(CZK million)						
31 Dec 2023	Less than 1 month	1 - 3 months	3 month to 1 year	1 year - 5 years	5 years and more	Total
Hedged future sales in EUR	86	149	754	2,608	513	<b>4,110</b>

(CZK million)						
31 Dec 2022	Less than 1 month	1 - 3 months	3 month to 1 year	1 year - 5 years	5 years and more	Total
Hedged future sales in EUR	83	167	752	2,725	1,027	<b>4,754</b>

#### **33.5.4. Financing in EUR**

In accordance with its risk management strategy, the Company has chosen to hedge the foreign currency risk to which its expected future foreign currency income is exposed using the hedging instrument specified below. The hedged risk is the risk of a change in the CZK/EUR spot exchange rate that affects the impact of EUR denominated revenue on the profit or loss of the Company.

In 2022, the Company issued a bond with the total nominal value of EUR 40 million and drew down 2 investment loans with a total nominal value of EUR 40 million and EUR 20 million. In 2023, the Company used 4 new loans with the total nominal value of EUR 130 million.

The hedged item is the highly probable expected revenues in EUR. The Company considers all revenues in EUR as homogeneous groups with the same currency risk from a managed risk perspective. Given the nature of the hedging relationship (EUR 1 used to repay the lease liability hedges EUR 1 of the proceeds), the hedge ratio is set at 1:1.

The Company hedges only the first portion of the total planned foreign currency cash flows in each hedged period. The unhedged portion of the planned foreign currency cash flows represents a precautionary haircut.

The appropriate assessment of expected effectiveness (forward-looking) is particularly relevant to the continuation of the hedging relationship in the context of the requirements of IFRS 9. The assessment of expected effectiveness was made at the date of commencement of hedge accounting. In addition, it is performed at least annually and always at the date of the financial statements.

Since the effectiveness of the hedging relationship was supported by a quantitative sensitivity calculation at the inception date of the hedging relationship, in subsequent periods effectiveness is assessed primarily by evaluating whether there have been changes in the critical parameters of the hedging instrument or hedged item.

The Company has identified as possible sources of inefficiency a time shift between the timing of loan repayments and the timing of hedged revenues. This timing mismatch may cause a degree of inefficiency due to the application of discounting in the calculation of inefficiency. Consequently, a decrease in expected revenues in EUR or changes in the repayment schedule of the hedging instrument.

The table shows information as of 31 December 2023:



(CZK million)

	Start of hedging	Average exchange rate at the date of hedging	Foreign currency	Nominal value (CZK million)	Fair value
Bond	20 April 2022	24.415	EUR	40	988
Investment loan RB	29 April 2022	24.605	EUR	34	841
Investment loan ING	23 Dec 2022	24.245	EUR	16	395
Investment loan ING	23 Jan 2023	23.880	EUR	20	495
Investment loan VUB	22 March 2023	23.720	EUR	26	647
Investment loan EIB	1 June 2023	23.685	EUR	40	989
Investment loan RB	20 Dec 2023	24.540	EUR	40	989

The table shows information as of 31 December 2022:

(CZK million)

	Start of hedging	Average exchange rate at the date of hedging	Foreign currency	Nominal value (CZK million)	Fair value
Bond	20 April 2022	24.415	EUR	40	964
Investment loan RB	29 April 2022	24.605	EUR	38	917
Investment loan ING	23 Dec 2022	24.245	EUR	20	483

The change in the value of the hedged item due to a change in the spot exchange rate is equal to the exchange difference on the hedging instrument for the purpose of determining effectiveness because the hedging relationship was fully effective.

The following table shows the expected hedged cash flows of future sales in EUR:

(CZK million)

31 Dec 2023	Less than 1 month	1 - 3 months	3 month to 1 year	1 year - 5 years	5 years and more	Total
From bonds	2	3	14	1,064	0	1,083
From investment loans	0	149	529	2,893	1,434	5,005

(CZK million)

31 Dec 2022	Less than 1 month	1 - 3 months	3 month to 1 year	1 year - 5 years	5 years and more	Total
From bonds	2	3	14	75	983	1,077
From investment loans	0	34	160	917	506	1,617

### 33.6. Credit risk management

The Company is exposed to credit risk, which involves the risk that one party to the financial instrument will cause financial loss to the other party by failing to meet its obligation. Credit risk arises as a result of the Company's business activities (trade receivables) and financial transaction related activities. Credit risk quantification is based on a number of basic criteria, with a major measure being the risk associated with the counterparty default risk in a transaction that may negatively affect the economic result and the cash flow of the Company. For the analysis of counterparties, the Company uses external information services in addition to supporting internal departments. Any insolvency of a partner may lead to immediate losses with undue influence on the Company's performance.

Sources of credit risk associated with the counterparty's default risk in the transaction:

- corporate customers; and
- financial institutions.



For this reason, approval of business activities with new counterparties is subject to standardised approval procedures by authorised departments. Credit risk management includes asset management and receivable management, where standard financial market instruments such as advance payments and bank guarantees are used to reduce risks.

Financial assets that expose the Company to possible credit risk consist of cash and cash equivalents, trade receivables and derivative financial instruments. The Company's cash is deposited at reputable domestic financial institutions. In terms of the business, the Company is mainly exposed to these types of credit risk:

- direct credit risk; and
- risk of credit equivalents.

Direct credit risk is the most common form of receivables from ordinary business relationships. The customer's credit quality is evaluated individually, taking into account its financial position, customer experience, and other factors.

At the same time, the development of the amount of receivables, revenues and transport performance by individual companies is monitored using reports. The overview shows the payment discipline of individual customers according to the selected period of time.

The Company investigated a number of variables (GDP, industry indexes, etc.) and their possible correlation with the solvency of customers. As no reliable correlation has been identified, the Company focuses on the individual assessment of customer credibility and, above all, their future ability and willingness to meet their obligations to the Company. The analyses were conducted on the basis of conditions and expectations as of 31 December 2023.

In accordance with IFRS 9, a simplified approach has been applied to trade receivables, and for receivables without a significant financing element, the appropriate loss rate has been applied to the outstanding receivables as of the date of the financial statements based on the age structure of these receivables. The receivables were first divided into three categories for which different expected credit loss rates were subsequently determined.

1. Receivables from members of the ČD Group, where, in accordance with the internal methodology, no provisions are calculated as no risk of non-payment is expected. The potential amount of expected credit losses has always been immaterial.
2. Receivables from the ČD Cargo most significant customers who generate the majority of the ČD Cargo revenue. These are large, multinational companies such as Třinecké železárny, ČEZ, ČEPRO, METRANS, Maersk, EP Holding, etc., for which we perceive the very low risk of expected credit losses of approximately 1%.
3. The customer category is already much more diversified and accounts for around 25% of total trade receivables. Smaller companies from various industries are already represented in this category and the Company perceives a significantly higher potential risk of future default in this



category given the current macroeconomic situation in the world. The expected credit loss rate in this category is approximately 7%.

## Impairment of receivables

	(CZK million)						
	Before due date	1 - 30 days past due date	31 - 90 days past due date	91 - 180 days past due date	181 - 365 days past due date	over 365 days past due date	Total
<b>31 Dec 2023</b>							
Expected credit loss rate *	2.55%	2.53%	0%	50%	56%	100%	8%
Short-term trade receivables - Gross residual value	1,648	79	1	2	27	82	1,839
<b>Expected credit loss</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1)</b>	<b>(15)</b>	<b>(82)</b>	<b>(98)</b>
Individual expected credit loss	(42)	(2)	0	0	0	0	(44)
<b>Total expected credit loss</b>	<b>(42)</b>	<b>(2)</b>	<b>0</b>	<b>(1)</b>	<b>(15)</b>	<b>(82)</b>	<b>(142)</b>
<b>Net value of receivables</b>	<b>1,606</b>	<b>77</b>	<b>1</b>	<b>1</b>	<b>12</b>	<b>0</b>	<b>1,697</b>

	(CZK million)						
	Before due date	1 - 30 days past due date	31 - 90 days past due date	91 - 180 days past due date	181 - 365 days past due date	over 365 days past due date	Total
<b>31 Dec 2022</b>							
Expected credit loss rate*	2,46%	4%	17%	64%	95%	100%	7%
Short-term trade receivables - Gross residual value	1,825	99	6	3	9	77	2,019
<b>Expected credit loss</b>	<b>(1)</b>	<b>0</b>	<b>(1)</b>	<b>(2)</b>	<b>(9)</b>	<b>(77)</b>	<b>(90)</b>
Individual expected credit loss	(44)	(4)	0	0	0	0	(48)
<b>Total expected credit loss</b>	<b>(45)</b>	<b>(4)</b>	<b>(1)</b>	<b>(2)</b>	<b>(9)</b>	<b>(77)</b>	<b>(138)</b>
<b>Net value of receivables</b>	<b>1,780</b>	<b>95</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>1,881</b>

\* Impairment matrix = % of allowance from historical developments + % of considered future development = % of total allowance

	(CZK million)	
<b>Movements of allowances for doubtful trade receivables</b>	<b>2023</b>	<b>2022</b>
<b>Allowances at 1 January</b>	<b>137</b>	<b>98</b>
Creation of allowances - trade receivables	20	56
Use of allowances - trade receivables	(14)	(11)
Write-offs - trade receivables	(2)	(5)
<b>Allowances at 31 December</b>	<b>141</b>	<b>138</b>

The Company seeks to trade only with credible counterparties whom the Company reviews on an ongoing basis using publicly available information and internal data. The Company's exposure and credit ratings of its counterparties are continuously monitored.

Standard instruments (deposits, payment terms, customer tracking, internal reporting tools, etc.) are used in various combinations for additional hedge of potential risk receivables. The offsetting policy for receivables and payables is being actively applied to improve the liquidity of ČD Cargo, a.s. At the same time, ČD Cargo, a.s. is applying continuous monitoring of individual receivables by individual companies and by default periods with special attention to receivables with more than 15 days overdue. Individual responsible employees of the Parent Company and the senior staff of the Receivables Commission are continuously engaged in past due receivables development. There is no significant concentration of credit risk from the perspective of customers, industries or regions.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned (the investment grade is required), see Note 12.



## 33.7. Commodity risk management

The Company is exposed to the risk of changes in the price of commodities, as the use of commodities, specifically diesel and electricity, is a significant cost item of the Company. The price of electricity is based on the maximum price from Správa železnic. The Company manages the risk of diesel price fluctuations by entering into medium-term derivatives for the purchase of diesel.

### 33.7.1. Analysis of sensitivity to changes in commodity prices

The exposure to the change in the price of commodities is measured by the sensitivity analysis. The Company is exposed to the risk of changes in the prices of commodities due to changes in the fair value of concluded financial derivatives.

The following table shows the impact that an increase in the diesel price of 10% would have on the profit and other comprehensive income. A positive value indicates an increase in the profit and other comprehensive income, a negative value indicates a decrease in the profit and other comprehensive income:

	(CZK million)	
	2023	2022
Change in the fair value of derivatives at the end of the period	0	0
<b>Total impact on the profit/loss before tax</b>	<b>0</b>	<b>0</b>
Change in tax effect recognised in profit or loss	0	0
<b>Total impact on the profit/ loss after tax</b>	<b>0</b>	<b>0</b>
Change in the fair value of derivatives at the end of the period*	13	9
<b>Total impact on other comprehensive income before tax</b>	<b>13</b>	<b>9</b>
Change in tax effect recognised in other comprehensive income	(3)	(2)
<b>Total impact on other comprehensive income after tax</b>	<b>10</b>	<b>7</b>

\* Financial derivatives used in hedge accounting

If the diesel price was reduced by 10%, the values would be the same with the opposite sign only.

### 33.7.2. Commodity derivatives

In line with the requirements for managing commodity risk, the Company has entered into contracts to hedge fluctuations in traction diesel prices. The hedge was made in the form of a commodity swap, which consists in determining the fixed price of traction diesel.

The hedge ratio of the hedging relationship is the same as the ratio between the amount of the hedged item and the hedging instrument used, in this case the ratio is 1:1. The hedging ratio is determined by comparing the amount of the hedged item and the hedging instrument used. This calculation is based on a commodity swap agreement that compensates for the purchase of the hedged volume of planned consumption under the approved Financial Risk Management Strategy. The Company is aware that risk components such as excise duties, merchant margins, etc. are included in the hedge ratio calculation, but their effect on the amount is insignificant. The hedge ratio is regularly monitored in relation to the risk management objectives.

The economic relationship between the hedging instrument and the hedged item is described using the following parameters.



The effectiveness of hedging will be measured by comparing critical terms. According to the fact that the key characteristics of the hedging instrument fully correspond to the characteristics of the hedged item, the management of ČD Cargo, a.s. expects a high efficiency of hedging. A correlation test is performed at the same time. It compares the actual purchase prices of diesel per litre and the hedged cost of the derivative (diesel) at settlement. The correlation coefficient in 2023 was 93.01% (2022: 98.21%), thus confirming the high efficiency of the derivative.

The nominal value of the hedge is lower than the future projected volumes of purchased diesel, i.e. no more than 80% of the expected volume of purchased diesel is hedged. The commodity Platts ULSD 10ppm FOB Barge Rotterdam is hedged. The hedge is denominated in CZK, eliminating the risk arising from the CZK/USD exchange rate fluctuation. As at 31 December 2023, the maximum volumes for hedging are set by the Financial Risk Management Strategy in ČD Cargo, a.s., as follows:

- for 2024, a maximum of 65% of the underlying asset (expected volume of diesel purchased),
- for 2025, a maximum of 50% of the underlying asset (expected volume of diesel purchased).

Commodity hedging was contracted under regular market conditions (without premium payment), the fair value of derivatives was nil as of the trade date. Based on the above, the Company expects that the hedging relationship will be effective for its entire period. The result of the transaction is the predictable amount of the price of the purchased volume of diesel.

Potential causes of potential inefficiency may arise due to unsecured components of the total diesel price (i.e. various surcharges, the impact of biodiesel prices, excise duty, etc.) and a significant decline in the counterparty's credibility. In this case, the Company carries out a correlation test for the diesel price. The Company hedges Platts ULSD 10ppm FOB Barge Rotterdam out of the total purchase price of diesel. As the hedge is denominated in CZK, the currency risk of the USD/CZK pair is eliminated. Other items that make up the diesel price are fixed or have very low volatility. The above-stated factors are considered by the Company to be insignificant or highly unlikely; therefore, the Company considers commodity hedging to be effective. For these reasons, the change in the fair value of the hedged item equals the change in the fair value of the hedging instrument for the purpose of determining effectiveness.

The table shows outstanding commodity contracts for the purchase of diesel as of the end of the reporting period:

Purchase of diesel	Hedged average price (CZK/mt*)	Volume of contract (mt*)	Fair value (CZK million)
31 Dec 2023	16,052	7,200	0
31 Dec 2022	20,926	4,800	(8)

\* mt = metric ton

### ***Expected realisation of hedged items by commodity derivatives:***

The following table shows the expected hedged cash flows from purchases of diesel:

	(CZK million)					
31 Dec 2023	Less than 1 month	1 - 3 months	3 months to 1 year	1 year - 5 years	5 years and more	Total
Hedged future purchase of diesel	6	11	52	34	0	103



(CZK million)

31 Dec 2022	Less than 1 month	1 - 3 months	3 months to 1 year	1 year - 5 years	5 years and more	Total
Hedged future purchase of diesel	8	17	75	0	0	100

The following table shows what impact would a 10% increase in the price of diesel have on the profit in the portion of the diesel consumption unhedged by derivatives. The positive value indicates an increase in the profit, the negative value indicates a decrease in the profit of the unhedged portion of the diesel consumption:

(CZK million)

	Increase in the diesel price of 10%		Decrease in the diesel price of 10%	
	2023	2022	2023	2022
Costs of diesel consumption for the period	(10)	(27)	10	27
<b>Total impact on the profit/loss for the period before tax</b>	<b>(10)</b>	<b>(27)</b>	<b>10</b>	<b>27</b>
Change in tax effect recognised in profit/loss	2	5	(2)	(5)
<b>Total impact on the profit/loss after tax</b>	<b>(8)</b>	<b>(22)</b>	<b>8</b>	<b>22</b>

### 33.8. Liquidity risk management

The liquidity risk in ČD Cargo, a.s. is managed with regard to the permanent provision of a sufficient volume of funds necessary for the settlement of financial liabilities.

The Company manages its capital to ensure that it is able to continue as a going concern while optimising the debt to equity ratio (more information regarding the open lines of credit is described in Note 33.8.2).

On a daily basis, the Group assesses the available funds and cash flows and liquidity development. Based on these assessments, the Group decides on the optimal use of operating financial sources, consisting primarily of overdraft loans and the cash-pooling limit. In order to strengthen its financial stability, the Company secures long-term financial sources on a continuous basis. The liquidity situation is continuously monitored by Moody's rating agency.

#### 33.8.1. Liquidity risk tables

The following tables present the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

(CZK million)

31 Dec 2023	Less than 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	5 years and more	Total
Trade payables and other financial liabilities not covered below	1,359	876	239	0	0	2,474
Hedging derivatives – net	0	0	4	1	0	5
<i>Gross cash outflows</i>	0	(9)	(46)	(23)	0	(78)
<i>Gross cash inflows</i>	0	9	42	22	0	73
Collateralised loans	0	102	262	1,302	851	2,517
Lease liabilities	0	233	741	2,183	59	3,216
Variable interest rate instruments – loan	419	315	1,070	5,251	2,033	9,088
Fixed interest rate instruments – bonds	8	17	107	4,950	0	5,082
<b>Total</b>	<b>1,786</b>	<b>1,543</b>	<b>2,423</b>	<b>13,687</b>	<b>2,943</b>	<b>22,382</b>



(CZK million)

31 Dec 2022	Less than 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	5 years and more	Total
Trade payables and other financial liabilities not covered below	1,695	922	386	0	0	3,003
Hedging derivatives – net	0	1	9	1	0	11
<i>Gross cash outflows</i>	7	7	58	6	0	78
<i>Gross cash inflows</i>	7	6	49	5	0	67
Collateralised loans	40	80	321	1,343	1,145	2,929
Lease liabilities	83	167	747	2,399	437	3,833
Variable interest rate instruments – loan	862	175	715	3,696	1,443	6,891
Fixed interest rate instruments – bonds	9	18	611	4,040	984	5,662
<b>Total</b>	<b>2,689</b>	<b>1,363</b>	<b>2,789</b>	<b>11,479</b>	<b>4,009</b>	<b>22,329</b>

The following tables present the Company's expected maturity for its financial assets. The tables have been drawn up based on the undiscounted residual maturities of financial assets. The tables include both interest and principal cash flows.

(CZK million)

31 Dec 2023	Less than 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	5 years and more	Total
Financial assets at amortised cost	2,226	560	92	11	0	2,889
Hedging derivatives – net	5	10	41	1	0	57
<i>Gross cash outflows</i>	(49)	(106)	(459)	(19)	0	(633)
<i>Gross cash inflows</i>	54	116	500	20	0	690
<b>Total</b>	<b>2,231</b>	<b>570</b>	<b>133</b>	<b>12</b>	<b>0</b>	<b>2,946</b>

(CZK million)

31 Dec 2022	Less than 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	5 years and more	Total
Financial assets at amortised cost	2,553	653	51	41	0	3,298
Hedging derivatives – net	8	15	59	37	0	119
<i>Gross cash outflows</i>	72	148	649	556	0	1,425
<i>Gross cash inflows</i>	80	163	708	593	0	1,544
<b>Total</b>	<b>2,561</b>	<b>668</b>	<b>110</b>	<b>78</b>	<b>0</b>	<b>3,417</b>

The amounts disclosed above for variable interest rate instruments for both non-derivative financial assets and liabilities are subject to change if changes in variable interest rates differ from interest rates determined at the end of the reporting period.

### 33.8.2. Sources of financing

The Company uses the following financing facilities:

(CZK million)

	31 Dec 2023	31 Dec 2022
Cash-pooling:		
– loan facility in the amount of	300	300
Overdraft loans:		
– loan facility in the amount of	1,800	1,800
Promissory note programme*:		
– loan facility in the amount of	1,500	1,500
Revolving loans		
– loan facility in the amount of	300	0
<b>Total</b>	<b>3,900</b>	<b>3,600</b>

\* The internal promissory note programme is approved for a maximum of CZK 1,500 million, with framework agreements in the amount of CZK 2,000 million approved for individual banks.



(CZK million)

<b>Overdraft loans</b>	<b>VÚB</b>	<b>Citibank</b>	<b>ING</b>	<b>ČSOB</b>	<b>RB</b>	<b>Total</b>
Loan facility at 1 Jan 2022	700	200	200	400	300	<b>1,800</b>
Unused amount at 1 Jan 2022	700	200	200	400	300	<b>1,800</b>
Change in the loan facility in 2022	0	0	0	0	0	<b>0</b>
Loan facility at 31 Dec 2022	700	200	200	400	300	<b>1,800</b>
Unused amount at 31 Dec 2022	480	47	29	387	1	<b>944</b>
Change in the loan facility in 2023	0	0	0	0	0	<b>0</b>
Loan facility at 31 Dec 2023	700	200	200	400	300	<b>1,800</b>
Unused amount at 31 Dec 2023	488	88	167	400	243	<b>1,386</b>

The total limit of overdraft loans for the Company amounts to CZK 1,800 million, the unused amount as of 31 December 2023 is CZK 414 million (in 2022, used in the amount of CZK 856 million).

(CZK million)

<b>Promissory note programme</b>	<b>ČSOB</b>	<b>KB</b>	<b>Total</b>
Loan facility at 1 Jan 2022	500	1,500	<b>2,000</b>
Unused amount at 1 Jan 2022	500	1,500	<b>2,000</b>
Change in the loan facility in 2022	0	0	<b>0</b>
Loan facility at 31 Dec 2022	500	1,500	<b>2,000</b>
Unused amount at 31 Dec 2022	500	1,500	<b>2,000</b>
Change in the loan facility in 2023	0	0	<b>0</b>
Loan facility at 31 Dec 2023	500	1,500	<b>2,000</b>
Unused amount at 31 Dec 2023	500	1,500	<b>2,000</b>

(CZK million)

<b>Revolving loans</b>	<b>KB</b>	<b>Total</b>
Change in the loan facility in 2023	0	<b>0</b>
Loan facility at 31 Dec 2023	300	<b>300</b>
Unused amount at 31 Dec 2023	300	<b>300</b>

As part of securing resources for the planned investments, the Company has access to the following long-term bank loan facilities:

(CZK million)

<b>Investment loans</b>	<b>Raiffeisenbank</b>	<b>UniCredit Bank</b>	<b>ING Bank</b>	<b>EIB</b>	<b>VUB</b>	<b>Total</b>
<b>Loan facility at 31 Dec 2021</b>	<b>1,000</b>	<b>2,000</b>	<b>1,500</b>	<b>3,232</b>	<b>0</b>	<b>7,732</b>
Unused amount at 31 Dec 2021	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,732</b>	<b>0</b>	<b>2,732</b>
<i>Change in the loan facility in 2022</i>	<b>975</b>	<i>0</i>	<i>965</i>	<i>0</i>	<i>0</i>	<b>1,940</b>
<i>Change in the exchange rate</i>	<b>(10)</b>	<i>0</i>	<i>0</i>	<i>(97)</i>	<i>0</i>	<b>(107)</b>
<b>Loan facility at 31 Dec 2022</b>	<b>1,965</b>	<b>2,000</b>	<b>2,465</b>	<b>3,135</b>	<b>0</b>	<b>9,565</b>
Unused amount at 31 Dec 2022	4	0	482	2,635	0	3,121
<i>Change in the loan facility in 2023</i>	<i>1,500</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>703</i>	<b>2,203</b>
<i>Change in the exchange rate</i>	<i>20</i>	<i>0</i>	<i>24</i>	<i>79</i>	<i>39</i>	<b>162</b>
<b>Loan facility at 31 Dec 2023</b>	<b>3,485</b>	<b>2,000</b>	<b>2,489</b>	<b>3,214</b>	<b>742</b>	<b>11,930</b>
Unused amount at 31 Dec 2023	525	0	0	1,660	0	2,185



Changes in liabilities from financing activities including changes arising from cash flows and non-cash changes are disclosed in the following table:

(CZK million)

	Short-term loans	Long-term loans	Lease liabilities – short-term	Lease liabilities – long-term	Secured loans - short-term	Secured loans - long-term	Issued bonds – short-term	Issued bonds – long-term	Overdraft	Total
<b>Liabilities from financing at 1 Jan 2022</b>	<b>644</b>	<b>4,091</b>	<b>802</b>	<b>2,593</b>	<b>377</b>	<b>1,625</b>	<b>31</b>	<b>4,253</b>	<b>0</b>	<b>14,416</b>
<i>Cash flows from financing</i>	<i>(685)</i>	<i>1,462</i>	<i>(855)</i>	<i>0</i>	<i>(394)</i>	<i>1,082</i>	<i>0</i>	<i>974</i>	<i>856</i>	<i>2,440</i>
<i>Drawing of loans, borrowings and bonds</i>	<i>0</i>	<i>1,462</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>1,082</i>	<i>0</i>	<i>974</i>	<i>856</i>	<i>4,374</i>
<i>Repayments of loans, borrowings and bonds</i>	<i>(685)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(394)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(1,079)</i>
<i>Lease payments</i>	<i>0</i>	<i>0</i>	<i>(855)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(855)</i>
Non-monetary transactions:										
Effect of exchange rate changes	(11)	(14)	(92)	0	(26)	0	0	(10)	0	(153)
Reclassification*	858	(858)	1,042	(1,042)	437	(437)	498	(498)	0	0
Lease additions and change in estimates	0	0	44	1,188	0	0	0	0	0	1,232
Accrued interest	112	0	48	0	52	0	102	0	62	376
Interest paid (cash flows from operating activities)	(112)	0	(48)	0	(52)	0	(86)	0	(62)	(360)
Paid capitalised interest (cash flows from investing activities)	0	0	0	0	0	0	(13)	0	0	(13)
Other non-cash movements	1	0	0	0	(11)	9	(2)	1	0	(2)
<b>Liabilities from financing at 31 Dec 2022</b>	<b>807</b>	<b>4,681</b>	<b>941</b>	<b>2,739</b>	<b>383</b>	<b>2,279</b>	<b>530</b>	<b>4,720</b>	<b>856</b>	<b>17,936</b>
<i>Cash flows from financing</i>	<i>(960)</i>	<i>3,108</i>	<i>(938)</i>	<i>0</i>	<i>(383)</i>	<i>0</i>	<i>(500)</i>	<i>0</i>	<i>(441)</i>	<i>(114)</i>
<i>Drawing of loans, borrowings and bonds</i>	<i>0</i>	<i>3,108</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>3,108</i>
<i>Repayments of loans, borrowings and bonds</i>	<i>(960)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(383)</i>	<i>0</i>	<i>(500)</i>	<i>0</i>	<i>(441)</i>	<i>(2,284)</i>
<i>Lease payments</i>	<i>0</i>	<i>0</i>	<i>(938)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(938)</i>
Non-monetary transactions:										
Effect of exchange rate changes	13	120	79	0	29	0	0	24	0	265
Reclassification*	1,295	(1,295)	359	(359)	291	(291)	0	0	0	0
Lease additions and change in estimates	0	0	469	0	0	0	0	0	0	469
Accrued interest	189	0	92	0	57	0	102	0	76	516
Interest paid (cash flows from operating activities)	(183)	0	(92)	0	(57)	0	(99)	0	(76)	(507)
Paid capitalised interest (cash flows from investing activities)	0	0	0	0	0	0	(5)	0	0	(5)
Other non-cash movements	(7)	0	(10)	(236)	(6)	0	3	3	0	(253)
<b>Liabilities from financing as at 31 Dec 2023</b>	<b>1,154</b>	<b>6,614</b>	<b>900</b>	<b>2,144</b>	<b>314</b>	<b>1,988</b>	<b>31</b>	<b>4,747</b>	<b>415</b>	<b>18,307</b>

\* Loans and borrowings classified at 31 December 2021/2022 as long-term that became short-term in 2022/2023.

## 33.9. Strategy for the Company's financing in the following years

### 33.9.1. Collateralised loans

In 2022, a secured loan was concluded with Raiffeisen - Leasing, s.r.o. for the purpose of financing 1 Effishunter traction vehicle (744 class traction vehicle). The contractual loan term is 120 months. The loan was made in CZK.

Furthermore, in 2022, the following euro secured loans for 10 years were concluded with ČSOB Leasing, a.s. for the financing of 9 traction railway vehicles of the 742.7 class, as well as 3 partial contracts with Leasing České spořitelny, a.s. for the financing of 17 traction railway vehicles of the 742.7 class.

In 2023, no collateralised loan was made.

In connection with the planned investments, it is expected that the Company will be using financing in the form of collateralised loans in the following years.

### 33.9.2. Operating bank loans

In funding its operating needs, the Company has overdraft limits and a cash pooling limit on loans in the maximum amount of CZK 2,100 million provided by seven banks. The stratification of the lending to several financing entities sufficiently diversifies related risks.



### **33.9.3. Promissory note programme**

The Company has the possibility to use the promissory note programme approved by the Supervisory Board, if needed. The promissory note programme is approved in the amount of CZK 1,500 million. The promissory note programme can be covered by a combination of possible issuance of promissory notes from two banks in the total amount of up to CZK 2,000 million (ČSOB CZK 500 million and Komerční banka CZK 1,500 million). The supervisory Board of ČD Cargo, a.s must be informed about the intention of drawing over CZK 1,000 million. In 2023 and 2022, the promissory note programme was not used; however, the promissory note framework is left as the form of short-term financing provision, directly independent of bank resources.

### **33.9.4. Loans from the parent company České dráhy, a.s.**

ČD Cargo, a.s. has contractually secured with the Parent Company České dráhy, a.s. the possibility to draw up financial resources of up to CZK 700 million (beyond the limit of group cash-pooling). The cash pooling credit line is maintained with Komerční banka, in case of drawdown the interest rate on the funds is set at O/N PRIBOR + margin 0.90 % p.a. In 2022, this financial resource was not used. In 2023, it was used only once in May in the amount of CZK 10 million.

### **33.9.5. Bonds**

In 2011, ČD Cargo, a.s. issued its first Bond Programme with the volume of CZK 6 billion and the duration of 10 years. Due to a change in legal regulations, this Bond Programme was updated in 2015. On the basis of the termination of this first Bond Programme, ČD Cargo, a.s. issued a new Bond Programme on 5 May 2021 with the duration of 10 years without the limitation of the maximum amount of outstanding bonds.

In 2022, a total amount of EUR 40 million was issued under this new Bond Programme. No bonds were redeemed in 2022.

In 2023, no other issue was made, the bond of CZK 500 million was redeemed (issued in 2016).

As of 31 December 2023, ČD Cargo, a.s. has issued bonds in the amount of CZK 4,750 million. Funding in the form of bonds increases the liquidity and financial stability of the Company. In accordance with the planned investments, it is expected that the company ČD Cargo, a.s. will continue to use bond financing.

### **33.9.6. Supplier loans**

If necessary, the Company plans to use supplier loans for individual investments where this form of financing will be effective.

### **33.9.7. Investment loans**

In 2022, two new loan facilities of EUR 40 million were negotiated by the Parent Company, one of which was fully used in the amount of CZK 975 million. The second loan facility in the amount of CZK 965 million was drawn down in the amount of EUR 20 million (CZK 483 million).



The remaining part of the loan facility from 2022 of EUR 20 million (CZK 483 million) was used during 2023.

In addition, the following two loan facilities were agreed:

- EUR 30 million (used in full, equivalent to CZK 703 million); and
- CZK 1,500 million (used in the amount of EUR 40 million, equivalent to CZK 975 million), the remaining portion of EUR 20.5 million (equivalent to CZK 510 million) was used on 31 January 2024.

Due to the planned capital expenditures in the coming years, the Company plans to continue to use external financing through financial loans.

### **33.9.8. Other loans**

In December 2020, a loan agreement was signed with the European Investment Bank. According to the contractual conditions, the total amount of the loan is set at up to EUR 130 million (CZK 3,214 million). This loan facility will be gradually used (according to the conditions and possibilities arising from the contract) in the coming years to finance the Company's pre-determined investment projects approved by the European Investment Bank.

In 2021, the first tranche of CZK 500 million was used from the total limit. No further tranche was used in 2022. In 2023, the 2nd tranche of EUR 40 million (CZK 947 million) was used.

### **33.9.9. Summary**

The above-stated current and planned funding structure creates a desired framework that allows ČD Cargo, a.s. to maintain financial stability with the possibility of flexible use of individual forms according to actual needs and convenience.

Based on the planned funding structure, the Company will achieve a sufficient volume of available sources for funding its operating and investment activities with a sufficient reserve for potential unfavourable developments (shortfall in sales, change in the payment discipline, payment terms, legislative changes, etc.).

## **33.10. Fair value of financial instruments**

### **33.10.1. Fair values of financial instruments at amortised cost**

The carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values, except for lease liabilities, collateralised loans, investment loans and bonds.

The fair value of investment loans is determined using the rate based on the current market interest rate at the year-end increased by an average margin from the Company's external funds.

The fair value of ČD Cargo, a.s.'s bonds is recalculated on the basis of the current market exchange rate communicated by individual banks.



(CZK million)					
Financial assets	Level	Fair value at 31 Dec 2023	Carrying amount at 31 Dec 2023	Fair value at 31 Dec 2022	Carrying amount at 31 Dec 2022
Financial derivatives used in hedge accounting	Level 2	57	57	118	118
<b>Total</b>		<b>57</b>	<b>57</b>	<b>118</b>	<b>118</b>

(CZK million)					
Financial liabilities	Level	Fair value at 31 Dec 2023	Carrying amount at 31 Dec 2023	Fair value at 31 Dec 2022	Carrying amount at 31 Dec 2022
Financial derivatives used in hedge accounting	level 2	5	5	11	11
Bonds issued	level 2	3,501	4,779	4,465	5,251
Investment loans	level 2	7,498	7,766	4,868	5,431
<b>Total</b>		<b>11,004</b>	<b>12,550</b>	<b>9,344</b>	<b>10,693</b>

Cash and cash equivalents, trade receivables and payables and other current financial liabilities were not included in the table above because their fair value is equal to the carrying amount due to their short-term maturity. In addition, the above table does not include the loan from České dráhy, a.s. where the fair value is also equal to the carrying amount due to its short-term maturity in 2022. It was repaid in 2023.

### **33.10.2. Valuation techniques applied for the purposes of measuring fair value**

The fair values of financial assets and financial liabilities are determined as follows:

- the fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- the fair values of other financial assets and financial liabilities (except for financial derivatives) are determined in accordance with generally accepted valuation models based on a discounted cash flow analysis using the prices from observable current market transactions, dealer quotes for similar instruments and an appropriate yield curve with the corresponding duration, as appropriate; and
- the fair values of financial derivatives are calculated using quoted prices. If these prices are not available, linear derivatives are measured using discounted cash flows by means of quoted foreign exchange rates, quoted prices of commodities and an appropriate yield curve corresponding to the validity of contracts. An option valuation model is used for derivatives that include an option.

### **33.10.3. Fair value measurements recognised in the statement of financial position**

Financial instruments measured at fair value are divided into Levels from 1 to 3, based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices); and



- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All financial instruments measured at fair value recognised by the Company as of 31 December 2023 and 31 December 2022 were included in Level 2.

## **34. POST BALANCE SHEET EVENTS**

In January 2024, the Company used up the investment loan from Raiffeisenbank a.s. of EUR 20.5 million (approximately CZK 506 million).

## **35. APPROVAL OF THE FINANCIAL STATEMENTS**

These financial statements were approved by the Board of Directors for issue on 9 April 2024.

## 22 Consolidated Financial Statements (IFRS)



### Consolidated Financial Statements for the Year Ended 31 December 2023

Prepared in accordance with IFRS as adopted by the EU

Name of the Group:	ČD Cargo
Name of the Parent Company:	ČD Cargo, a.s.
Registered Office:	Praha 7, Holešovice, Jankovcova 1569/2c, 170 00
Legal Form:	Joint Stock Company
Corporate ID:	281 96 678

#### Components of the Consolidated Financial Statements:

Statement of Financial Position (Balance Sheet)  
Statement of Profit or Loss  
Statement of Comprehensive Income  
Statement of Changes in Equity  
Cash Flow Statement  
Notes to the Financial statements

In Prague on 9 April 2024

  
Ing. Robert Heděnc  
Chief Financial Officer

#### Statutory body of the reporting entity:

  
Ing. Tomáš Tóth  
Chairman of the Board of Directors

  
Martin Svojanovský  
Member of the Board of Directors



CONSOLIDATED STATEMENT OF FINANCIAL POSITION (BALANCE SHEET) AS AT 31 DECEMBER 2023

		31 Dec 2023	31 Dec 2022
		CZK million	CZK million
Property, plant and equipment	5	26,378	25,127
Intangible assets	6	723	719
Right-of-use assets	19	3,307	3,991
Investments in subsidiaries, associates and joint ventures	7	66	64
Other financial assets	10	51	119
Other assets	11	2	2
<b>Total non-current assets</b>		<b>30,527</b>	<b>30,022</b>
Inventories	8	448	392
Trade receivables	9	1,979	2,080
Income tax prepayments		10	15
Cash and cash equivalents	12	1,391	1,279
Other financial assets	10	193	145
Other assets	11	375	548
<b>Total current assets</b>		<b>4,396</b>	<b>4,459</b>
<b>TOTAL ASSETS</b>		<b>34,923</b>	<b>34,481</b>
Share capital	13	8,494	8,494
Capital funds	13	365	531
Retained earnings	13	1,249	953
<b>Equity attributable to owners of the Company</b>		<b>10,108</b>	<b>9,978</b>
Non-controlling interests	34	45	44
<b>Total equity</b>		<b>10,153</b>	<b>10,022</b>
Loans, borrowings and lease liabilities	15	15,945	14,876
Deferred tax liability	32	1,930	1,741
Provisions	16	121	87
Other financial liabilities	17	3	2
Other liabilities	18	7	17
<b>Total non-current liabilities</b>		<b>18,006</b>	<b>16,723</b>
Trade payables	14	2,391	2,913
Loans, borrowings and lease liabilities	15	2,934	3,659
Income tax payable		94	19
Provisions	16	279	144
Other financial liabilities	17	171	151
Other liabilities and contractual commitments	18	895	850
<b>Total current liabilities</b>		<b>6,764</b>	<b>7,736</b>
<b>TOTAL LIABILITIES</b>		<b>34,923</b>	<b>34,481</b>



CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2023

		Year ended 31 Dec 2023	Year ended 31 Dec 2022
		CZK million	CZK million
Revenues	24	15,729	14,667
Other operating income	25	460	373
Services, rental, material and energy consumption	26	(6,380)	(6,475)
Employee benefit costs	27	(5,402)	(4,892)
Depreciation, amortisation and impairment	28	(2,589)	(2,507)
Other operating expenses	29	(578)	(464)
Losses from impairment of financial assets		(23)	(35)
<b>Profit (loss) from operating activities</b>		<b>1,217</b>	<b>667</b>
Finance costs	30	(592)	(430)
Finance income	31	100	59
Share of the profit of associates and joint ventures	7	8	14
<b>Profit (loss) before tax</b>		<b>733</b>	<b>310</b>
Income tax	32	(407)	(101)
<b>Profit (loss) for the period</b>		<b>326</b>	<b>209</b>
Attributable to equity holders of the Parent Company		325	210
Attributable to the non-controlling interests		1	(1)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

		Year ended 31 Dec 2023	Year ended 31 Dec 2022
		CZK million	CZK million
<b>Profit (loss) for the period</b>		<b>326</b>	<b>209</b>
Actuarial gains/losses on liabilities related to employee retirement benefits	13	(4)	(5)
<b>Other comprehensive income for the period (items that are not subsequently reclassified to profit or loss)</b>		<b>(4)</b>	<b>(5)</b>
Foreign currency translation reserve fund	13	83	(37)
Cash flow hedge	13	(315)	144
Related deferred income tax	32	60	(27)
<b>Other comprehensive income for the period before tax (items that may be reclassified to profit or loss)</b>		<b>(172)</b>	<b>80</b>
<b>Total comprehensive income for the period</b>		<b>150</b>	<b>284</b>
Attributable to equity holders of the Parent Company		149	285
Attributable to the non-controlling interests		1	(1)



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital	Share premium*	Reserve fund*	Cash flow hedge reserve*	Actuarial gains/ losses*	Other reserves*	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total equity
	CZK million	CZK million	CZK million	CZK million	CZK million	CZK million	CZK million	CZK million	CZK million	CZK million
<b>Balance at 1 Jan 2022</b>	<b>8,494</b>	<b>197</b>	<b>220</b>	<b>141</b>	<b>16</b>	<b>(76)</b>	<b>755</b>	<b>9,747</b>	<b>45</b>	<b>9,792</b>
Profit for the period	0	0	0	0	0	0	210	210	(1)	209
Other comprehensive income for the period	0	0	0	117	(5)	(37)	0	75	0	75
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>117</b>	<b>(5)</b>	<b>(37)</b>	<b>210</b>	<b>285</b>	<b>(1)</b>	<b>284</b>
Allocation to the reserve fund	0	0	12	0	0	0	(12)	0	0	0
Use of the reserve fund	0	0	(54)	0	0	0	0	(54)	0	(54)
<b>Total transactions with the owners for</b>	<b>0</b>	<b>0</b>	<b>(42)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(12)</b>	<b>(54)</b>	<b>0</b>	<b>(54)</b>
<b>Balance at 31 Dec 2022</b>	<b>8,494</b>	<b>197</b>	<b>178</b>	<b>258</b>	<b>11</b>	<b>(113)</b>	<b>953</b>	<b>9,978</b>	<b>44</b>	<b>10,022</b>
Profit for the period	0	0	0	0	0	0	325	325	1	326
Other comprehensive income for the period	0	0	0	(255)	(4)	83	0	(176)	0	(176)
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(255)</b>	<b>(4)</b>	<b>83</b>	<b>325</b>	<b>149</b>	<b>1</b>	<b>150</b>
Allocation to the reserve fund	0	0	10	0	0	0	(10)	0	0	0
Dividends paid	0	0	0	0	0	0	(19)	(19)	0	(19)
<b>Total transactions with the owners for the period</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(29)</b>	<b>(19)</b>	<b>0</b>	<b>(19)</b>
<b>Balance at 31 Dec 2023</b>	<b>8,494</b>	<b>197</b>	<b>188</b>	<b>3</b>	<b>7</b>	<b>(30)</b>	<b>1,249</b>	<b>10,108</b>	<b>45</b>	<b>10,153</b>

\* In the statement of financial position these items are included under 'Capital funds' (see Note 13.2.).



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

		Year ended 31 Dec 2023	Year ended 31 Dec 2022
		CZK million	CZK million
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit (loss) for the period before tax		733	310
Dividend and profit distribution income		0	(21)
Finance costs	30	540	379
Profit from sale and disposal of non-current assets	25	(28)	(35)
Depreciation and amortisation of non-current assets	28	2,665	2,555
Loss (gain) on impairment of non-current assets	28	(76)	(48)
Changes in allowances for trade receivables		25	35
Change in provisions		169	33
Foreign exchange rate gains		(16)	(9)
Other		(24)	(38)
<b>Cash flows from operating activities before changes in working capital</b>		<b>3,998</b>	<b>3,161</b>
Change in trade receivables		105	(325)
Change in inventories		(68)	(69)
Change in other assets		(21)	172
Change in trade payables		371	(246)
Change in other payables	18	58	41
<b>Total changes in working capital</b>		<b>445</b>	<b>(427)</b>
<b>Cash flows from operating activities</b>		<b>4,433</b>	<b>2,734</b>
Interest paid	30	(530)	(376)
Income tax paid	32	(82)	(76)
Dividends received		12	21
Dividends paid		(19)	0
<b>Net cash flows from operating activities</b>		<b>3,814</b>	<b>2,303</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, plant and equipment	5	(4,180)	(4,772)
Income from property, plant and equipment sold		52	37
Payments for acquisition of intangible assets	6	(115)	(157)
Cost of acquisition of subsidiaries, associates and joint ventures		0	(7)
Subsidies received for acquisition of assets	5	662	360
Interest received		13	13
<b>Net cash flows from investing activities</b>		<b>(3,568)</b>	<b>(4,526)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issued bonds	15	0	974
Bonds repayments	15	(500)	0
Drawing of loans and borrowings	15	3,228	3,445
Repayments of loans and borrowings	15	(1,881)	(1,194)
Lease payments under IFRS 16	15	(982)	(872)
<b>Net cash flows from financing activities</b>		<b>(135)</b>	<b>2,353</b>
Effect of exchange rate changes on cash balances		1	2
<b>Net increase/decrease in cash and cash equivalents</b>		<b>112</b>	<b>132</b>
Cash and cash equivalents at the beginning of the period	12	1,279	1,147
<b>Cash and cash equivalents at the end of the period</b>	<b>12</b>	<b>1,391</b>	<b>1,279</b>



# 1. GENERAL INFORMATION

## 1.1 General Information

ČD Cargo, a.s., (the “Company”) was established following its registration in the Commercial Register held by the Municipal Court in Prague, Section B, Insert 12844 on 1 December 2007 through the investment of a business part of České dráhy, a.s.

The legal form of the Parent Company is a joint stock company. The Company has its registered office at Jankovcova 1569/2c, Prague 7 - Holešovice, the Czech Republic.

As of 31 December 2023, the Parent Company’s registered share capital amounted to CZK 8,494 million and it was paid in full.

The sole shareholder of the Company is České dráhy, a.s. The ultimate controlling party is the Czech Republic.

ČD Cargo, a.s. is the Parent Company of the ČD Cargo Group (the “Group”). The consolidated financial statements of the Group were prepared as of 31 December 2022. The consolidated financial statements were prepared as of 31 December 2023. The reporting period is the calendar year from 1 January 2023 to 31 December 2023.

## 1.2 Principal Activities

The principal activities of the Group are the railway transportation of goods with complex related services. The aim of the Company is to improve its leading position and to be the driving force on the rail freight transportation market both in the Czech Republic and in Central Europe.

The principal business activity – railway transport of goods – is structured into three principal units:

- operation of freight transportation (transport of unit trains, individual wagon consignments);
- lease of railway vehicles; and
- additional transport services offered to customers.

The above units are structured by the type of transport as follows:

- local;
- export;
- import; and
- transit.



### 1.3 Impact of the War in Ukraine on the Consolidated Financial Statements for the Year Ended 31 December 2023

In late February 2022, ongoing political tensions between Russia and Ukraine escalated into conflict with a Russian military invasion of Ukraine. After the outbreak of the conflict, the Group provided free transportation of military equipment and humanitarian trains with material aid to people in Ukraine.

The global response to Russia's violations of international law and aggression against Ukraine has been the imposition of extensive sanctions and restrictions on business activities. The consequent rise in input prices was also reflected in rail freight transportation. There have been dramatic increases in prices, particularly in respect of energy and fuel, finance costs in the form of rising interest rates, and delays in the delivery of materials, spare parts and longer repair times for vehicles. At the same time, it was necessary to redirect some of the transport flows of products, raw materials and materials by rail. Some shipments to/from the war-affected territories were completely stopped, but this did not have a significant impact on the Group's turnover. The continued war conflict in Ukraine had no significant impact on the Group in 2023.

### 1.4 Relationships with Related Parties

In accordance with IAS 24 Related Party Disclosures, an entity ensures that its financial statements include disclosures necessary to identify the possibility that its financial position and profit or loss are affected by the existence of related parties and transactions and outstanding balances, including liabilities arising from such parties. In line with this standard, such relationships are described in detail in Note 33.

#### 1.4.1 Entities included in the consolidated financial statements of the ČD Cargo Group

Name of the entity	Principal activities	Ownership percentage	Degree of influence	Consolidation method
ČD Cargo, a.s.	Brokerage of services in freight transportation and freight forwarding		Parent company	-
CD Cargo Germany GmbH	Brokerage of services in freight transportation on behalf of and for ČD Cargo, a.s. freight forwarding	100	Control	Full
CD Cargo Austria GmbH	Brokerage of services in freight transportation on behalf of and for ČD Cargo, a.s. freight forwarding	100	Control	Full
CD Cargo Poland Sp. z o.o.	Brokerage of services in freight transportation on behalf of and for ČD Cargo, a.s. freight forwarding	100	Control	Full
CD Cargo Slovakia, s.r.o.	Brokerage of services in freight transportation on behalf of and for ČD Cargo, a.s. freight forwarding	100	Control	Full
CD Cargo Hungary Kft.	Rail freight transportation, wholesale brokerage of raw materials and fuel, storage and other	100		
ČD Cargo Adria d.o.o.	Rail freight transportation, wholesale brokerage of raw materials and fuel, storage and other	100	Control	Full
Terminal Brno, a.s.	Operations of the combined transport terminal in Brno	66.93	Control	Full
ČD-DUSS Terminál, a.s.	Operations of the container terminal in Lovosice	51	Control	Full
ČD Cargo Logistics, a.s.	Freight forwarding	100	Control	Full
Terminál Mošnov, a.s.	Operations of the terminal in Mošnov	25	Significant influence	Equity



RAILLEX, a.s.	Cargo handling and technical services in transportation, freight forwarding	50	Joint control	Equity
BOHEMIAKOMBI, spol. s r.o.	Brokerage of services in railway transportation, except for the transportation by own vehicles	30	Significant influence	Equity
Ostravská dopravní společnost, a.s.	Railway transportation and lease of traction railway vehicle and wagons	50	Joint control	Equity
Ostravská dopravní společnost – Cargo, a.s.	Railway transportation and lease of traction railway vehicle and wagons	20	Significant influence	Equity

### 1.4.2 České dráhy Group

ČD Cargo, a.s. is part of the České dráhy Group, which is led by the Parent Company České dráhy, a.s. Starting from 2023, Smart Ticketing s.r.o was excluded from the consolidation group of České dráhy. In the reporting period ended 31 December 2022, changes were made in the following entities. Within České dráhy Group, new companies ČD Bus a.s., formed by the merger of VYDOS BUS a.s. with ČD Reality a.s., and Terminál Mošnov, a.s. were established.

Name of the entity	Share: ČD, a.s. 2023 (%)	Share: ČD, a.s. 2022 (%)	Type of influence	Registered office	Corporate ID
ČD Cargo, a.s.	100.00	100.00	Parent company of the ČDC Group	Prague 7 – Holešovice, Jankovcova 1569/2c, 17000	28196678
CD Cargo Germany GmbH*	100.00	100.00	Subsidiary	Niddastrasse 98-102, 60329 Frankfurt am Main, Germany	HRB 73576
CD Cargo Austria GmbH*	100.00	100.00	Subsidiary	Rotenturmstraße 22/24, 1010 Vienna, Austria	FN 291407s
CD Cargo Poland Sp. z o.o.*	100.00	100.00	Subsidiary	Ul. Grzybowska nr. 4, lok. 3, 00-131 Warsaw, Poland	140769114
CD Cargo Slovakia, s.r.o.*	100.00	100.00	Subsidiary	Seberiniho 1, Bratislava 821 03, Slovakia	44349793
CD Cargo Hungary Korlátolt Felelősségű Társaság*	100.00	100.00	Subsidiary	Keleti sor utca 26-4, 4150 Püspökladány, Hungary	09-09-031990
ČD Cargo Adria d.o.o.*	100.00	100.00	Subsidiary	Savska cesta 32, Zagreb, Croatia	081371623
ČD Cargo Logistics, a.s.*	100.00	100.00	Subsidiary	Prague 1 – Nové Město, Opletalova 1284/37, 11000	27906931
Terminál Mošnov, a.s.*	25.00	25.00	Associate	Na Florenci 1332/23, Nové Město, 110 00 Prague 1	14198240
Terminal Brno, a.s.*	66.93	66.93	Subsidiary	K terminálu 614/11, Horní Heršpice, 619 00 Brno	28295374
ČD-DUSS Terminál, a.s.*	51.00	51.00	Subsidiary	Lovosice, Lukavecká 1189, 41002	27316106
RAILLEX, a.s.*	50.00	50.00	Joint venture	Belgická 196/38, Vinohrady, 120 00 Prague 2	27560589
BOHEMIAKOMBI, spol. s r.o.*	30.00	30.00	Associate	Opletalova 921/6, Nové Město, 110 00 Prague 1	45270589
Ostravská dopravní společnost, a.s.*	50.00	50.00	Joint venture	U Tiskárny 616/9, 702 00 Ostrava	60793171
Ostravská dopravní společnost - Cargo, a.s.*	20.00	20.00	Associate	U Tiskárny 616/9, 702 00 Ostrava	05663041
ČD - Informační Systémy, a.s.	100.00	100.00	Fellow subsidiary	Pernerova 2819/2a, Žižkov, 130 00 Prague 3	24829871
ČD - Telematika a.s.	100.00	100.00	Fellow subsidiary	Prague 3, Pernerova 2819/2a, 13000	61459445
Výzkumný Ústav Železniční, a.s.	100.00	100.00	Fellow subsidiary	Novodvorská 1698/138b, Braník, 142 00 Prague 4	27257258



Name of the entity	Share: ČD, a.s. 2023 (%)	Share: ČD, a.s. 2022 (%)	Type of influence	Registered office	Corporate ID
JLV, a.s.	38.79	38.79	Fellow subsidiary	Chodovská 228/3, Michle, 141 00 Prague 4	45272298
DPOV, a.s.	100.00	100.00	Fellow subsidiary	Husova 635/1b, Přerov I-Město, 750 52 Přerov	27786331
ČD Cargo, a.s.	100.00	100.00	Fellow subsidiary	Prague 7 – Holešovice, Jankovcova 1569/2c, 17000	28196678
Dopravní vzdělávací institut, a.s.	100.00	100.00	Fellow subsidiary	Prvního pluku 621/8a, Karlín, 186 00 Prague 8	27378225
ČD travel, s.r.o.	51.72	51.72	Fellow subsidiary	28.října 372/5, Staré Město, 110 00 Prague 1	27364976
ČD relax s.r.o.	51.72	51.72	Fellow subsidiary	28.října 372/5, Staré Město, 110 00 Prague 1	05783623
ODP-software, spol. s r.o.	100.00	100.00	Fellow subsidiary	Pernerova 2819/2a, Žižkov, 130 00 Prague 3	61683809
CHAPS spol. s r.o.	100.00	100.00	Fellow subsidiary	Bráfova 1617/21, Žabovřesky, 616 00 Brno	47547022
ČSAD SVT Praha, s.r.o.	100.00	100.00	Fellow subsidiary	Prague 8, Křížkova 4-6	45805202
SVT Slovakia s.r.o.	80.00	80.00	Fellow subsidiary	Partizánska cesta 97, Banská Bystrica 974 01, Slovakia	36620602
INPROP, s.r.o.	100.00	100.00	Fellow subsidiary	Rosinská cesta 12, Žilina 010 08, Slovakia	31609066
Smíchov Station Development, a.s.	51.00	51.00		U Sluncové 666/12a, Karlín, 186 00 Prague 8	27244164
Žižkov Station Development, a.s.	51.00	51.00		U Sluncové 666/12a, Karlín, 186 00, Prague 8	28209915
Masaryk Station Development, a.s.	34.00	34.00		Na Florenci 2116/15, Nové Město, 110 00 Prague 1	27185842
Tramex Rail s.r.o.	100.00	100.00	Fellow subsidiary	Brněnská 1748/21b, 678 01 Blansko	26246422
ČD Restaurant, a.s.	100.00	100.00	Fellow subsidiary	Prague 3, Prvního pluku 81/2a, 13011	27881415
VUZ Slovakia, s.r.o.	100.00	100.00	Fellow subsidiary	Seberíniho 1, Bratislava – mestská časť Ružinov 821 03, Slovakia	53156587
ČD Bus a.s.	100.00	100.00	Fellow subsidiary	Jeremenkova 231/9, Bělidla, 779 00 Olomouc	17377404
Smart Ticketing s.r.o.	0	50.00		Pernerova 2819/2a, Žižkov, 130 00 Prague 3	02033011
České dráhy, a.s.		-	Parent company of the ČD Group	Prague 1, Nábřeží L. Svobody 1222, 11015	70994226

\* Ownership interest is exercised through ČD Cargo, a.s.

Transactions and balances within the Group have been eliminated in the consolidated financial statements.

## 1.5 Key Management

The term key management mainly relates to the members of the statutory and supervisory bodies of the Parent Company and statutory bodies of individual subsidiaries in the Group. Information about individual bodies is disclosed in Note 1.8.

## 1.6 Relationships with Správa železnic and the ČEZ Group

The sole shareholder of the Parent Company, České dráhy, a.s., is fully owned by the State. ČD Cargo, a.s. and the entire ČD Cargo Group apply the exemption from reporting related party information, as specified in paragraphs 25-27 of IAS 24. In respect of other state-controlled companies, groups and



organisations, only transactions with Správa železnic, s.o. and ČEZ Group have been quantified in these financial statements due to their significant impact on the Group's activities. The most significant transactions carried out with these entities include the use of infrastructure, purchase of traction electricity and revenues from freight transportation. Detailed information about the relationships is disclosed in Notes 33.6 and 33.7.

## 1.7 Organisational Structure of the Parent Company ČD Cargo, a.s.

Organisational structure is composed of departments directly reporting to the Chairman of the Board of Directors or directors of particular departments:

- Commercial Director's Department;
- Operation Director's Department;
- Finance Director's Department; and
- Executive Director's Department.

In addition, the organisational structure includes Operating Units, Repair Centres for Railway Vehicles, Accounting of Revenues from Transport Services in Olomouc and the Operation Control in Česká Třebová.

## 1.8 Bodies of the Parent Company ČD Cargo, a.s.

This note discusses the bodies of the Parent Company of the Group. The sole owner of the Company is České dráhy, a.s., which, as the sole shareholder, exercises the powers afforded to the General Meeting, the supreme body of the Company. The statutory body of the Company comprises the three-member Board of Directors; the supervisory body is the six-member Supervisory Board. The Company established a three-member Audit Committee, the members of which were appointed by the sole shareholder.

The composition of ČD Cargo, a.s. bodies as of 31 December 2023 was as follows:

Board of Directors	
Chairman	Tomáš Tóth
Member	Martin Svojanovský
Member	Zbyszek Waclawik

Supervisory Board	
Chairman	Michal Krapinec
Member	Tomáš Vrbík
Member	Petr Doležal
Member	Marta Urbanová
Member	Drago Sukalovský
Member	Jan Kasal

Between 23 October 2023 and 27 October 2023, the election of members of the Supervisory Board of ČD Cargo, a.s. elected by the employees was held. Following the results, employees Marta Urbanová and Petr Doležal were elected members of the Supervisory Board with effect from 1 December 2023.



---

**Audit Committee**

---

Chairman  
Member  
Member

Oldřich Vojř  
Miroslav Zámečník  
Libor Joukl

---

## 2. SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of Compliance

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union (IFRS).

The accounting policies applied in the reporting period are consistent with the policies used in prior periods, unless stated otherwise below.

### 2.2 Basis of Preparation of the Consolidated Financial Statements

The consolidated financial statements have been prepared on a historical cost basis, except for the revaluation of certain financial instruments at fair value.

Unless otherwise stated, all values are expressed in millions of Czech crowns.

#### 2.2.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and entities controlled by the Group (its subsidiaries). The Group controls those entities in which it has the power to control relevant activities that significantly affect their revenue and has exposure, or rights, to variable returns and has the ability to use its power to affect the amount of the returns.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the acquisition date to the date of loss of control. The total comprehensive income is attributed to the Parent Company's owners and non-controlling interests, even if the result represents the negative balance of non-controlling interests.

The accounting policies of subsidiaries, joint ventures and associates have been adjusted, as appropriate, to align their accounting policies with those applied by other companies within the Group. All intragroup transactions, balances, revenues and costs were excluded from consolidation.

#### 2.2.2 Business combinations

Acquisitions of business are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of fair values at the acquisition date of assets transferred by the Group, the Group's liabilities arising to the former owners of the acquiree, and the shares issued by the Group in exchange for control in the acquiree. Acquisition-related expenses are recognised in the profit or loss when incurred.



Identifiable assets acquired and commitments assumed are recognised at their fair value, with the following exception:

- deferred tax assets or liabilities, and assets and liabilities related to arrangements of the employee benefits are recognised and measured in accordance with IAS 12 Income Taxes, or IAS 19 Employee Benefits, respectively.

## 2.3 Revenue Recognition

### 2.3.1 Revenue from contracts with customers

All contracts with customers are initially analysed in order to identify all performance obligations towards the customer. Subsequently, the transaction price is determined, and if more performance obligations are identified, it is allocated according to the relative standalone selling prices. Consequently, the revenue from individual performance obligations is recognised in the appropriate amount either at a certain point in time, or over the contract life on an ongoing basis (it may be reported over several reporting periods). Revenues are reduced by the expected returns from customers, rebates, and other similar discounts.

Revenue is recognised in the amount that reflects the consideration to which the Group expects to be entitled in exchange for services. Revenue is recognised net of value added tax. Revenue is recognised when the services are transferred to the customer at the transaction price.

#### **Railway transportation services**

Sales of railway transportation services are recognised in the reporting period in which the services are rendered based on the stage of completion of individual transactions. The stage of completion is determined by the actual number of days of transportation in the reporting period relative to the total number of days of transportation.

Transaction price has both fixed and variable components. The fixed component represents the transaction price less fines and penalties. If the amount of the service rendered by the Group is higher than the received payment for the service, a contract asset is accounted for. If payment for the service is higher than the amount of the service provided, a contract liability is recognised. The variable consideration exists in the form of fines and penalties connected with the inappropriate fulfilment of the contractual commitment by the Group to the customer, i.e. transit time distortion, damages to the transported goods, etc. In case of variable consideration, revenues are recognised to the extent to which it is highly probable that the revenue item is not subject to significant reversal risk.



### 2.3.2 *Other revenues*

#### ***Dividend and interest income***

Dividend income is recognised when there is legal entitlement to receive a payment if the receipt of such payment is probable.

Interest income is recognised when it is probable that the economic benefits will flow into the Group, and the amount can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding at the applicable effective interest rate, i.e. the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to that asset's net carrying amount.

#### ***Revenue from the lease of railway vehicles***

The Group leases railway vehicles to third parties for a period varying from several days to five years. Revenue from operating leases of railway vehicles is recognised on a straight-line basis over the term of the lease.

## 2.4 **Lease**

Details of the accounting policies under IFRS 16 are presented separately for the Group as a lessee and as a lessor.

### 2.4.1 *The Group as a lessee*

At the commencement of the contract, the Group determines whether it is, or contains, a lease. The Group recognises a right-of-use asset and a corresponding lease liability in respect of all lease agreements in which the Group is the lessee, except for short-term leases (with a lease term of 12 months or less and containing no purchase options) and low-value asset leases (such as laptops and personal computers). For these leases, the Group recognises lease payments as operating expenses on a straight-line basis over the term of the lease.

At the commencement date, the lease liability is initially measured at the present value of the lease payments that have not yet been paid. The lease payments shall be discounted using the internal lease interest rate or, if that rate cannot be readily determined, the incremental borrowing rate is used.

Lease payments included in the measurement of a lease liability include the following:

- fixed lease payments less any receivables from lease incentives;
  - variable lease payments that are based on an index or a rate, initially measured using the index or rate at the commencement date;
  - amounts expected to be paid by the Group as the lessee under residual value guarantees;
  - the exercise price of a purchase option if the lessee is reasonably certain to exercise that option;
- and



- payments of penalties for terminating the lease if the lease term reflects the lessee exercising the lease termination option.

Lease liabilities are presented within Loans, borrowings, and lease liabilities in the statement of financial position.

Subsequently, a lease liability is measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest rate method) and reducing the carrying amount to reflect the lease payments made.

The lease liability is remeasured (and the related right-of-use asset must be adjusted accordingly) if:

- there is a change in the lease term or if there is a material event or change in circumstances that led to a change in the assessment of an option to purchase the underlying asset. In such a case, the lease liability is remeasured by discounting the revised lease payments using the revised discount rate;
- there is a change in lease payments resulting from changes in an index or a rate, or change in the amounts expected to be payable under a residual value guarantee. In this case, the lease liability is remeasured by discounting the revised lease payments using the unchanged discount rate; and
- the lease contract is modified, and the modification is not accounted for as a separate lease. In this case, the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using the revised discount rate as of the effective date of the modification.

Right-of-use assets include the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date after deduction of any lease incentives received and any initial direct costs. Subsequently, they are measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities.

The right-of-use assets are depreciated over the shorter of the lease term and the useful life of the underlying asset. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease, or if the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation begins at the commencement of the lease (at the date the asset is available for use by the Group).

Right-of-use assets are presented as a separate line in the statement of financial position.

At the end of each reporting period, the Group uses IAS 36 to determine whether the right-of-use assets are impaired and account for any identified impairment losses as described in the “Property, plant and equipment” policy.

Variable lease payments that do not depend on an index or a rate are not included in the measurement of the lease liability and the right-of-use assets. Related payments are recognised as an expense in the



period in which the event or condition that gave rise to those payments occurred and are included in the line Other operating expenses in the statement of profit or loss.

As a practical expedient, IFRS 16 allows the lessee not to separate non-lease components from lease components and instead to account for each leasing component and any associated non-lease components as a single arrangement. The Group did not use this practical expedient. For contracts that contain a lease component and one or more other lease components, the Group allocates the contract consideration to each lease component on the basis of the relative stand-alone price of the given component. The Group records no such contracts.

Assets acquired under finance lease are depreciated over the expected useful lives as own assets. If there is insufficient certainty that the lessee gets the ownership of an asset at the end of the lease term, the asset is depreciated over the lease term, if shorter than the period of its expected useful life.

#### ***2.4.2 The Group as a lessor***

Leases under which the Group is the lessor are classified as finance or operating leases. Leases that transfer substantially all the risks and rewards of ownership of an asset to lessees were classified as finance leases. All other leases are classified as operating leases.

In an operating lease, revenue is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and concluding an operating lease are included in the carrying amount of the leased asset and are accounted for on a straight-line basis over the term of the lease.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net financial investment in the leases. Finance lease income is allocated to reporting periods so as to reflect a constant periodic rate of return on the Group's net investment in finance lease.

#### ***2.4.3 Sale and leaseback***

A sale and leaseback transaction involves the sale of an asset and lease-back of the same asset. The lease payment and the sale price are usually interdependent, as they are negotiated in a single transaction. The accounting treatment of the sale and leaseback transaction depends on the type of lease that is part of this transaction.

If the leaseback is a finance lease, the lessor provides the lessee with cash and the leased asset as guarantee. For this reason, the excess proceeds from the sale over the carrying amount is not treated as income. The Group recognises the collected funds as a financial liability (debt), which is amortised by lease payments together with interest.

## **2.5 Foreign Currencies**

The functional currency of each of the Group's consolidated entities is the currency of the primary economic environment in which the entity operates. Given the economic substance of transactions and



the environment in which the Group operates, the presentation currency of the consolidated financial statements is the Czech crown (CZK). The functional currency of the Parent Company is CZK.

Transactions denominated in foreign currencies are translated at the rate prevailing on the transaction date, which is derived from the exchange rate published by the Czech National Bank. At the date of the consolidated financial statements, monetary items denominated in foreign currencies are translated to Czech crowns using the exchange rate as stated by the Czech National Bank on that date. Income and expense items are recalculated according to the above methodology. Non-monetary items that are measured at historical cost and were acquired in a foreign currency transaction are reported using the exchange rate at the date of acquisition.

The identified foreign exchange differences are recognised in the profit or loss, except for exchange differences on transactions entered into in order to hedge certain foreign currency risks. Such foreign exchange differences are recognised directly in other comprehensive income and reclassified to profit or loss when the hedged underlying item is settled.

For the purposes of presentation in the consolidated financial statements, the assets and liabilities of foreign subsidiaries are translated into CZK using the Czech National Bank exchange rates prevailing as of the balance sheet date. Income and expense items denominated in foreign currencies are translated at the average exchange rates for the period. If the exchange rates fluctuated significantly during the period, the exchange rate prevailing at the date of the transaction will be used. If any exchange differences arise, they are recognised in the other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

## **2.6 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to be ready for their intended use or sale, are added to the cost of those assets, until the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. No such asset was identified.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

## **2.7 Government Grants**

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as a reduced cost of those non-current assets in the statement of financial position.



Other government grants are recognised as revenue over the periods necessary to match them with the costs for which they are intended to compensate on a systematic basis. Government grants receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support without future related costs are recognised in profit or loss in the period in which they become receivable.

## 2.8 Employee Benefit Costs

Employee benefit costs predominantly include payroll costs, the employer's payments to the statutory health insurance, social security and pension insurance schemes, and other employee benefit costs resulting from the collective agreement.

The employee benefit obligations and provisions recognised in the statement of financial position represent their present value. Additions to these liabilities and provisions are recognised as an expense when the employees perform the services that entitle them to the benefits.

Provision for long-term employee benefits is recognised in the present value of future cash outflows that will be needed for their payment. The discount rate used is a market rate of return on government bonds at the balance sheet date, as there is no developed market for high-quality corporate bonds denominated in Czech crowns. The currency and terms of these bonds are consistent with the currency and terms of the corresponding other long-term benefits. Gains or losses arising from changes in actuarial assumptions for retirement benefits are included in other comprehensive income, changes in provisions for other benefits are recognised in profit or loss.

## 2.9 Taxation

The income tax includes current tax payable and deferred tax.

### 2.9.1 Current tax payable

Current income tax is calculated from taxable profit for the year. The taxable profit differs from the profit as reported in the statements of profit or loss as it does not include items of income or expense that are taxable or deductible in other years or items that are not taxable or deductible. The Group's current tax payable is calculated using the statutory tax rates, or rates that have been enacted or substantively enacted by the end of the reporting period.

### 2.9.2 Deferred tax

Deferred tax is recognised based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the calculation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.



The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied in the period in which the liability is settled, or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects to recover or settle the carrying amount of its assets and liabilities at the end of the reporting period.

### ***2.9.3 Current tax payable and deferred tax for the period***

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside of profit or loss (i.e. in other comprehensive income or directly in equity). In such cases, the tax is also recognised outside of profit or loss.

### ***2.9.4 Top-up tax***

The Group falls under the scope of the Act on Top-up Taxes (global minimum tax). The approved act came into effect on 31 December 2023. The Group expects that the top-up tax will be zero, given the compliance with the safe harbour test rules. The Group applies an exception for the recognition and disclosure of the information on the deferred tax relating to pillar two income taxes under IAS 12. The Group currently analyses the impacts resulting from the application of this legislation.

## **2.10 Property, Plant and Equipment**

Property, plant and equipment are carried at cost less accumulated impairment losses and, in case of buildings and equipment, less accumulated depreciation. Land is not depreciated.

Assets under construction are carried at cost less impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs. The value of assets under construction includes advances provided for the acquisition of fixed assets. Spare parts for the replacement of components in the higher grades of repair of vehicles are also part of the investments in progress. Depreciation of these assets, on the same basis as depreciation of other assets, commences when the assets are ready for their Intended use (including the installation of spare parts).

Depreciation is recognised in order to allocate the cost of assets (other than land owned by the Group and assets under construction) less their residual values over their useful lives, applying the straight-line method (with the exception of some components which are depreciated using the mileage method).

The Group records the components representing R3, R2 and R1 type repairs of the traction railway vehicles. These components are related to extending vehicle serviceability and expanding the technical parameters, equipment, and usability of the traction railway vehicles. In the case of diesel traction



vehicles, other types of repairs (D3, D2 and D1) are carried out, which are related to the restoration of serviceability and development of technical parameters, equipment, and usability of the diesel combustion engine. Other components used on traction railway vehicles include locomotive battery and radios components. For freight wagons and passenger train units, the Group records revision repairs, wheelset replacements, as well as vehicle body and technical inspection components. In addition, new components TR1, TR2 are allocated to the TRAXX class of traction railway vehicles. These components are recommended by the manufacturer's maintenance schedule and have a time validity (8 and 16 years). The Group determined a depreciation plan for components of railway vehicles which is based on a repair plan for R3, R2 and R1 traction vehicles and inspection repairs and replacement of wagon wheelsets for freight wagons. As for traction railway vehicles and freight wagons, the mileage depreciation is based on the actual mileage per month (i.e. actual kilometres covered). The amount of depreciation in the particular reporting period is calculated as the number of kilometres in the reporting period multiplied by the rate per one kilometre. The rate per one kilometre is determined as the ratio of the purchase price of the relevant component to the maximum mileage determined for the R3, R2 and R1 repairs of traction railway vehicles and inspection repair and wheelsets of freight wagons. After reaching the maximum mileage, it is necessary to undertake a new major (R3) or substantial (R2) repair of a traction vehicle or a new inspection repair or replacement of wheelsets. For components D3, D2 and D1, a depreciation plan was determined on the basis of operating hours. For the components radio station, locomotive battery, wagon body and technical control, depreciation is calculated on a time basis based on the set useful life.

Within the R3 repair type of traction railway vehicles, there are activities that are parts of and relate to R2 repair type; therefore, activities falling within R2 repair are separated from R3 major repair. The same applies to R1 repair which is separate from R2 and R3 repairs.

As for modernising or renovating freight wagons (extending their useful lives to 20 years) which also involves activities relating to inspection repairs, these activities are separated and recorded as new components of the relevant freight car. This approach also applies to wheelsets, technical inspections, and wagon bodies. Those components are subsequently depreciated in line with the accounting policy disclosed above.

Freight wagons and traction railway vehicles without components are depreciated to the estimated residual value. The estimated residual value means the estimated justifiable positive amount that the Group can acquire upon the expected disposal of assets after deducting the estimated costs associated with their disposal. The estimated residual value for freight wagons and traction railway vehicles is based on the scrap amount that could be received at disposal. The estimated useful lives, residual values, and depreciation method are reviewed at each year-end and the effect of any changes in estimates is accounted for on a prospective basis.



Property, plant and equipment items are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of these assets. Gain or loss arising on the disposal or retirement of property, plant and equipment is determined as the difference between the proceeds from the sale and the carrying amount of the asset and is recognised in profit or loss.

## 2.11 Intangible Assets

### 2.11.1 Separately acquired intangible assets

Intangible assets acquired separately are carried at cost less accumulated amortisation and impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at each year-end, and the effect of any changes in estimates is accounted for on a prospective basis.

An intangible asset is derecognised upon disposal, or when no future economic benefits are expected to arise from its use or disposal. Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net proceeds from disposal and the carrying amount of the asset and are recognised in profit or loss in the period when such derecognition took place.

## 2.12 Impairment of Property Plant and Equipment and Intangible Assets

At the end of each reporting period, the Group reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication of their impairment. If any such indication exists, the recoverable amount is determined in order to assess the amount of impairment loss. When it is not possible to determine the recoverable amount of an individual asset, The Group determines the recoverable amount of the cash-generating unit to which the asset belongs. Group assets are allocated to individual cash-generating unit, if a reasonable and consistent basis of allocation can be determined. Otherwise, corporate assets are allocated to the smallest groups of cash-generating units for which it is possible to determine a reasonable and consistent basis of allocation.

Intangible assets not yet available for use are tested for impairment at least once a year or when any indication of potential impairment occurs.

The recoverable amount is the higher of fair value less cost to sell and value in use. When assessing value in use, the future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, which the future cash flows have not been adjusted for.

If the recoverable amount of the asset (or cash-generating unit) is lower than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.



If the impairment loss is subsequently reversed, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimated recoverable amount while ensuring that the increased carrying amount does not exceed the carrying amount that would have been determined in previous years if no impairment had occurred in relation to the asset (or cash-generating unit). Reversal of impairment loss is recognised immediately in profit or loss.

## 2.13 Investments in Joint Ventures and Associates

A joint venture is a contractual arrangement whereby the Company and other parties undertake a business activity that is subject to joint control (i.e. contractually agreed sharing of control of an arrangement which exists when the decisions about the relevant activities require the unanimous consent of the parties sharing control).

Joint venture arrangements that involve the establishment of a separate entity in which each venture has an interest are referred to as jointly controlled entities.

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. In this case, the Group usually controls 20-50 % of the voting rights.

Investments in associates and joint ventures are accounted for using the equity method and are initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share in the profit or loss of the investee after the date of acquisition. Dividends received from associates reduce the carrying value of the investment in associates.

Allowance that reduces the carrying amount of the investment to the recoverable amount is recognised in the situation when the carrying amount of the investment in the joint venture or associate is greater than its recoverable amount. The allowance is calculated as the difference between the carrying amount and the recoverable amount of the share in the joint venture or associate.

However, when the Group's share of losses in an associate or joint venture equals or exceeds its interest in the associate or joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate or joint venture.

If the Group's entities trade with a joint venture or with an associate of the Group, profits and losses arising from transactions with the joint venture or associate are recognised in the consolidated financial Statements of the Group in the amount of shares in joint ventures or associated companies that do not belong to the Group.



## 2.14 Inventories

Inventories are measured at the lower of cost and net realisable value. Costs of inventories are determined using the weighted-average method. The net realisable value represents the estimated selling price of inventories less all estimated cost to sell. Inventory is mainly held for own use rather than for resale. Spare parts for the replacement of components in the repairs of higher grades of vehicles are also part of the equipment in the course of construction.

## 2.15 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account related risks and uncertainties. If a provision is measured based on the cash flows estimated to settle the present obligation, its carrying amount equals the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered by a third party, a receivable is recognised in assets when it is certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

The provision can only be utilised in relation to expenses for which it was originally created. A change in a provision is recognised in profit or loss for a specific expense category; the unused portion of the provision is recognised in Other operating income.

## 2.16 Loans, borrowings and bonds

At initial recognition, loans are stated at fair value less transaction costs. In subsequent periods, loans are carried at amortised cost using the effective interest rate method; any differences between the consideration (less transaction costs) and the value of the instalments are recognised in the consolidated statement of profit or loss over the period of the loan.

## 2.17 Financial Instruments

Financial assets and financial liabilities are recognised when the company in the Group becomes a party to contractual provisions of a financial instrument.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets or liabilities other than those measured at fair value through profit or loss are added upon initial recognition to the fair value of financial assets or deducted from the fair value of financial liabilities, respectively, except for transaction costs that are



directly attributable to the acquisition of financial assets or liabilities at fair value through profit or loss which are recognised immediately in profit or loss.

Financial assets are classified into the following three categories: financial assets at amortised cost, financial assets at fair value through profit, or loss or financial assets at fair value through other comprehensive income. The classification depends on the Group's financial assets management and the nature of the contractual cash flows of the particular financial asset.

Financial liabilities are classified as financial liabilities at fair value through profit or loss or as financial liabilities at amortised cost.

#### ***2.17.1 Effective interest rate method***

The effective interest rate method is a method of calculating the amortised cost of a debt instrument and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that exactly discounts expected future cash inflow/outflow (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) over the expected life of the debt instrument to the net book value at initial recognition.

Income and expenses are recognised using the effective interest rate of debt instruments, other than financial assets and liabilities classified at fair value through profit or loss.

#### ***2.17.2 Financial assets at fair value through other comprehensive income***

Financial assets at fair value through other comprehensive income include equity investments that were designated as investments in equity instruments at fair value through other comprehensive income at initial recognition.

These investments in capital instruments are initially measured at fair value increased by transaction costs. Subsequently, they are measured at fair value while gains and losses from changes in fair value are recognised in other comprehensive income and accumulated in the investment revaluation reserve. Cumulative profits or losses will not be reclassified to profit or loss upon derecognition of equity investments, they will be transferred to retained earnings instead.

Dividends from these equity investments are recognised in profit or loss when the Group has the right to receive the dividends.

#### ***2.17.3 Financial assets at amortised cost***

Financial assets (including bank balances) are financial assets held under a business model which intends to collect contractual cash flows that are solely payments of principal and interest on the outstanding principal. For this reason, the Group recognises these assets at amortised cost using the effective interest method, less impairment losses. These assets arise when the Group provides cash, goods or services directly to the borrower without planning to trade with the receivable.



Interest income is recognised by applying the effective interest rate, except for short-term receivables for which the recognition of interest would be immaterial.

#### ***2.17.4 Impairment of financial assets***

Financial assets, other than those at fair value through profit or loss, are assessed for expected credit loss at the time the asset is recognised in the accounts and upon subsequent valuation the amount of the expected credit losses is updated always as of the financial statements date.

Full model (3-stage impairment model): the financial asset is initially categorised within Stage 1, where credit loss allowance is recognised at an amount equal to 12-month expected credit losses. During the useful life of an asset, the Group considers if there is a significant increase in credit risk. If a significant increase in credit risk is identified, the financial asset is reclassified to Stage 2, where the credit loss allowance is recognised at a lifetime expected credit loss. In case of a counterparty default, such asset is reclassified to Stage 3, where interest income on financial asset is recognised by applying the initial effective interest rate to the amortised cost net of allowances for expected credit losses.

For the purpose of determining the expected credit losses, the Group applies a simplified IFRS 9 approach that uses the lifetime expected loss measurement for all trade and finance lease receivables.

The simplified model is applied to trade receivables that do not have a significant financing component. The Group recognises the allowances for receivables assessed on a portfolio basis based on the impairment matrix including historical inputs and inputs reflecting future expectations.

For receivables assessed on an individual basis, the Group considers the following factors that affect the debtors' ability to meet their obligations:

- forward-looking information;
- knowledge of a customer; and
- payment discipline.

#### ***Significant increase in credit risk***

When assessing whether the credit risk of a financial asset has increased significantly since the initial recognition, and when assessing the anticipated credit loss, the Group sees the information which is relevant and available without unreasonable costs or efforts as adequate and well-founded information. It involves both qualitative information and analyses, based on historical experience of the Group and informed assessment of the credit risk, including forward-looking information.

The Group assumes that the credit risk in a financial asset significantly increased if it is by more than 180 days past due date, if the Group has no adequate and provable information that would document otherwise.

In spite of the above, the Group assumes that there was no significant increase in the credit risk relating to a financial instrument since the initial recognition date, if it is determined that the credit risk of the



financial instrument is low as of the financial statements date. A financial instrument bears low credit risk if:

- 1) the financial instrument shows a low default risk;
- 2) the debtor has a strong ability to meet its contractual obligations in cash flows in the near future; and
- 3) negative changes in economic and business conditions may, however, do not have to limit the ability of the debtor to meet its contractual obligations in cash flows in the long term.

The Group believes that there is a low credit risk in a financial asset if an external credit rating of this asset corresponds to the “investment grade” under the internationally recognised definition or if the international rating is not available, the asset has a “no default” internal rating. No default means that the counterparty has a strong financial position and there are no due amounts from prior periods.

### ***Definition of default***

Based on historical experience, the Group uses the following criteria for default determination:

- if information gathered from internal or external sources indicates that a debtor will not be able to pay its creditors in full (announcement of bankruptcy, initiation of insolvency proceedings); and
- if the financial asset is more than 180 days past due and the Group has no reasonable and supportable information to demonstrate that the delay in payments is not a sufficient criterion for default determination.

### ***Write-off policy***

The Group writes off a financial asset when there is information indicating that the debtor is in serious financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs first. Financial assets written off may still be subject to enforcement activities under the Group’s recovery procedures. Any recoveries made are recognised in profit or loss.

### ***2.17.5 Derecognition of financial assets***

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Group neither transfers nor retains substantially all risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may possibly have to pay. If the Group retains substantially all risks and rewards



of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing.

Upon derecognition of a financial asset in its entirety, the difference between the assets' carrying amount and the sum of the consideration received or receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

#### ***2.17.6 Financial liabilities at fair value through profit and loss***

Financial liabilities are classified as financial liabilities at fair value through profit or loss when they are either held for trading or designated as hedging measured at fair value through profit or loss.

This category includes financial derivatives recognised under other financial liabilities.

#### ***2.17.7 Other financial liabilities at amortised cost***

Financial liabilities that are not held for trading or designated as financial liabilities at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

#### ***2.17.8 Derecognition of financial liabilities***

The Group derecognises financial liabilities only when the Group's obligations are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable is recognised in profit or loss.

#### ***2.17.9 Financial derivatives***

The Group enters into financial derivative contracts to manage its exposure to currency, interest rate, and commodity risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured at their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which case the timing of the recognition in profit or loss depends on the nature of the hedging relationship.

The Group classifies derivatives that do not qualify as hedging derivatives at fair value through profit or loss.

#### ***2.17.10 Hedge accounting***

The Group designates hedging instruments as either fair value hedges, or cash flow hedges. Hedge accounting is kept in compliance with the requirements of IFRS 9.

At the inception of the hedging relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Since the inception, the Group documents and monitors on an ongoing basis, whether the hedging instrument is highly effective in offsetting changes in fair values or



cash flows of the hedged item attributable to the hedged risk. The Group monitors the existence of an economic relationship, the hedge ratio, sources of ineffectiveness, and credit risk impact. Hedge accounting corresponds to the Group's risk management strategy.

If the hedging relationship ceases to meet the hedge effectiveness requirement associated with the hedging ratio, but the risk management objectives for that hedging relationship remain the same, the Group adjusts the hedging ratio for that hedging relationship (i.e. rebalances the hedging) to meet the required criteria.

#### ***2.17.11 Cash flow hedge***

The effective portion of changes in the fair value of financial derivatives that are designated and qualify as cash flow hedge reserve is recognised in other comprehensive income and accumulated in the cash flow hedge reserve. Under IFRS 9, the Group recognises the costs of hedge accounting separately if the conditions for recognising these costs in other comprehensive income are met. The gain or loss relating to the ineffective portion is recognised directly in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss, within the same line of the statement of profit or loss as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

The Group prospectively ceases hedge accounting only when the hedging relationship (or a portion of it) no longer meets the hedging criteria (after taking into account any rebalancing of the hedging relationship). This includes cases where the hedging instrument expires, is sold, terminated, or settled. Any gain or loss that is recognised in other comprehensive income and accumulated in the cash flow hedge reserve remains in equity and is reclassified to profit or loss when the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the gains or losses accumulated in the cash flow hedge reserve are reclassified immediately to profit or loss.

#### ***2.17.12 Financial derivatives held for trading***

All derivative transactions that the Group concludes are agreed based on economic terms for hedging purposes, but some of them are not classified as hedging instruments for formal reasons.

Derivatives that do not meet the conditions for hedging derivatives are classified by the Group as held for trading.

The change in fair value of derivatives held for trading is recognised as an expense or income from derivative transactions.



### 3. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

#### 3.1 Standards and interpretations effective for the annual period ended 31 December 2023

During the year ended 31 December 2023, the following standards, amendments and interpretations (relevant to the Group's activities) became effective:

Amendments, new and revised standards and interpretations	Effective for annual periods beginning on or after
IFRS 17 and its amendments – Insurance Contracts	1 January 2023
IAS 1 – Amendments to IAS and IFRS Practice Statement 2 – Disclosure of Accounting Policies	1 January 2023
IAS 8 – Amendments to IAS 8 – Definition of Accounting Estimates	1 January 2023
IAS 12 – Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
IAS 12 – Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules	1 January 2023

Amendments to IAS 1 and IAS 12 have an impact on the disclosure of Group's accounting policies; however, they have no impact on the valuation, recognition or presentation of any items in the separate financial statements. The amendment to IAS 12 relating to the international tax reform introduces a temporary exception to the accounting requirements for deferred tax – the Group used an exception for the recognition and disclosure of information on deferred tax assets and liabilities related to pillar two income taxes.

The adoption of the above-stated amendments during the period did not have a significant impact on the disclosures or amounts presented in these financial statements.

#### 3.2 Standards and interpretations applied before the effective date

The Group has not applied any standard or interpretation before the effective date.

#### 3.3 Standards and interpretations issued but not yet applied

As of the date of the separate financial statements, the following standards and interpretations (relevant to the Group's activities) were published but were not yet effective or applied by the Group before their effective date.



<b>Amendments, new and revised standards and interpretations</b>	<b>Effective for annual periods beginning on or after</b>
IFRS 10, IAS 28 – Amendment to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date will be determined*
IFRS 16 – Amendment to IFRS 16 – Lease Liability in a Sale and Leaseback	1 January 2024
IAS 1 - Amendments to IAS 1 – Classification of Liabilities as Current or Non-current	1 January 2024
IAS 1 – Amendment to IAS 1 – Non-current Liabilities with Covenants	1 January 2024
IAS 7 and IFRS 7 – Amendments to IAS 7 and IFRS 7 Supplier Finance Agreement	1 January 2024*
IAS 21 - Amendments to IAS 21 Lack of Exchangeability	1 January 2025*

\*) Standards, amendments and interpretations that have not yet been approved for use in the EU.

The management of the Group expects that the adoption of the above-stated amendments to the existing standards in the following periods will not have a significant impact on the Group's consolidated financial statements.

## **4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Group's accounting policies, which are described in Note 2, the management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are evidently apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key judgements, basic assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have the significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are presented below.

### **4.1 Provisions for legal disputes**

The Group is involved in a number of in-court and out-of-court commercial disputes. Where the criteria for the recognition of provisions have been met, the Group creates provisions for these disputes on the basis of the best available information and estimates. However, the actual outcome of the disputes may differ from these estimates. Information on legal disputes is disclosed in Note 16.



## 4.2 Impairment of assets

The Group assesses the recoverable amount of all asset components when there are indicators of their impairment (with the exception of intangible assets under construction, the recoverable value of which is assessed annually). This assessment is based on expected assumptions and may change in the future depending on the development of the current situation and the availability of information. Impairment of property, plant and equipment is disclosed in Note 5.

## 4.3 Lease – discount rate and lease term

The Group measures the initial lease liability at the present value of the lease payments to be discounted using the implicit interest rate. Since the Group lacks information on many lease contracts to be able to determine this rate reliably, it uses its incremental borrowing rate as the discount rate. In determining the rate, the degree of lease collateral and the length of the lease contracts were taken into account.

In addition, the Group uses an estimate to determine the lease term for contracts concluded for an indefinite period. This estimate considered the period and circumstances of the potential termination of individual contracts. The Group has determined the estimated lease term for contracts for an indefinite period at 5 years for the lease of non-residential premises and 3 years for the lease of railway vehicles for the following reasons:

- the Group operates under a medium-term plan for a period of 5 years; and
- based on past experience, there is sufficient assurance that these leases will not be terminated by the Group.

In addition, each significant contract is also assessed separately in terms of the individual provisions of the contract, the economic situation on the market of the asset and also the experience with the lessor in the past; subsequently, the lease term is adjusted according to these parameters. The lease term on building and vehicle lease contracts in the total amount of CZK 267 million was thus extended for the period of 2023 (in the total amount of CZK 277 million for the period of 2022). The carrying amount of lease liabilities arising from contracts concluded for an indefinite period amounted to CZK 820 million as of 31 December 2023 and CZK 1,242 million as of 31 December 2022.



## 5. PROPERTY, PLANT AND EQUIPMENT

(CZK million)

Cost	Balance at 1 Jan 2022	Additions	Disposals	Transfers	Exchange rate differences	Balance at 31 Dec 2022	Additions	Disposals	Transfers	Exchange rate differences	Balance at 31 Dec 2023
Land	153	0	0	26	0	179	0	0	0	0	179
Structures	1,852	63	0	31	(1)	1,945	26	(1)	4	1	1,975
Individual movable assets	44,532	3,178	(1,424)	252	(56)	46,482	2,725	(769)	453	55	48,946
- Machinery, equipment, and furniture and fixtures	498	5	(8)	21	(1)	515	28	(37)	2	0	508
- Vehicles*	40,565	3,173	(1,416)	267	(31)	42,558	2,697	(732)	184	(40)	44,667
- Leased vehicles	3,461	0	0	(36)	(23)	3,402	0	0	267	95	3,764
- Other	8	0	0	0	(1)	7	0	0	0	0	7
Assets under construction	675	845	(119)	(312)	(1)	1,088	346	(169)	(462)	1	804
Prepayments	316	729	(219)	0	0	826	26	(249)	0	0	603
<b>Total</b>	<b>47,528</b>	<b>4,815</b>	<b>(1,762)</b>	<b>(3)</b>	<b>(58)</b>	<b>50,520</b>	<b>3,123</b>	<b>(1,188)</b>	<b>(5)</b>	<b>57</b>	<b>52,507</b>

(CZK million)

Accumulated depreciation and impairment	Balance at 1 Jan 2022	Additions	Disposals	Transfers	Balance at 1 Jan 2022	Impairment	Exchange rate difference	Balance at 31 Dec 2022	Additions	Disposals	Transfers	Exchange rate difference	Impairment	Exchange rate difference	Balance at 31 Dec 2023
Structures	1,035	36	0	0	0	0	0	1,071	39	0	(1)	0	0	0	1,109
Individual movable assets	24,196	1,609	9	(1,424)	0	(49)	(25)	24,316	1,591	0	(769)	(7)	(101)	(42)	24,988
- Machinery, equipment, and furniture and fixtures	33	19	0	(8)	13	0	(2)	356	20	0	(37)	2	0	0	341
- Vehicles*	22,259	1,477	9	(1,416)	(108)	(49)	(13)	22,159	1,447	0	(732)	(41)	(101)	(84)	22,648
- Leased vehicles	1,596	113	0	0	95	0	(9)	1,795	124	0	0	32	0	42	1,993
- Other	7	0	0	0	0	0	(1)	6	0	0	0	0	0	0	6
Assets under construction	6	0	0	0	0	1	(1)	6	1	24	(25)	0	26	0	32
<b>Total</b>	<b>25,237</b>	<b>1,645</b>	<b>9</b>	<b>(1,424)</b>	<b>0</b>	<b>(48)</b>	<b>(26)</b>	<b>25,393</b>	<b>1,631</b>	<b>24</b>	<b>(795)</b>	<b>(7)</b>	<b>(75)</b>	<b>(42)</b>	<b>26,129</b>

(CZK million)

Net book value	Balance at 31 Dec 2023	Balance at 31 Dec 2022	Balance at 1 Jan 2022
Land	179	179	153
Structures	866	874	817
Individual movable assets	23,958	22,166	20,336
- Machinery, equipment, and furniture and fixtures	167	159	164
- Vehicles*	22,019	20,399	18,306
- Leased vehicles	1,771	1,607	1,865
- Other	1	1	1
Asset under construction	772	1,082	669
Prepayments	603	826	316
<b>Total</b>	<b>26,378</b>	<b>25,127</b>	<b>22,291</b>

\*Vehicles acquired under secured loan are presented in the financial statements under “Vehicles”. Their net book value amounted to CZK 3,494 million as of 31 December 2023 and CZK 4,020 million as of 31 December 2022. The value of these secured loans is included in Note 15 “Loans, borrowings and lease liabilities”. The Company’s secured loan transactions are guaranteed by the lessors title to the leased assets.

Property includes mainly structures and land. Land and structures do not include railway infrastructure owned by Správa železnic, s.o.

Vehicles mainly comprise railway vehicles (traction railway vehicles, freight wagons) used for railway freight transportation. Inventory count procedures showed that the net book value of some types of vehicles was higher than their market value or future use value. The market value of freight wagons was determined based on the expert opinion of a sample of wagons from each interval, which is reduced by the cost of commissioning for wagons with a failed overhaul or technical inspection, or by the



recoverable amount at physical disposal for freight wagons and traction vehicles based on their weight and the current scrap price. This applies to freight wagons and traction railway vehicles that are out of service and are currently not scheduled to be put into operation. As of 31 December 2023, a loss allowance for these assets is recognised in the amount of the difference between the carrying amount and the recoverable amount of CZK 323 million (of which the impairment of the traction vehicles amounted to CZK 38 million, the rest was attributable to freight wagons) and CZK 425 million as of 31 December 2022 (of which the impairment of the traction vehicles amounted to CZK 38 million, the rest was attributable to freight wagons). In addition, the Company recognises an allowance for assets under constructions of CZK 32 million and CZK 6 million as of 31 December 2023 and 31 December 2022, respectively.

Additions to Individual movable assets:

	(CZK million)	
	2023	2022
Inspection repairs (components) of freight wagons	742	841
R and D type repairs (components) of traction railway vehicles	412	296
Purchase of traction railway vehicles from ČD, a.s.	306	0
Zacns class freight wagons	291	172
Components of wagon body for freight wagons	240	203
Vectron traction railway vehicles	175	0
Wheelsets (components) for freight wagons	188	186
Technical inspections (components) of wagons	102	101
TRAXX 388 class traction vehicles	85	395
Technical improvements on traction railway vehicles	56	607
Technical improvements on freight wagons	72	99
Conversion of the 163 class traction railway vehicles to 363 class vehicles	0	133
Other	56	145
<b>Total</b>	<b>2,725</b>	<b>3,178</b>

The Group leases some of its assets that it does not currently use for its activities to external entities. The most significant leased assets are vehicles, especially freight wagons and some traction vehicles. No other significant assets are leased. None of the contracts is non-cancellable.

	(CZK million)	
	Balance at 31 Dec 2023	Balance at 31 Dec 2022
Cost	3,764	3,402
Accumulated depreciation	(1,993)	(1,795)
<b>Net book value</b>	<b>1,771</b>	<b>1,607</b>

In 2023, the Group used part of the grant advance received for the implementation of the European Train Control System (ETCS) on locomotives. The system was installed on the 753.7 and 130 class locomotives, the implementation on the 742.7 class is underway and the ETCS is being upgraded in the 383 class locomotive. In addition, the Group received a grant for the ETCS installation on the 363.5, 240, 388, and 393 class locomotives. The total value of the assets involved was CZK 316 million (in 2022: CZK 427 million).

Railway vehicles are depreciated according to the below-stated useful lives to the estimated residual value. Components of these railway vehicles are depreciated by the actual mileage. When calculating depreciation of other assets, the following useful lives were applied:



	Number of years
Structures	20 – 50
Traction railway vehicles (without components)	20 – 35
Freight wagons (without components)	30
Machinery and equipment	8 – 20

## 5.1 Pledged assets

The Group's assets as of 31 December 2023 and 31 December 2022 were not pledged. The Group's liabilities from leaseback transactions are secured by the lessor's title to the leased assets.

## 6. INTANGIBLE ASSETS

(CZK million)

Cost	Balance at 1 Jan 2022	Additions	Transfers	Balance at 31 Dec 2022	Additions	Disposals	Transfers	Balance at 31 Dec 2023
Software	1,260	74	85	1,419	67	0	42	1,528
Valuable rights	184	9	1	194	3	0	6	203
Assets under construction	94	53	(83)	64	47	(1)	(49)	61
<b>Total</b>	<b>1,538</b>	<b>136</b>	<b>3</b>	<b>1,677</b>	<b>117</b>	<b>(1)</b>	<b>(1)</b>	<b>1,792</b>

(CZK million)

Accumulated amortisation	Balance at 1 Jan 2022	Additions	Transfers	Balance at 31 Dec 2022	Additions	Transfers	Balance at 31 Dec 2023
Software	725	86	2	813	102	0	915
Valuable rights	137	10	(2)	145	9	0	154
<b>Total</b>	<b>862</b>	<b>96</b>	<b>0</b>	<b>958</b>	<b>111</b>	<b>0</b>	<b>1,069</b>

(CZK  
million)

Net book value	Balance at 31 Dec 2023	Balance at 31 Dec 2022	Balance at 1 Jan 2022
Software	613	606	535
Valuable rights	49	49	47
Assets under construction	61	64	94
<b>Total</b>	<b>723</b>	<b>719</b>	<b>676</b>

Assets under construction consist of items that are developed in cooperation with supplier companies and are not internally developed software.

As of 31 December 2023, intangible assets include valuable rights (licences) in a total net book value of CZK 49 million. The most significant items are the Modular System licence in the amount of CZK 13 million, the SAP licence in the amount of CZK 11 million, the Microsoft licence in the amount of CZK 10 million, the Noetic licence in the amount of CZK 9, million and the Altworx licence in the amount of CZK 4 million. In 2023, licences in the total amount of CZK 9 million were activated.

Amortisation period of intangible assets:

	Number of years
Software	3 – 10
Valuable rights	6 – 10



## 6.1 Software

Net book value	(CZK million)		
	Balance at 31 Dec 2023	Balance at 31 Dec 2022	Balance at 2022
Operational and business tasks under the PROBIS project	402	409	315
SAP	54	65	69
IT Security Programme	13	14	13
Other	144	118	138
<b>Total</b>	<b>613</b>	<b>606</b>	<b>535</b>

Software predominantly includes the SAP system and the operational and business tasks under the PROBIS project. Software additionally includes the information system supporting freight transportation, the development of the SAP information system, the Altworx software used to monitor and evaluate the use of the Company's basic capacities (operating personnel, traction vehicles, and freight wagons), the IT security system and other systems used in ČD Cargo, a.s.

Additions to software in 2023 consist mainly of modifications and upgrades of existing systems: Dispatching Information System under the Complete Train Load project in the amount of CZK 31 million, ÚDIV (Central Wagon-to-train Allocation System) in the amount of CZK 14 million, the development of the PRIS Operational Information System in the amount of CZK 10 million, and the Altworx software in the amount of CZK 6 million.

## 7. INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

### 7.1 Information on Joint Ventures

Name of the entity	Registered office	Category
Ostravská dopravní společnost, a.s.	U Tiskárny 616/9, 702 00 Ostrava - Přívoz	Joint venture
RAILLEX, a.s.	Belgická 196/38, 120 00 Prague 2	Joint venture

Name of the entity	Registered office	Equity investment at	Equity investment at
		31 Dec 2023	Dec 2022
Ostravská dopravní společnost, a.s.	Railway transportation and lease of traction vehicles and wagons	50%	50%
RAILLEX, a.s.	Cargo handling and technical services in transportation, freight forwarding	50%	50%

### 7.2 Information on Associates

Name of the entity	Registered office	Category
BOHEMIAKOMBI, spol. s r.o.	Opletalova 921/6, 110 00 Prague 1	Associate
Ostravská dopravní společnost – Cargo, a.s.	U Tiskárny 616/9, 702 00 Ostrava - Přívoz	Associate
Terminál Mošnov, a.s.	Na Florenci 1332/23, 110 00 Prague 1	Associate



Name of the entity	Registered office	Equity investment* at 31 Dec 2023	Equity investment* at Dec 2022
BOHEMIAKOMBI, spol. s r.o.	Brokerage of transportation services except for the transportation by own vehicles	30%	30%
Ostravská dopravní společnost – Cargo, a.s.	Railway transportation and lease of traction vehicles and railway wagons	50%	20%
Terminál Mošnov, a.s.	Operation of the Mošnov terminal	25%*	25%*

\* The equity investment in the entity is owned by ČD Cargo Logistics, a.s.

## 7.3 Summary of financial information on joint ventures and associates

(CZK million)

31 Dec 2023	RAILLEX, a.s.	Ostravská dopravní společnost, a.s.	Total joint ventures	BOHEMIAKOMBI, spol. s r.o.	Ostravská dopravní společnost – Cargo, a.s.	Terminál Mošnov, a.s.	Total associates
<b>Total assets</b>	<b>65</b>	<b>85</b>	<b>150</b>	<b>18</b>	<b>313</b>	<b>46</b>	<b>377</b>
Current assets	64	85	149	17	150	39	206
Non-current assets	1	0	1	1	163	7	171
<b>Total liabilities</b>	<b>33</b>	<b>48</b>	<b>81</b>	<b>10</b>	<b>155</b>	<b>50</b>	<b>215</b>
Current liabilities	33	48	81	10	57	50	117
Non-current liabilities	0	0	0	0	98	0	98
Net assets	32	37	69	8	158	(4)	162
<b>Share of net assets</b>	<b>16</b>	<b>18</b>	<b>34</b>	<b>0</b>	<b>32</b>	<b>0</b>	<b>32</b>

(CZK million)

31 Dec 2022	RAILLEX, a.s.	Ostravská dopravní společnost, a.s.	Total joint ventures	BOHEMIAKOMBI, spol. s r.o.	Ostravská dopravní společnost – Cargo, a.s.	Terminál Mošnov, a.s.	Total associates
<b>Total assets</b>	<b>68</b>	<b>160</b>	<b>228</b>	<b>22</b>	<b>305</b>	<b>25</b>	<b>352</b>
Current assets	67	160	227	21	130	18	169
Non-current assets	1	0	1	1	175	7	183
<b>Total liabilities</b>	<b>47</b>	<b>124</b>	<b>171</b>	<b>13</b>	<b>136</b>	<b>19</b>	<b>168</b>
Current liabilities	47	124	171	13	38	19	70
Non-current liabilities	0	0	0	0	98	0	98
Net assets	21	36	57	9	169	6	184
<b>Share of net assets</b>	<b>11</b>	<b>18</b>	<b>29</b>	<b>0</b>	<b>34</b>	<b>1</b>	<b>35</b>

(CZK million)

Joint ventures	2023	2022
Total income	687	909
Profit for the period	28	20
<b>Group's share of profit for the period</b>	<b>12</b>	<b>10</b>

(CZK million)

Joint ventures	2023	2022
Total income	471	310
Profit for the period	(4)	9
<b>Group's share of profit for the period</b>	<b>(4)</b>	<b>4</b>



## 8. INVENTORIES

	(CZK million)	
	31 Dec 2023	31 Dec 2022
Spare parts to railway vehicles and traction railway vehicles	395	336
Spare parts to other machines, devices and equipment	8	7
Fuels, lubricants and other petroleum products	6	6
Work clothes, work shoes, protective devices	4	6
Other	43	46
<b>Total cost</b>	<b>456</b>	<b>401</b>
Write-down of inventories to their net realisable value	(8)	(9)
<b>Total net book value</b>	<b>448</b>	<b>392</b>

## 9. TRADE RECEIVABLES

The increase in receivables relates to the increase in sales both abroad and in the Czech Republic. More information on receivables is disclosed in Note 33.6. Credit risk management. Trade receivables include the following items:

		(CZK million)							
Category		Before due date	Past due date (days)				More than 365	Total past due	Total
			1 - 30 days	31 - 90	91-180	181-365			
31 Dec 2023	Gross	1,836	155	29	3	18	96	301	2,137
	Provisions	(52)	(5)	0	(1)	(16)	(84)	(106)	(158)
	<b>Net</b>	<b>1,784</b>	<b>150</b>	<b>29</b>	<b>2</b>	<b>2</b>	<b>12</b>	<b>195</b>	<b>1,979</b>
31 Dec 2022	Gross	1,954	151	19	6	12	79	267	2,221
	Provisions	(46)	(4)	(1)	(2)	(9)	(79)	(95)	(141)
	<b>Net</b>	<b>1,908</b>	<b>147</b>	<b>18</b>	<b>4</b>	<b>3</b>	<b>0</b>	<b>172</b>	<b>2,080</b>

### 9.1 Movements of allowances for doubtful trade receivables

	(CZK million)	
Movement of allowances for doubtful trade receivables	2023	2022
<b>Allowances at 1 January</b>	<b>141</b>	<b>104</b>
Recognition of allowances – trade receivables	34	58
Release of allowances – trade receivables	(15)	(15)
Write-offs – trade receivables	(2)	(6)
<b>Allowances at 31 December</b>	<b>158</b>	<b>141</b>

\* Information on the credit risk is disclosed in Note 35.6.

## 10. OTHER FINANCIAL ASSETS

	(CZK million)	
	31 Dec 2023	31 Dec 2022
Lease receivables (see Note 10.1.)	34	49
Hedging derivatives	1	37
Other financial assets	16	11
Restricted cash	0	22
<b>Other non-current financial assets</b>	<b>51</b>	<b>119</b>
Lease receivables (see Note 10.1.)	27	23
Hedging derivatives	56	83
Group cash pooling	3	2
Receivables for damages and losses	12	10
Receivables for damages and losses - allowances	(4)	(6)
Restricted cash	49	17
Other financial assets	53	18
Other financial assets - allowances	(3)	(2)
<b>Other current financial assets</b>	<b>193</b>	<b>145</b>
<b>Total</b>	<b>244</b>	<b>264</b>



Hedging derivatives are measured at fair value, other financial assets are measured at amortised cost.

In relation to IFRS 9, there was no reason to create an allowance for any individual other financial assets due to the expected credit loss.

## 10.1 Finance lease receivables

The Parent Company ČD Cargo, a.s. leases a part of the building in the Lovosice logistics centre to Mondi Štětí a.s. under a finance lease. The subsidiary CD Cargo Poland Sp. z o. o. entered into a contract for the lease of wagons with the possibility of repurchase in 2021 which meets the conditions of a finance lease.

Disclosure required by IFRS 16:

Analysis of the maturity of receivables arising from lease payments:

	(CZK million)	
	31 Dec 2023	31 Dec 2022
1 <sup>st</sup> year	29	25
2 <sup>nd</sup> year	15	25
3 <sup>rd</sup> year	10	12
4 <sup>th</sup> year	9	8
5 <sup>th</sup> year	3	7
More than 5 years	1	1
<b>Undiscounted lease payments</b>	<b>67</b>	<b>78</b>
Minus: unrealised finance income	(6)	(6)
<b>Present value of lease payments receivable</b>	<b>61</b>	<b>72</b>
Impairment allowance	0	0
<b>Net investment in leases</b>	<b>61</b>	<b>72</b>
In the statement of financial position as:		
<i>Short-term lease receivables</i>	27	23
<i>Long-term lease receivables</i>	34	49
<b>Total</b>	<b>61</b>	<b>72</b>

Amounts recognised in the statement of profit or loss:

	(CZK million)	
	Balance at 31 Dec 2023	Balance at 31 Dec 2022
Net proceeds from finance leases	4	5

The Group applies a simplified approach in accordance with IFRS 9 to measure expected credit losses, using an allowance for expected losses over the useful lives for all finance lease receivables.

In order to measure expected credit losses, finance lease receivables are grouped on the basis of shared credit risk characteristics and days past due. The expected rates of losses are based on the payment profiles of the leases before the end of the reporting period and the corresponding historical credit losses that occurred in that period.

None of the finance lease receivables is overdue at the end of the reporting period, and considering past experience and future prospects of the industries in which the lessee operates, the management of the Group believes that no finance lease receivables are impaired.

The Group is not exposed to currency risk as a result of lease arrangements, as the lease is denominated in CZK. The risk of residual value of the leased building is not material.



## 11. OTHER ASSETS

	(CZK million)	
	31 Dec 2023	31 Dec 2022
Prepayments made	2	2
<b>Total long-term</b>	<b>2</b>	<b>2</b>
Prepayments made	2	2
Tax receivables from VAT	98	72
Tax receivables (except for the corporate income tax)	0	17
Prepaid expenses	95	96
Grants	149	336
Other	31	25
<b>Total short-term</b>	<b>375</b>	<b>548</b>
<b>Total</b>	<b>377</b>	<b>550</b>

The line Grants mainly represents an unquestionable entitlement to a part of the grant received by the Parent Company within the grant project for equipping traction vehicles with onboard parts of the European Train Control System.

The line Prepayments made represents amounts paid to domestic and foreign suppliers in connection with business relations.

## 12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are measured at amortised cost in the balance sheet and tested for impairment under IFRS 9. The Group considers the potential impairment of these items to be insignificant due to the high credit quality of the cash deposits held by reputable financial institutions with a high investment credit rating.

	(CZK million)	
	31 Dec 2023	31 Dec 2022
Cash on hand	1	4
Cash at bank*	1,390	1,275
<b>Total</b>	<b>1,391</b>	<b>1,279</b>

\* The contractual partners of the Group are renowned banks with a high credit rating (required investment grade) with which the Group cooperates on the basis of long-term and stable relationships.



Table of final balances of the Company's accounts held in banking institutions:

(CZK million)				
Bank	Short-term rating	Long-term rating	Bank balance at 31 Dec 2023	Bank balance at 31 Dec 2022
Citibank Europe plc	P-1	Aa3	25	11
Česká spořitelna, a.s.	P-1	Aa3	1	1
Československá obchodní banka, a.s.	P-1	Aa3	571	548
ING Bank, N.V.	P-1	Aa3	58	75
Komerční banka, a.s.	P-1	Aa3	21	223
Raiffeisenbank a.s.	P-1	A2	296	108
UniCredit Bank Czech Republic and Slovakia, a.s.	P-2	A3	35	10
Všeobecná úverová banka a.s.	Not assigned	A2	86	221
Millenium bank	P-3	Baa3	127	8
Deutsche Bank	P-1	A1	23	13
Frankfurter Sparkasse*	A-2	A-	5	5
Bank Austria	P-2	A3	4	10
Slovenská sporiteľňa	P-1	A2	1	0
Tatra banka	P-1	A2	42	29
PKO Bank	P-1	A2	64	9
Erste Steiermarkische Bank d.d.*	F2	BBB+	8	4
Fio banka	-	-	3	0
Raiffeisenbank, HUF	-	Baa3	11	0
MBH Bank	-	-	9	0
<b>Total</b>			<b>1,390</b>	<b>1,275</b>

\* For these banking institutions the rating of Fitch Ratings is used, for others, the rating of Moody's.

## 13. EQUITY

### 13.1 Share capital

As of 31 December 2023, the Group's share capital amounted to CZK 8,494 million in the form of 100 book-entry registered shares. The share capital was fully paid.

### 13.2 Capital funds

(CZK million)		
	31 Dec 2023	31 Dec 2022
Share premium	197	197
Reserve fund	188	178
Cash flow hedge reserve	3	258
Actuarial losses	7	11
Foreign currency translation fund	(14)	(95)
Other funds	(16)	(18)
<b>Total</b>	<b>365</b>	<b>531</b>

The allocations to the statutory reserve fund are made in accordance with the internal regulations of the Group.

#### 13.2.1 Share premium

The share premium is the difference that arose between the nominal and issue price of shares when the Parent Company was established in the amount of CZK 197 million as of 1 December 2007.



### 13.2.2 Reserve fund

	(CZK million)	
	2023	2022
<b>Balance at 1 January</b>	<b>178</b>	<b>220</b>
Profit allocation to the reserve fund	10	12
Transfer from the reserve fund	0	-54
<b>Balance at 31 December</b>	<b>188</b>	<b>178</b>

In accordance with the Company's internal regulations, the allocation to the reserve fund amounted to CZK 10 million in 2023.

### 13.2.3 Cash flow hedge reserve

	(CZK million)	
	2023	2022
<b>Balance at the beginning of the year</b>	<b>258</b>	<b>141</b>
Revaluation gain/ change in fair value	(402)	23
Impact on profit or loss	87	121
<b>Total change in the cash flow hedge reserve</b>	<b>(315)</b>	<b>144</b>
Related income tax	60	(27)
<b>Balance at the end of the year</b>	<b>3</b>	<b>258</b>

The cash flow hedge reserve represents the accumulated gains and losses from effective cash flow hedging. It is primarily the hedge of currency risk arising from a change in the CZK/EUR exchange rate, which is hedged by currency forwards, foreign currency loans and bonds and foreign currency lease liabilities. Another component of cash flow hedging is the hedge of the commodity risk associated with fluctuations in the price of diesel. The cumulative accrued gain or loss on hedging derivatives is reclassified to profit or loss only if the hedged transaction affects profit or loss or is included as a carrying amount adjustment to the hedged non-financial item in accordance with the applicable accounting policy.

Gains and losses reclassified during the year from equity are recognised in the statement of profit or loss on the lines Revenues, Services, rental, material and energy consumption and Finance costs, Finance income.

### Reclassification from cash flow hedge reserve into profit or loss

	(CZK million)	
	2023	2022
<b>Currency forwards – hedging future income in foreign currencies</b>		
<b>Balance at 1 January</b>	<b>90</b>	<b>45</b>
Change in the fair value of the hedging derivatives	(163)	(14)
Impact on profit or loss	98	69
Related corporate income tax – change	11	(10)
<b>Balance at 31 December</b>	<b>36</b>	<b>90</b>

	(CZK million)	
	2023	2022
<b>Foreign currency lease liabilities under IFRS 16 - hedging future income in foreign currencies</b>		
<b>Balance at 1 January</b>	<b>150</b>	<b>75</b>
Revaluation gain	(99)	62
Impact on profit or loss	0	31
Related corporate income tax – change	17	(18)
<b>Balance at 31 December</b>	<b>68</b>	<b>150</b>



	(CZK million)	
	2023	2022
<b>Foreign currency loans and bonds - hedging future income in foreign currencies</b>		
<b>Balance at 1 January</b>	<b>20</b>	<b>0</b>
Revaluation gain	(158)	25
Impact on profit or loss	0	0
Related corporate income tax – change	33	(5)
<b>Balance at 31 December</b>	<b>(105)</b>	<b>20</b>

	(CZK million)	
	2023	2022
<b>Commodity forwards – hedging prices for the purchases of diesel</b>		
<b>Balance at 1 January</b>	<b>(2)</b>	<b>21</b>
Change in the fair value of the hedging derivatives	18	(50)
Impact on profit or loss	(11)	21
Related corporate income tax – change	(1)	6
<b>Balance at 31 December</b>	<b>4</b>	<b>(2)</b>

### 13.2.4 Actuarial gains and losses

	(CZK million)	
	2023	2022
<b>Balance at 1 January</b>	<b>11</b>	<b>16</b>
Actuarial gains/ losses	(4)	(5)
<b>Balance at 31 December</b>	<b>7</b>	<b>11</b>

Actuarial losses represent the results of the revaluation of net liabilities (provisions for employee benefits in the Parent Company) from such defined benefits, for more details see Note 16. Provisions.

### 13.2.5 Foreign currency translation fund

	(CZK million)	
	2023	2022
<b>Balance at 1 January</b>	<b>(95)</b>	<b>(58)</b>
Exchange differences arising on the translation of the net assets of foreign operations	81	(37)
<b>Balance at 31 December</b>	<b>(14)</b>	<b>(95)</b>

### 13.2.6 Other funds

	(CZK million)	
	2023	2022
<b>Balance at 1 January</b>	<b>(18)</b>	<b>(18)</b>
Rounding difference	2	0
<b>Balance at 31 December</b>	<b>(16)</b>	<b>(18)</b>

## 14. TRADE PAYABLES

Year	Category	Before due date	Past due date (days)					Total past due	Total
			1 – 30	31 – 90	91–180	181-365	365 and more		
31 Dec 2023	Short-term	2,356	30	0	2	3	0	35	<b>2,391</b>
31 Dec 2022	Short-term	2,866	42	2	0	0	3	47	<b>2,913</b>

The average maturity of supplier invoices is 90 days. The Group does not recognise any long-term trade payables. Liabilities overdue for more than 365 days are part of legal disputes.



## 15. LOANS, BORROWING AND LEASE LIABILITIES

	(CZK million)	
	31 Dec 2023	31 Dec 2022
Long-term bank loans	6,706	4,723
Long-term secured loans	2,149	2,425
Lease liabilities	2,342	3,008
Issued bonds	4,748	4,720
Loan from České dráhy, a.s.	0	0
<b>Total long-term</b>	<b>15,945</b>	<b>14,876</b>
Short-term bank loans	1,169	764
Short-term secured loans	355	427
Lease liabilities	964	985
Overdraft accounts	415	896
Issued bonds	31	530
Loan from České dráhy, a.s.	0	57
<b>Total short-term</b>	<b>2,934</b>	<b>3,659</b>
<b>Total</b>	<b>18,879</b>	<b>18,535</b>

### 15.1 Bank loans

						(CZK million)	
Bank	Nominal value	Final maturity date	Interest	Carrying value at 31 Dec 2023	Carrying value at 31 Dec 2022		
UniCredit Bank, a.s.	CZK 1,000 million	29 March 2030	fixed	625	725		
ING Bank NV	CZK 1,000 million	31 Aug 2027	fixed	615	769		
UniCredit Bank, a.s.	CZK 1,000 million	31 Dec 2027	fixed	571	714		
ING bank, a. s.	CZK 500 million	30 June 2028	fixed	346	423		
Raiffeisenbank, a. s.	CZK 1,000 million	30 June 2031	fixed	800	900		
EIB loan – 1 <sup>st</sup> tranche	CZK 500 million	2 July 2031	fixed	455	500		
Raiffeisenbank, a. s.	EUR 40 million*	30 June 2032	fixed	841	917		
ING bank, a. s.	EUR 40 million*	31 March 2028	fixed	890	483		
VÚB Bank	EUR 30 million*	21 March 2030	fixed	647	0		
EIB loan – 2 <sup>nd</sup> tranche	EUR 40 million*	1 June 2033	fixed	989	0		
Raiffeisenbank, a. s.	EUR 40 million*	1 June 2033	fixed	989	0		
Tatrabanka I.	EUR 1.2 million*	31 Aug 2023	fixed	0	4		
Tatrabanka II.	EUR 1 million*	31 July 2027	1M EURIBOR + 1.2% p.a.	15	18		
Tatrabanka III.	EUR 1.5 million*	29 Feb 2028	1M EURIBOR + 1.1% p.a.	27	34		
MHB Bank Nyrt.	EUR 3 million*	30 Nov 2028	3M EURIBOR + 2% p.a.	65	0		
<b>Total</b>				<b>7,875</b>	<b>5,487</b>		
of which short-term				1,169	764		
of which long-term				6,706	4,723		

\* The amount to be used in CZK is stated in the text.

In 2022, two new credit lines of EUR 40 million were agreed, one of which was fully used in the amount of CZK 975 million. The balance of this investment loan in Raiffeisenbank, a. s., was CZK 917 million as of 31 December 2022 and CZK 841 million as of 31 December 2023. The second credit line from ING bank, a.s., was signed in the amount of CZK 965 million in 2022 and partially used in 2022 in the amount of EUR 20 million (CZK 483 million). The remaining portion of EUR 20 million (CZK 484 million) was used in January 2023, its carrying value as of 31 December 2023 was CZK 890 million.



In December 2020, a loan agreement was signed with the European Investment Bank (EIB). According to the contractual conditions, the total amount of the loan framework is EUR 130 million (CZK 3,412 million). This credit framework is and will be gradually drawn down in the following years to finance the Company's pre-selected investment projects. In 2021, the first tranche of CZK 500 million was used. In 2023, the second tranche of EUR 40 million (CZK 947 million) was used in June 2023.

In 2023, an investment loan was agreed in Všeobecná úverová banka, a.s., pobočka Praha, and was used as of 22 March 2023. The total amount of the loan is EUR 30 million (CZK 703 million).

Another loan was obtained from Raiffeisenbank, a.s. and used in the 1st tranche amounting to EUR 40 million (CZK 974 million). The total agreed amount of the credit line is CZK 1.5 billion with the possibility to be used in CZK or EUR.

In August 2021, an investment loan was used by CD Cargo Slovakia, s.r.o. in the amount of CZK 26 million. The balance of the investment loan as of 31 December 2023 is CZK 15 million.

In August 2022, an investment loan was used by CD Cargo Slovakia, s.r.o. in the amount of CZK 36 million. The balance of the investment loan as of 31 December 2023 is CZK 27 million.

In December 2023, an investment loan was used by CD Cargo Hungary Kft. in the amount of CZK 65 million. The balance of the investment loan as of 31 December 2023 is CZK 65 million.

Detailed overview of the movements of the investment facilities is disclosed in Note 35.8.2. Sources of financing.

Portions of long-term loans and borrowings that are due within one year from the balance sheet date are recognised as short-term loans and borrowings.

The Parent Company breached no loan covenants in the reporting period. Bank investment loans are not guaranteed.

## 15.2 Issued bonds

On 4 May 2011, the resolution of the Czech National Bank approved the Bond Programme of ČD Cargo, a.s. The highest volume of outstanding bonds issued under the Bond Programme may amount up to CZK 6,000 million, with the term of the Bond Programme being ten years. The above resolution of the Czech National Bank took effect on 5 May 2011. Furthermore, from 5 May 2021, following the expiry of the first Bond Programme, a new bond programme with the term of 10 years is valid without a limit on the maximum amount of outstanding bonds.

Under the above-stated bond programmes or under separate issuance conditions, the following bond issues exist as of 31 December 2023:

(CZK million)



Date of issue	Nominal value	Maturity date	Publicly traded	Coupon rate	Carrying value at 31 Dec 2023	Carrying value at 31 Dec 2022
29 Dec 2016	CZK 500 million	29 Dec 2023	yes	1.26%	0	500
20 July 2018	CZK 1,000 million	20 July 2025	yes	2.55%	1,010	1 010
17 July 2019	CZK 1,000 million	17 July 2026	no	2.17%	1,009	1 008
18 Nov 2019	CZK 770 million	18 Nov 2026	no	2.09%	771	771
31 July 2020	CZK 1,000 million	31 July 2027	no	1.65%	999	997
20 April 2022	EUR 40 million	31 Dec 2028	no	1.92%	990	964
<b>Total</b>					<b>4,779</b>	<b>5 250</b>
of which short-term					31	530
of which long-term					4 748	4,720

In 2023 and 2022, the Group breached no conditions applicable to issued bonds.

## 16. PROVISIONS

	(CZK million)				
	Balance at 31 Dec 2022	Recognition	Use	Release	Balance at 31 Dec 2023
Retirement benefit provision	24	36	(4)	0	56
- of which long-term part	21				47
Provision for other employee benefits	141	92	(76)	0	157
- of which long-term part	66				74
<b>Total provision for employee benefits</b>	<b>165</b>	<b>128</b>	<b>(80)</b>	<b>0</b>	<b>213</b>
Provision for legal disputes	1	26	0	0	27
Provision for restructuring	0	23	0	0	23
Other provisions	65	292	(195)	(25)	137
<b>Total provisions</b>	<b>231</b>	<b>469</b>	<b>(275)</b>	<b>(25)</b>	<b>400</b>
Long-term	87				121
Short-term	144				279

The provision for employee benefits represents the employees' entitlement to a financial contribution upon reaching a life anniversary, a financial contribution upon retirement, and to a payment of medical expenses, including compensation for wages during curative and rehabilitation stays. As of 31 December 2023, it was calculated at CZK 213 million (31 December 2022: CZK 165 million). Compared to 2022, there was a change primarily in the contribution upon retirement which amounts to CZK 57 million as of 31 December 2023 (2022: CZK 25 million). In 2023, the provision also included a contribution upon reaching a life anniversary of CZK 61 million (2022: CZK 61 million), a contribution for medical expenses, including compensation of wages during curative and rehabilitation stays of CZK 58 million (2022: CZK 54 million) and other financial contributions of CZK 37 million (2022: CZK 25 million). In calculating the provision for employee benefits, the Company used an actuarial model based on current employee data (number of employees, date of old-age pension, average salary, amount of financial contribution) and expected parameters determined by a qualified estimate and publicly available statistical data such as expected employee turnover, expected wage growth, expected inflation rate and the curve of disability and death according to the data of the Czech Statistical Office. Cash flows are discounted to the present value using a discount rate derived from the government bond yield rate.



As of 31 December 2023, other provisions primarily include provisions for complaints and settlement of damage events where no exact amount and degree of guilt of individual parties involved is so far known.

## 17. OTHER FINANCIAL LIABILITIES

	(CZK million)	
	31 Dec 2023	31 Dec 2022
Hedging derivatives	1	0
Other financial liabilities	2	2
<b>Non-current Other financial liabilities</b>	<b>3</b>	<b>2</b>
Hedging derivatives	5	11
Liability from the terminated lease contract	121	121
Other	45	19
<b>Current Other financial liabilities</b>	<b>171</b>	<b>151</b>
<b>Total Other financial liabilities</b>	<b>174</b>	<b>153</b>

Financial derivatives for trading are measured at fair value, other financial liabilities are measured at amortised cost.

Three lease contracts on the sale and subsequent lease of 1,141 vehicles were concluded between the Parent Company ČD Cargo, a.s. and Financial Found, a.s. According to the contractual arrangements, ČD Cargo, a.s. withdrew from the contract in 2019 and immediately settled the remaining lease payments in the amount of CZK 146 million. Since Financial Found, a.s., disagreed with the withdrawal, it returned the amount back to ČD Cargo, a.s. account. In order to avoid the senseless forwarding of funds, ČD Cargo, a.s. informed Financial Found, a.s. that it had the funds ready and asked it to confirm that the company would accept them. Up to the current date, Financial Found, a.s. has not responded. In parallel, Financial Found, a.s., filed a legal action with the District Court for Prague 7 to determine the ownership of the 1,141 vehicles. No resolution has been made yet. As of 31 December 2023, the carrying value of these railway vehicles amounted to CZK 807 million, as of 31 December 2022, it amounted to CZK 733 million. Financial Found, a.s., also unsuccessfully tried to register its ownership of the vehicles at the Rail Authority. This means that ČD Cargo, a.s. is registered as the owner and holder of these vehicles. In accordance with the described information, the Company's management has decided to record the vehicles in the Company's assets and to account for all related accounting transactions (segregation of components, accounting for depreciation, etc.). As of 31 December 2023, the liability arising from this terminated lease contract amounted to CZK 121 million (excluding VAT). As of 31 December 2022, this liability also amounted to CZK 121 million.



## 18. OTHER LIABILITIES AND CONTRACTUAL COMMITMENTS

Other liabilities and contractual commitments are composed of the following items:

	(CZK million)	
	31 Dec 2023	31 Dec 2022
Other liabilities	7	17
<b>Other long-term liabilities</b>	<b>7</b>	<b>17</b>
Payables to employees	598	573
Liabilities for social security and health insurance	184	177
Tax withheld from employees	36	30
Tax liabilities – VAT	6	9
Subsidies received	49	30
Other	4	14
<b>Other short-term liabilities</b>	<b>877</b>	<b>833</b>
Contractual commitments	3	1
Refund liabilities	15	16
<b>Other short-term liabilities and contractual commitments</b>	<b>895</b>	<b>850</b>
<b>Total other liabilities and contractual commitments</b>	<b>902</b>	<b>867</b>

In 2023, a part of the subsidy from the CEF II programme in the amount of CZK 200 million was provided. This was used for the delivery of the ETCS safety system for series traction vehicles of selected class. The remaining balance of the grant from the CF II programme is in restricted funds in the amount of CZK 49 million (10. Other financial assets). The Connecting Europe Facility (CEF) allows EU funds to be used for transport infrastructure in the Czech Republic. The Connecting Europe Facility is aimed at providing EU financial assistance for trans-European networks to support projects of common interest in the transport, telecommunications, and energy infrastructure sectors and exploit potential synergies between these sectors. Moreover, the grant of CZK 472 million was provided from the SFDI that was used for the delivery of the ETCS for the 130 and 753.7 class traction vehicles and the upgrade of the ETCS 4 in the 383 class traction vehicles, the grant was used in full.

Other long-term liabilities also include liabilities to employees arising from the applicable collective agreement.

Short-term liabilities to employees represent a liability for unpaid December salaries.

The Group has no overdue liabilities to tax authorities, social security authorities, and health insurance companies.

## 19. LEASE CONTRACTS

### 19.1 Right-of-use assets and lease liabilities

The Group leases land, buildings (administrative and railway stations), equipment (Innofreight technologies) and vehicles (freight wagons, tanks, and passenger cars). Lease contracts are usually concluded for a definite period (from 3 to 10 years). A minority of contracts are concluded for an indefinite period.



(CZK million)

Cost	Balance at 1 Jan 2022	Additions	Change of lease period	Change of rent amount	Disposals	Exchange rate differences	Balance at 31 Dec 2022	Additions	Change of lease period	Change of rent amount	Disposals	Transfers	Exchange rate differences	Balance at 31 Dec 2023
Buildings	453	12	44	94	(138)	(1)	464	21	35	51	(91)	0	2	482
- of which Lovosice logistics centre	33	0	0	0	0	0	33	0	0	0	0	0	0	33
Equipment	896	35	14	97	(11)	0	1,031	10	75	49	(154)	0	0	1,011
- of which Innofreight technologies	894	35	13	97	(11)	0	1,028	0	75	49	(154)	0	0	998
Vehicles	3,444	1,207	219	3	(469)	(18)	4,386	122	157	265	(654)	(1)	48	4,323
- of which freight wagons and locomotives	3,409	1,190	219	3	(452)	(18)	4,351	105	157	265	(644)	0	47	4,281
<b>Total</b>	<b>4,793</b>	<b>1,254</b>	<b>277</b>	<b>194</b>	<b>(618)</b>	<b>(19)</b>	<b>5,881</b>	<b>153</b>	<b>267</b>	<b>365</b>	<b>(899)</b>	<b>(1)</b>	<b>50</b>	<b>5,816</b>

(CZK million)

Accumulated depreciation and impairment	Balance at 1 Jan 2022	Depreciation	Disposals	Exchange rate differences	Balance at 31 Dec 2022	Depreciation	Disposals	Transfers	Exchange rate differences	Balance at 31 Dec 2023
Buildings	157	69	(50)	0	176	63	(8)	0	1	232
- of which Lovosice logistics centre	20	3	0	0	23	3	0	0	0	26
Equipment	229	157	0	0	386	148	(7)	0	0	527
- of which Innofreight technologies	229	156	0	0	385	147	(7)	0	0	525
Vehicles	950	588	(204)	(6)	1,328	712	(312)	(1)	23	1,750
- of which freight wagons and locomotives	929	578	(191)	(5)	1,311	703	(302)	0	23	1,735
<b>Total</b>	<b>1,336</b>	<b>814</b>	<b>(254)</b>	<b>(6)</b>	<b>1,890</b>	<b>923</b>	<b>(327)</b>	<b>(1)</b>	<b>24</b>	<b>2,509</b>

(CZK million)

Net book value	Balance at 31 Dec 2023	Balance at 31 Dec 2022	Balance at 1 Jan 2022
Buildings	250	288	296
- of which Lovosice logistics centre	7	10	13
Equipment	484	645	667
- of which Innofreight technologies	473	643	665
Vehicles	2,573	3,058	2,494
- of which freight wagons and locomotives	2,546	3,040	2,480
<b>Total</b>	<b>3,307</b>	<b>3,991</b>	<b>3,457</b>

The Group recorded an increase of CZK 100 million in the lease of traction vehicles and of CZK 5 million in the lease of freight wagons. The Group's disposals predominantly include terminated freight wagons lease contracts.

The right-of-use assets under IFRS 16 also include a lease agreement for the lease of storage space in the Lovosice logistics centre. Since the Company incurs the loss of approximately CZK 59 million per year from this contract, in the past, the Company created for this contract a provision for loss-making transactions in respect of this lease contract. As a result of the adoption of IFRS 16, this lease was reclassified as an impairment of right-of-use asset. As of 1 January 2019, the value of this right-of-use was calculated at CZK 558 million and decreased by the allowance of CZK 409 million. As of 1 January 2019, the resulting amount of CZK 149 million was recorded in the above "Cost" table. In 2021, the value of the right-of-use assets decreased due to the lower profitability of the logistics centre. As of 31 December 2023, this right-of-use assets was recognised in the carrying amount of CZK 7 million (as of 31 December 2022, the value was CZK 10 million).

The item "Buildings", in addition to the logistics centre in Lovosice, includes lease agreements of non-residential premises within the railway stations used by our operating employees who are responsible for the operation of the Group's rail transport.



The amount of impairment of the right-of-use assets is determined by a reasonable estimate of the estimated net future commitment. The amount represents the difference between discounted net expected income and discounted expected expense.

	(CZK million)	
	Balance at 31 Dec 2023	Balance at 31 Dec 2022
Short – term lease liabilities	964	985
Long – term lease liabilities	2,342	3,008
<b>Total lease liabilities</b> (see Note 15)	<b>3,306</b>	<b>3,993</b>

The amounts recognised in the statement of profit or loss:

	(CZK million)	
	2023	2022
Depreciation of right-of-use assets	28	(923)
Interest expense on lease liabilities	30	(107)
Short-term lease expenses	26	(214)
Low-value assets lease expenses		(19)
Expenses related to variable lease payments not included in the measurement of the lease liability	29	(55)

Short-term lease and low-value assets lease expenses that are not included in the above-stated short-term lease liabilities are included in the statement of profit or loss under Services, rental, material, and energy consumption.

In 2023, total monetary expenses related to leases amounted to CZK 1,377 million (of which lease payments of CZK 982 million, interest expenses of CZK 107 million, short-term lease payments of CZK 214 million, low-value assets lease payments of CZK 19 million, variable lease payments of CZK 55 million).

In 2022, total monetary expenses related to leases amounted to CZK 1,237 million (of which lease payments of CZK 872 million, interest expenses of CZK 58 million, short-term lease payments of CZK 253 million, low-value assets lease payments of CZK 14 million, variable lease payments of CZK 39 million).

## 20. CONTRACTUAL COMMITMENTS RELATING TO EXPENSES

As of the balance sheet date, the Group has concluded contracts for the purchase of property, plant and equipment, and investment property in the amount of CZK 10,029 million. Of this amount, CZK 5,748 million relates to outstanding deliveries of which CZK 4,009 million represents investments agreed for 2024 and CZK 1,739 million deliveries agreed for subsequent years. The remaining CZK 4,281 million had already been paid as of 31 December 2023. A substantial part of the commitments relating to expenses in the amount of CZK 7,854 million represents investments in railway vehicles.



## 21. CONTINGENT ASSETS

As of 31 December 2023, ČD Cargo, a.s. recorded no contingent assets.

## 22. RECEIVED AND ISSUED GUARANTEES

### 22.1 Issued bank guarantees

Bank guarantees as of 31 December 2023 issued by Komerční banka, a.s., from the liability limit of CZK 50 million. This is a guarantee for liabilities. The table shows liabilities that are not on the balance sheet (e.g. lease guarantees) or liabilities that may yet arise (e.g. customs debt).

List of active bank guarantees issued by ČD Cargo, a.s. at 31 December 2023					
In favour of	Type of guarantee	Amount of guarantee	Currency	Termination date	Reason for bank guarantee
<b>SCF LHI, s.r.o.</b> , Sokolovská 394/17, 186 00 Praha 8 - Karlín	Warranty for rent	0.2 million	EUR	5 June 2024	Bank guarantee to fulfil all liabilities and obligations of the Lessee under the Lease Agreement with West Invest Waterfront Towers s.r.o. - Lighthouse.
<b>P3 Lovosice s.r.o.</b> , Na Florenci 2116/15, 110 00 Praha 1	Warranty for rent	17 million	CZK	8 July 2024	Bank guarantee in the event that ČD Cargo, a.s. does not comply with the obligations under the Lease Agreement of buildings and land in the Logistics Centre in Lovosice.
<b>Celní úřad pro Jihočeský kraj</b> , Kasárenská 6, 370 21 České Budějovice	Customs guarantee	0.5 million	CZK	15 Jan 2024	Guarantor's undertaking - comprehensive guarantee; issued to the South Bohemian Region Customs Office to secure the customs debt and other charges.
<b>Celní úřad pro Jihočeský kraj</b> , Kasárenská 6, 370 21 České Budějovice	Customs guarantee	3.5 million	CZK	15 Jan 2024	Warranty deed for the purpose of securing duties by a comprehensive principal by the customs agent, acting on the basis of direct representation; issued to the South Bohemian Region Customs Office.
<b>AKIEM SAS</b> , 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint- Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	23 Nov 2024	Bank guarantee to secure payments for AKIEM SAS.
<b>AKIEM SAS</b> , 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint- Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	23 Nov 2024	Bank guarantee to secure payments for AKIEM SAS.
<b>AKIEM SAS</b> , 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint- Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	18 May 2024	Bank guarantee to secure payments for AKIEM SAS.



<b>AKIEM SAS</b> , 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint-Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	19 March 2024	Bank guarantee to secure payments for AKIEM SAS.
<b>AKIEM SAS</b> , 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint-Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	26 Jan 2024	Bank guarantee to secure payments for AKIEM SAS.
<b>AKIEM SAS</b> , 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint-Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	2 Feb 2024	Bank guarantee to secure payments for AKIEM SAS.
<b>AKIEM SAS</b> , 151-161 Boulevard Victor Hugo – Eurosquare 1, 93452 Saint-Ouen-sur-Seine Cedex, France	Payment guarantee	0.1 million	EUR	8 Dec 2024	Bank guarantee to secure payments for AKIEM SAS.

## 22.2 Received bank guarantees

The table shows off-balance-sheet receivables to which ČD Cargo, a.s. would be entitled following the significant breach of a contract (e.g. non-compliance with the contractual terms by the supplier).

List of active bank guarantees received by ČD Cargo, a.s. at 31 Dec 2023					
Bank guarantee issued by	Guarantee provider	Amount	Currency	Termination date	Reason for bank guarantee
<b>Bombardier Transportation GmbH</b> , Eichhornstrasse, 3, postal code 10785 Berlin, Deutschland	UniCredit Bank Czech Republik and Slovakia, a.s	10 million	EUR	29 May 2024	In accordance with contract No. 08856-2021-001 of 25 February 2021. Ensuring delivery of up to 10 pieces of TRAXX MS3 locomotives.
<b>Bombardier Transportation GmbH</b> , Eichhornstrasse, 3, postal code 10785 Berlin, Deutschland	UniCredit Bank Czech Republik and Slovakia, a.s	2.8 million	EUR	21 Dec 2026	In accordance with contract No. 06926-2018-001 of 1 September 2018. Ensuring delivery of up to 10 pieces of TRAXX MS locomotives.
<b>Siemens Mobility s.r.o.</b> , Siemensova 2715/1 155 Praha 5	Erste Group Bank AG	0.8 million	EUR	10 April 2026	In accordance with contract No. 09606-2022-001 of 6 June 2022. Upgrade of the ETCS for the Vectron MS locomotive.
<b>Metrostav a.s.</b> , Koželužská 2450/4 180 00 Praha 8	Raiffeisenbank a.s.	3 million	EUR	14 June 2024	In accordance with contract No. 06695-2018-SOKV of 28 May 2018. SOKV Ústí nad Labem, New steel hall for the cleaning of freight wagons.
<b>Siemens Mobility s.r.o.</b> , Siemensova 2715/1 155 00 Praha 5	UniCredit Bank Czech Republik and Slovakia, a.s	1.1 million	EUR	30 June 2025	In accordance with contract No. 09287-2021-001 of 2 Dec 2021. Supplies of new end locomotives for the needs of ČD Cargo, a.s.
<b>TATRAVAGÓNKA a.s.</b> , Štefánikova 887/53 058 01 Poprad	COMMERZBANK Aktiengesellschaft, pobočka Praha	0.4 million	EUR	31 May 2024	In accordance with contract No. 08476-2020-001 of 19 October 2020. Supply of 100 pieces of new Sgnss wagons.
<b>CZ Loko, a.s.</b> , Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	0.3 million	EUR	31 Dec 2024	In accordance with contract No. 08624-2020-001 of 30 November 2020. Supply and installation of a mobile part of the ETCS in the 753.7 class traction vehicles. (30 pieces).
<b>CZ Loko, a.s.</b> , Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	1.5 million	EUR	9 Dec 2024	In accordance with contract No. 08624-2020-001 of 30 November 2020. Supply and installation of the mobile part of the ETCS in the 753.7 class traction vehicles (30 pieces).



**List of active bank guarantees received by ČD Cargo, a.s. at 31 Dec 2023**

<b>Bank guarantee issued by</b>	<b>Guarantee provider</b>	<b>Amount</b>	<b>Currency</b>	<b>Termination date</b>	<b>Reason for bank guarantee</b>
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	0.6 million	EUR	30 Sept 2025	In accordance with contract No. 08624-2020-001 of 30 November 2020. Supply and installation of the mobile part of the ETCS in the 753.7 class traction vehicles (30 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	0.3 million	EUR	31 Dec 2024	In accordance with contract No. 08624-2020-001 of 30 November 2020. Supply and installation of the mobile part of the ETCS in the 753.7 class traction vehicles (30 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	99 million	CZK	26 Jan 2025	In accordance with contract No. 7091-2018-001 of 1 November 2018. Modernisation of the 742 class traction vehicles, including the installation of the ETCS (50 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	98.6 million	CZK	20 Dec 2024	In accordance with contract No. 7091-2018-001 of 1 November 2018. Modernisation of the 742 class traction vehicles, including the installation of the ETCS (50 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	1.4 million	EUR	31 March 2024	In accordance with contract No. 7091-2018-001 of 1 November 2018. Modernisation of the 742 class traction vehicles, including the installation of the ETCS (50 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	0.3 million	EUR	31 Dec 2024	In accordance with contract No. 7091-2018-001 of 1 November 2018. Modernisation of the 742 class traction vehicles, including the installation of the ETCS (50 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	31 Dec 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	31 Dec 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	31 Dec 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	31 Dec 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	31 Dec 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	30 June 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	30 June 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	30 June 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).



<b>List of active bank guarantees received by ČD Cargo, a.s. at 31 Dec 2023</b>					
<b>Bank guarantee issued by</b>	<b>Guarantee provider</b>	<b>Amount</b>	<b>Currency</b>	<b>Termination date</b>	<b>Reason for bank guarantee</b>
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	30 June 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	3 million	CZK	30 June 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> Semanínská 580 560 02 Česká Třebová	ČSOB, a.s.	40.8 million	CZK	31 July 2024	In accordance with contract No. 06964-2018-001 of 1 September 2019. Supply of new diesel 744.1x class traction vehicles (including the ETCS, 10 pieces).
<b>CZ Loko, a.s.</b> <b>Semanínská 580</b> <b>560 02 Česká Třebová</b>	Allianz pojišťovna, a.s.	1.7 million	EUR	31 May 2024	In accordance with contract No. 09545-2022-001 of 10 May 2022. Modernisation of the 742 class traction vehicles, including the installation of the ETCS (25 pieces).
<b>CZ Loko, a.s.</b> <b>Semanínská 580</b> <b>560 02 Česká Třebová</b>	Allianz pojišťovna, a.s.	200 million	CZK	31 May 2024	In accordance with contract No. 09545-2022-001 of 10 May 2022. Modernisation of the 742 class traction vehicles, including the installation of the ETCS (25 pieces).
<b>CZ Loko, a.s.</b> <b>Semanínská 580</b> <b>560 02 Česká Třebová</b>	Česká spořitelna, a.s.	17 million	CZK	31 Dec 2024	In accordance with contract No. 7611-2019-001 of 14 June 2019 for the supplies of modernised diesel locomotives to provide for the railway services in ČD Cargo, a.s.
<b>ČD - Telematika a.s.</b> <b>Pernerova 2819/2a</b> <b>130 00 Praha 3</b>	Raiffeisenbank a.s.	4.3 million	EUR	31 Dec 2024	Amendment no. 1 to the bank guarantee to contract No. 09695-2022-001 of 9 August 2022. Supply and installation of the mobile part of the ETCS in selected 363.5 class locomotives.
<b>ŽOS Vrútky a.s.</b> <b>Dielenská Kružná 2</b> <b>038 61 Vrútky</b>	Slovenská sporiteľňa, a.s.	0.8 million	EUR	15 Jan 2025	In accordance with contract No. 09963-2022-001 of 21 December 2022. Equipping the 240 class locomotives with the mobile part of the ETCS.
<b>ŽOS Vrútky a.s.</b> <b>Dielenská Kružná 2</b> <b>038 61 Vrútky</b>	Slovenská sporiteľňa, a.s.	1.6 million	EUR	15 Jan 2025	In accordance with contract No. 09963-2022-001 of 21 December 2022. Equipping the 240 class locomotives with the mobile part of the ETCS.
<b>ŽOS Vrútky a.s.</b> <b>Dielenská Kružná 2</b> <b>038 61 Vrútky</b>	Slovenská sporiteľňa, a.s.	0.3 million	EUR	31 Dec 2024	Amendment No. 2 to the bank guarantee to contract No. 08623-2020-001 of 7 January 2021. Equipping the 130 class locomotives with the mobile part of the ETCS, stage. 1 – Prototype.
<b>ŽOS Vrútky a.s.</b> <b>Dielenská Kružná 2</b> <b>038 61 Vrútky</b>	Slovenská sporiteľňa, a.s.	1.7 million	EUR	20 Feb 2024	Amendment No. 1 to the bank guarantee to contract No. 08623-2020-001 of 7 January 2021. Equipping the 130 class locomotives with the mobile part of the ETCS, stage 2 - Series implementation.
<b>ČD - Telematika a.s.</b> <b>Pernerova 2819/2a</b> <b>130 00 Praha 3</b> <b>AŽD Praha s.r.o.</b> <b>Žirovnická 3146/2</b> <b>106 00 Praha 10</b>	Česká spořitelna, a.s.	1.2 million	EUR	31 Dec 2024	Amendment No. 3 to the bank guarantee to contract No.7344-2019-001 of 12 March 2019. Supply and installation of the mobile part of the ETCS in the selected 163 and 363 class traction vehicles.

## 23. SEGMENT ANALYSIS

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate



resources to the appropriate segments and to assess their performance. The most significant customers, as well as the distribution of countries from which the Group derives revenues, are set out in the Note 24. The Group's reportable segments under IFRS 8 are therefore as follows:

- The Group offers its customers transportation of a broad variety of commodities within the transportation segment: iron and engineering products, brown and black coal, building materials, food and agricultural products, chemicals and liquid fuels, wood and paper products, automotive, and also combined transportation and shipping of other consignments including those indicated as being extraordinary. Transportation of these goods is conducted in two types of products: individual wagon loads and complete train loads. Complete train loads are the most convenient type of transportation for larger consignments that go directly from the sender to the recipient without any shift work. Conversely, transportation of cargo by individual wagons or a group of wagons is used by the customer for shipping of smaller volumes of goods. Among railway carriers in the Czech Republic, only ČD Cargo, a.s. offers individual wagon load transport within the entire railway network because it is technologically more demanding in comparison to complete train loads. Individual wagon load from the sender is usually delivered to the nearest marshalling station by a so-called handling train. With the use of the long-range train, wagons are then sent to the marshalling station that is the closest to the recipients and then delivered to them again using the handling train.
- Within the segment of additional services for transportation, additional services for the handling of goods are offered, and they are directly related to the shipping of goods by rail, meaning collection and loading of goods including storage, shuttle service, i.e. parking and removal of wagons to and from the factory siding, ensuring the shift to siding, shifting cars before furnishing the siding, forwarding operations, complex customs procedures for all types of transportation, including contact with government authorities, etc. Lease of unused capacity of locomotives and wagons to external entities is also offered within this segment. Last but not least, there is also the repair and maintenance of traction vehicles and freight wagons for the internal needs of the Group, as well as for external customers that is performed in the individual Railway Vehicle Repair Centres.

The Board of Directors of the Parent Company is the body that performs the analysis of individual segments and on this basis makes the decisions.



(CZK million)				
2023	Transportation	Additional services	Elimination	Total
<b>Revenue from the principal operations</b>	14 683	3 816	(2 770)	15 729
<b>Services, material and energy consumption</b>	<b>(6 716)</b>	<b>(2 506)</b>	<b>2 842</b>	<b>(6 380)</b>
Traction costs	(1 699)	0	0	(1 699)
Payment for the use of the railway infrastructure*	(1 049)	0	0	(1 049)
Other purchased consumables and services	(3 968)	(2 506)	2 842	(3 632)
<b>Staff costs</b>	<b>(4 701)</b>	<b>(700)</b>	<b>(1)</b>	<b>(5 402)</b>
Other operating income	337	396	(273)	460
Other operating expenses	(381)	(212)	(8)	(601)
Depreciation	(2 232)	(348)	(9)	(2 589)
Interest expense	(469)	(57)	(8)	(534)
Other financial expenses	(51)	(20)	13	(58)
Other financial income	71	27	10	108
<b>Loss (-)/ profit (+) before tax</b>	<b>541</b>	<b>396</b>	<b>(204)</b>	<b>733</b>
Income tax	(342)	(57)	(8)	(407)
<b>Loss (-)/ profit (+) for the period</b>	<b>199</b>	<b>339</b>	<b>(212)</b>	<b>326</b>

\* Payment for the use of the railway infrastructure.

(CZK million)				
2022	Transportation	Additional services	Elimination	Total
<b>Revenue from the principal operations</b>	<b>13,528</b>	<b>3,726</b>	<b>(2,587)</b>	<b>14,667</b>
<b>Services, material and energy consumption</b>	<b>(6,699)</b>	<b>(2,416)</b>	<b>2,640</b>	<b>(6,475)</b>
Traction costs	(1,751)	0	0	(1,751)
Payment for the use of the railway infrastructure*	(1,105)	0	0	(1,105)
Other purchased consumables and services	(3,843)	(2,416)	2,640	(3,619)
<b>Staff costs</b>	<b>(4,201)</b>	<b>(691)</b>	<b>0</b>	<b>(4,892)</b>
Other operating income	69	544	(240)	373
Other operating expenses	(138)	(361)	0	(499)
Depreciation	(2,051)	(434)	(22)	(2,507)
Interest expense	(328)	(42)	(9)	(379)
Other financial expenses	(42)	(4)	(5)	(51)
Other financial income	51	4	18	73
<b>Loss (-)/ profit (+) before tax</b>	<b>189</b>	<b>326</b>	<b>(205)</b>	<b>310</b>
Income tax	(40)	(64)	3	(101)
<b>Loss (-)/ profit (+) for the period</b>	<b>149</b>	<b>262</b>	<b>(202)</b>	<b>209</b>

\* Payment for the use of the railway infrastructure

## 24. REVENUES

(CZK million)		
	2023	2022
<b>Revenues from freight transportation:</b>	<b>14,159</b>	<b>13,298</b>
• Revenues from freight transportation - local	4,728	5,153
• Revenues from freight transportation - foreign	9,431	8,145
o Revenues from freight transportation - Germany	3,111	2,411
o Revenues from freight transportation - Poland	1,720	1,507
o Revenues from freight transportation - Austria	1,105	1,113
o Revenues from freight transportation - Slovakia	1,202	1,034
o Revenues from freight transportation - Italy	252	471
o Revenues from freight transportation - Ukraine	656	395
o Revenues from freight transportation - Slovenia	391	351
o Revenues from freight transportation - Hungary	199	231
o Revenues from freight transportation - Romania	187	132
o Revenues from freight transportation - Russia	278	104
o Revenues from freight transportation - Belgium	157	98



o Revenues from freight transportation - Netherlands	102	79
o Revenues from freight transportation - Kazakhstan	11	51
o Revenues from freight transportation – other countries	60	168
Other revenues from freight transportation:*		
• Other revenues from freight transportation - local	491	482
• Other revenues from freight transportation - foreign countries	404	272
<b>Other revenues from freight transportation recognised over time</b>	<b>895</b>	<b>754</b>
Other revenues relating to additional services	266	255
<b>Total revenues from contracts with customers</b>	<b>15,320</b>	<b>14,307</b>
Revenues from short-term lease	409	360
<b>Total revenues</b>	<b>15,729</b>	<b>14,667</b>

\* Other revenues from freight transportation include mainly revenues from services provided at railway stations, additional services, and railway siding services.

The overall volume of freight transportation has been stable over the long term. In connection with the expansion and modernisation of the Group's rolling stock, there is an expansion in both domestic and foreign freight transportation. Due to the war conflict in Ukraine, there was a significant decrease in performance only to Russia and Kazakhstan. The development of invoiced services to other countries, including the domestic market, has a growing trend.

Revenue from leases includes revenues from short-term and occasional leases of freight wagons and railway traction vehicles.

The most significant local customers in terms of the volume of invoiced services are as follows:

- CARBOSPED, spol. s r.o.
- NH-TRANS, SE
- MORAVIA STEEL, a.s.
- ČD Cargo Logistics, a.s.
- Čepro, a.s.
- Rail Cargo Logistics – Czech Republic s.r.o.

The volume of invoiced services at any of the above customers does not exceed 10% of the total invoiced services.

Foreign customers are mainly railway transportation companies (national carriers) and other companies.

With respect to the volume of invoiced services, the most important are the following:

Railway transportation companies (national carriers):

- DB Cargo AG
- Rail Cargo Austria AG
- Železničná spoločnosť Cargo Slovakia, a.s.

Other entities:

- Maersk Line A/S
- CAT France
- ARS Altmann AG Automobillo
- DB Cargo Logistics GmbH.



## 24.1 Contractual commitments and refund liabilities

The Group recognises the following refund liabilities (refer to Note 18) relating to revenue from customer contracts:

	(CZK million)	
	31 Dec 2023	31 Dec 2022
<b>Refund liabilities</b>		
Refund liabilities	15	16
<b>Total refund liabilities</b>	<b>15</b>	<b>16</b>

## 24.2 Remaining performance obligations

	(CZK million)	
	31 Dec 2023	31 Dec 2022
<b>Remaining performance obligations:</b>		
Revenue from freight transportation	13	13
Other revenue from freight transportation	1	1
Other revenue additional services in transportation	0	2
Other revenue from operating activity	1	0
<b>Total</b>	<b>15</b>	<b>16</b>

These are liabilities from the performance of concluded contracts for which the performance by the Group has not yet been completed.

## 25. OTHER OPERATING INCOME

	(CZK million)	
	2023	2022
Gain from sale of property, plant and equipment	24	9
Gain from disposal of unnecessary assets	4	26
Compensations for deficits and damage - income	50	92
Contractual penalties and default interest	2	12
Foreign exchange gains – operating	241	157
Change in provisions for receivables – income	1	1
Other	138	76
<b>Total other operating income</b>	<b>460</b>	<b>373</b>

## 26. SERVICES, RENTAL, MATERIAL AND ENERGY CONSUMPTION

	(CZK million)	
	2023	2022
Traction costs	(1,696)	(1,751)
– <i>Traction fuel (diesel)</i>	(391)	(441)
– <i>Traction electricity</i>	(1,305)	(1,310)
Payment for the use of railroads	(1,020)	(1,105)
Infrastructure capacity allocation	(28)	(33)
Other services, raw materials and energy	(3,636)	(3,586)
– <i>Consumed material</i>	(262)	(194)
– <i>Consumed other energy</i>	(129)	(125)
– <i>Consumed fuel</i>	(14)	(15)
– <i>Repairs and maintenance</i>	(292)	(274)
– <i>Travel costs</i>	(108)	(87)
– <i>Short-term rent</i>	(214)	(253)
– <i>RIV vehicle charge</i>	(169)	(278)
– <i>Transportation charges</i>	(1,671)	(1,646)
– <i>Services associated with the use of buildings</i>	(50)	(48)
– <i>Operational cleaning of rolling stock</i>	(4)	(2)



– Border area services	(94)	(148)
– Advertising and promotion costs	(27)	(14)
– Consulting and auditing services	(40)	(55)
– Operation, maintenance and other ICT-related services	(246)	(222)
– Complex convalescent stays for the employees	(17)	(16)
– Environmental services	(2)	(4)
– Other services	(297)	(205)
<b>Total cost of services, rental, material and energy consumption</b>	<b>(6,380)</b>	<b>(6,475)</b>
<b>Capitalisation of assets and stock inventory</b>	<b>(335)</b>	<b>(390)</b>
Material consumption, including capitalisation	(597)	(584)
<b>Services, rental, material and energy consumption, including capitalisation</b>	<b>(6,715)</b>	<b>(6,865)</b>

The costs of consumed material are decreased by ČD Cargo, a.s.'s own costs for the acquisition of property, plant and equipment, and the acquisition of intangible fixed assets stock inventory in the amount of CZK 335 million (2022: CZK 390 million).

The item traction electricity for the period from 1 January 2023 to 31 December 2023 includes mainly traction electricity purchased from Správa železnic, s.o. in the amount of CZK 786 million (in 2022: CZK 1,006 million).

Other services mainly include costs incurred in the area of health care, costs of commissions for representation abroad, and other individually insignificant items.

The following table shows the cost of services provided by the Group's statutory auditor – Deloitte Audit, s.r.o.

	( CZK million)	
	2023	2022
Statutory audit of annual financial statements (including subsidiaries)	(2)	(2)
Other non-audit services (including subsidiaries)*	(1)	(2)
<b>Total*</b>	<b>(3)</b>	<b>(4)</b>

\*It also includes services provided by PricewaterhouseCoopers Audit, s.r.o. in 2022 and partially in 2023 (completion of the audit in 2022).

## 27. EMPLOYEE BENEFIT COSTS

	(CZK million)	
	2023	2022
Payroll costs	(3,816)	(3,467)
Severance pay	(33)	(44)
Pension benefits	(791)	(732)
Contribution to supplementary pension insurance	(99)	(105)
Contribution to capital life insurance	(15)	(19)
Other social security and health insurance	(461)	(410)
Key management remuneration	(53)	(42)
Other employee benefit costs	(134)	(73)
<b>Total employee benefit costs</b>	<b>(5,402)</b>	<b>(4,892)</b>
– Capitalisation of assets and stock inventory	(129)	(119)
Payroll costs, including capitalisation	(3,945)	(3,586)
– Capitalisation of assets and stock inventory	(44)	(40)
Other social security and health insurance, including capitalisation	(505)	(450)
<b>Employee benefit costs, including capitalisation</b>	<b>(5,575)</b>	<b>(5,051)</b>

Payroll costs are decreased by ČD Cargo, a.s.'s own costs for the acquisition of property, plant and equipment, and the acquisition of intangible fixed assets stock inventory totalling CZK 129 million



(2022: CZK 119 million). In addition, social security and health insurance costs decreased by the aggregate amount of CZK 44 million (2022: CZK 40 million).

Other employee benefit costs mainly include employee education and training costs.

Average recalculated total number of Groups employees:

	2023	2022
Employees	6,628	6,558
Key management	29	32
<b>Total average recalculated total number of employees</b>	<b>6,657</b>	<b>6,590</b>

Key management consists of the Board of Directors and the Supervisory Board of the Parent Company. In the case of subsidiaries, only members of the statutory body of individual companies are considered. The Parent Company's key management also includes the Audit Committee. Detailed information on the Parent Company is disclosed in Note 1.5.

Key management remuneration:

	(CZK million)	
	2023	2022
Short-term benefits	(39)	(31)
Pension benefits	(9)	(7)
Other social security and health insurance	(5)	(4)
<b>Total key management remuneration</b>	<b>(53)</b>	<b>(42)</b>

## 28. DEPRECIATION, AMORTISATION AND IMPAIRMENT

	(CZK million)	
	2023	2022
Depreciation of property, plant and equipment (Note 5)	(59)	(55)
Depreciation of vehicles (Note 5)	(1,572)	(1,590)
Depreciation of leases – IFRS 16	(923)	(814)
Amortisation of intangible assets (Note 6)	(111)	(96)
Losses/gains from impairment of property, plant and equipment	76	48
<b>Total depreciation and amortisation</b>	<b>(2,589)</b>	<b>(2,507)</b>

## 29. OTHER OPERATING EXPENSES

	(CZK million)	
	2023	2022
Costs of contractual penalties and default interest	(35)	(9)
Taxes and fees	(14)	(14)
Foreign exchange losses - operating	(227)	(199)
Insurance premium	(118)	(96)
Compensation for shortage and damage - expense	(117)	(78)
Other	(68)	(68)
<b>Total other operating expenses</b>	<b>(579)</b>	<b>(464)</b>

The line "Other" mainly consists of a difference arising from a payable from lease contracts of CZK 45 million (2022: CZK 40 million).



## 30. FINANCE COSTS

	(CZK million)	
	2023	2022
Interest on bank overdraft accounts and loans	(267)	(175)
Interest on liabilities from collateralised loans	(57)	(55)
Interest on lease liabilities – IFRS 16	(107)	(59)
Interest expense – bonds	(102)	(89)
Other interest expense	(2)	(1)
Unwinding of the discount of provisions	(5)	(7)
Exchange rate losses – financing	(45)	(36)
Bank expenditures	(3)	(2)
Other finance costs	(4)	(6)
<b>Total finance costs</b>	<b>(592)</b>	<b>(430)</b>

## 31. FINANCE INCOME

	(CZK million)	
	2023	2022
Exchange rate gains - financing	80	46
Interest income	14	13
Other financial income	6	0
<b>Total finance income</b>	<b>100</b>	<b>59</b>

## 32. INCOME TAXATION

### 32.1 Income tax recognised in profit or loss

	(CZK million)	
	2023	2022
Current income tax for the period recognised in the statement of profit or loss	(158)	(91)
- of which income tax relating to previous periods	0	(16)
Deferred tax recognised in the statement of profit or loss	(249)	(10)
<b>Total income tax expense</b>	<b>(407)</b>	<b>(101)</b>

\* The increase is due to a change in the corporate income tax in the Czech Republic from 19% to 21%.

Reconciliation of the total tax charge for the year with accounting profit:

	(CZK million)	
	2023	2022
Profit (+)/ loss (-) before tax	733	310
Statutory corporate income tax rate in the Czech Republic	19%	19%
Expected income tax expense	(139)	(59)
<b>Adjustments:</b>		
<b>Difference in tax rates</b>	(8)	(3)
Other non-deductible expenses - payroll expenses	(24)	(4)
Other non-deductible expenses - other	(33)	(20)
Non-taxable income - contractual penalties	(1)	0
Non-taxable income - difference in prior years' estimates	0	(7)
Non-taxable income - other	3	7
Borrowing costs	1	(2)
Taxes paid abroad	(19)	2
Income tax related to prior periods	0	(16)
Tax relief	2	2
Effect of a change in the tax rate	(186)	0
Effect of unrecognised deferred tax assets	(3)	(1)
<b>Income tax recognised in profit or loss</b>	<b>(407)</b>	<b>(101)</b>



Income tax recognised in other comprehensive income:

	(CZK million)	
	2023	2022
Changes in the cash flow hedge reserve	60	(27)
<b>Income tax recognised in other comprehensive income</b>	<b>60</b>	<b>(27)</b>

## 32.2 Deferred tax

	(CZK million)	
	2023	2022
Provisions	400	231
Payables to employees	174	168
Refund liabilities	15	16
Loans, borrowings and lease liabilities	5,919	6,784
Receivables	68	66
Excessive borrowing costs	152	72
Other	7	29
<b>Basis for calculation of deferred tax</b>	<b>6,735</b>	<b>7,366</b>
Statutory corporate income tax rate in the Czech Republic	21%	19%
Deferred tax asset - recognised	1,415	1,400
Offsetting receivable vs. payable	(1,415)	(1,400)
<b>Deferred tax asset</b>	<b>0</b>	<b>0</b>

	(CZK million)	
	2023	2022
Non-current assets	(15,836)	(16,419)
Receivables - contractual penalties	(40)	(4)
Derivatives	(51)	(109)
<b>Basis for calculation of deferred tax</b>	<b>(15,927)</b>	<b>(16,532)</b>
Statutory corporate income tax rate in the Czech Republic	21%	19%
Deferred tax asset - recognised	(3,345)	(3,141)
Offsetting receivable vs. payable	1,415	1,400
<b>Deferred tax liability</b>	<b>(1,930)</b>	<b>(1,741)</b>

The tax impact of temporary differences is calculated as follows:

	(CZK million)				
	1 Jan 2023	Income tax recognised in profit or loss	Income tax recognised in other comprehensive income	Reclassification of discontinued operations	31 Dec 2023
Provisions	44	40	0	0	84
Payables to employees	32	5	0	0	37
Refund liabilities	3	0	0	0	3
Loans, borrowings and lease liabilities	1,289	(96)	50	0	1,243
Receivables	13	1	0	0	14
Excessive borrowings costs	14	18	0	0	32
Other	5	(3)	0	0	2
<b>Deferred tax asset</b>	<b>1,400</b>	<b>(35)</b>	<b>50</b>	<b>0</b>	<b>1,415</b>

	(CZK million)				
	1 Jan 2023	Income tax recognised in profit or loss	Income tax recognised in other comprehensive income	Reclassification of discontinued operations	31 Dec 2023
Non-current assets	(3,119)	(207)	0	0	(3,326)
Receivables – contractual fines	(1)	(7)	0	0	(8)
Derivatives	(21)	0	10	0	(11)
<b>Deferred tax liability</b>	<b>(3,141)</b>	<b>(214)</b>	<b>10</b>	<b>0</b>	<b>(3,345)</b>



(CZK million)

	1 Jan 2022	Income tax recognised in profit or loss	Income tax recognised in other comprehensive income	Reclassification of discontinued operations	31 Dec 2022
Provisions	37	7	0	0	44
Payables to employees	23	9	0	0	32
Refund liabilities	3	0	0	0	3
Loans, borrowings and lease liabilities	1,105	205	(21)	0	1,289
Receivables	6	7	0	0	13
Excessive borrowings costs	8	6	0	0	14
Other	7	(2)	0	0	5
<b>Deferred tax asset</b>	<b>1,189</b>	<b>232</b>	<b>(21)</b>	<b>0</b>	<b>1,400</b>

(CZK million)

	1 Jan 2022	Income tax recognised in profit or loss	Income tax recognised in other comprehensive income	Reclassification of discontinued operations	31 Dec 2022
Non-current assets	(2,865)	(254)	0	0	(3,119)
Receivables - contractual penalties	(13)	12	0	0	(1)
Derivatives	(15)	0	(6)	0	(21)
<b>Deferred tax liability</b>	<b>(2,893)</b>	<b>(242)</b>	<b>(6)</b>	<b>0</b>	<b>(3,141)</b>

## 33. RELATED PARTY TRANSACTIONS

### 33.1 Trade receivables and payables at the end of the reporting period

(CZK million)

31 Dec 2023	Receivables	Payables
<b>České dráhy, a.s.</b>	<b>5</b>	<b>301</b>
RAILLEX, a.s.	3	2
BOHEMIAKOMBI, spol. s r.o.	2	0
Ostravská dopravní společnost, a.s.	7	0
Ostravská dopravní společnost - Cargo, a.s.	4	10
Terminál Mošnov, a.s.	1	0
<b>Joint ventures and associates</b>	<b>17</b>	<b>12</b>
ČD - Telematika a.s.	0	9
ČD - Informační Systémy, a.s.	0	77
DPOV, a.s.	1	45
Dopravní vzdělávací institut, a.s.	0	1
Výzkumný Ústav Železniční, a.s.	9	0
<b>Other entities in the České dráhy Group</b>	<b>10</b>	<b>132</b>
<b>Total</b>	<b>32</b>	<b>445</b>



	(CZK million)	
<b>31 Dec 2022</b>	<b>Receivables</b>	<b>Payables</b>
<b>České dráhy, a.s.</b>	<b>7</b>	<b>137</b>
RAILLEX, a.s.	2	1
BOHEMIAKOMBI, spol. s r.o.	2	0
Ostravská dopravní společnost, a.s.	16	0
Ostravská dopravní společnost - Cargo, a.s.	2	9
<b>Joint ventures and associates</b>	<b>22</b>	<b>10</b>
ČD - Telematika a.s.	0	233
ČD - Informační Systémy, a.s.	0	102
DPOV, a.s.	1	10
ČD travel, s.r.o.	0	2
ČD relax, s.r.o.	0	1
Dopravní vzdělávací institut, a.s.	0	1
Výzkumný Ústav Železniční, a.s.	9	0
<b>Other entities in the České dráhy Group</b>	<b>10</b>	<b>349</b>
<b>Total</b>	<b>39</b>	<b>496</b>

Related party transactions were conducted on an arm's length basis reflecting the amount of purchased goods.

Outstanding balances are not secured and will be paid by a non-cash payment system or by offsetting. The maturity is set at 30 or 60 days. No guarantees were provided or accepted.

## 33.2 Income generated with related parties

	(CZK million)		
<b>2023</b>	<b>Sale of services</b>	<b>Other income</b>	<b>Total</b>
České dráhy, a.s.	31	2	33
ČD - Telematika, a.s.	0	0	0
DPOV, a.s.	2	0	2
Výzkumný Ústav Železniční, a.s.	54	0	54
RAILLEX, a.s.	16	0	16
BOHEMIAKOMBI, spol. s r.o.	18	0	18
Ostravská dopravní společnost, a.s.	45	0	45
Ostravská dopravní společnost - Cargo, a.s.	30	0	30
Terminál Mošnov, a.s.	5	0	5
<b>Total</b>	<b>201</b>	<b>2</b>	<b>203</b>

Revenues from the sale of services mainly include revenues from domestic freight transportation, revenues from the performance of locomotive crews, and other revenues from railway freight transportation.

	(CZK million)			
<b>2022</b>	<b>Sale of services</b>	<b>Other income</b>	<b>Finance income</b>	<b>Total</b>
České dráhy, a.s.	30	4	0	34
ČD - Telematika, a.s.	0	0	4	4
DPOV, a.s.	2	0	0	2
Výzkumný Ústav Železniční, a.s.	46	0	0	46
RAILLEX, a.s.	14	0	0	14
BOHEMIAKOMBI, spol. s r.o.	15	0	0	15
Ostravská dopravní společnost, a.s.	54	0	0	54
Ostravská dopravní společnost - Cargo, a.s.	16	0	0	16
<b>Total</b>	<b>177</b>	<b>4</b>	<b>4</b>	<b>185</b>

Revenues from the sale of services mainly include revenues from the performance of locomotive crews, revenues from domestic freight transportation, and other revenues from railway freight transportation.



### 33.3 Purchases from related parties

(CZK million)

2023	Assets	Material and energy	Services	Other expenses	Total
České dráhy, a.s.	382	492	102	8	984
ČD - Telematika a.s.	2	4	24	0	30
ČD - Informační Systémy, a.s.	47	3	148	0	198
DPOV, a.s.	28	8	23	0	59
ČD relax, s.r.o.	0	0	17	0	17
JLV, a.s.	0	0	2	0	2
RAILLEX, a.s.	0	0	6	0	6
Ostravská dopravní společnost - Cargo, a.s.	0	0	54	0	54
Terminál Mošnov, a.s.	0	0	1	0	1
<b>Total</b>	<b>459</b>	<b>507</b>	<b>377</b>	<b>8</b>	<b>1,351</b>

Purchases in 2023 primarily include purchases of second-hand traction railway vehicles, repairs of components and modernisation of traction railway vehicles, and investments in IT.

Purchases of services in 2023 mainly include the cost of purchased railway services, IT services, traction vehicles repair and maintenance, railway wagons rentals, and border area services in freight transportation.

Purchases from České dráhy, a.s. in 2023 mainly represent diesel fuel in the amount of CZK 367 million, purchase of second-hand traction vehicles of CZK 306 million, repairs of components and modernisation of traction railway vehicles of CZK 75 million, purchased spare parts of CZK 85 million and purchase of heat of CZK 34 million.

(CZK million)

2022	Assets	Material and energy	Services	Other expenses	Total
České dráhy, a.s.	48	609	100	9	766
ČD - Telematika a.s.	347	2	18	0	367
ČD - Informační Systémy, a.s.	40	2	130	0	172
DPOV, a.s.	1	4	19	0	24
ČD relax, s.r.o.	0	0	16	0	16
JLV, a.s.	0	0	2	0	2
RAILLEX, a.s.	0	0	5	0	5
Ostravská dopravní společnost - Cargo, a.s.	0	0	63	0	63
<b>Total</b>	<b>436</b>	<b>617</b>	<b>353</b>	<b>9</b>	<b>1,415</b>

Purchases of assets in 2022 mainly include the ETCS for locomotives, repair of components and modernisation of railway traction vehicles, and IT investments.

Purchases of services in 2022 primarily include costs of purchased railway services, IT services, repairs and maintenance of traction vehicles, lease of railway wagons, and cross-border services.

Purchases from České dráhy, a.s. in 2021 mainly represent diesel fuel in the amount of CZK 503 million and purchased spare parts in the amount of CZK 75 million or other inventories.



## 33.4 Purchases and sales of intangible, tangible and financial assets from the related parties

### 33.4.1 Sales

In 2023 and 2022, there were no significant sales to related parties.

### 33.4.2 Purchases

Purchases	(CZK million)			
	Intangible assets 2023	Property, plant and equipment 2023	Intangible assets 2022	Property, plant and equipment 2022
České dráhy, a.s.	0	382	0	48
ČD - Telematika a.s.	0	2	0	347
ČD - Informační Systémy, a.s.	47	0	40	0
DPOV, a.s.	0	28	0	1
<b>Total</b>	<b>47</b>	<b>412</b>	<b>40</b>	<b>396</b>

Purchases of assets predominantly include the purchase of second-hand traction railway vehicles, repairs of components and modernisation of traction railway vehicles, the ETCS for locomotives, and investments in IT.

## 33.5 Borrowings from related parties

On 17 October 2016, the Company used a loan from České dráhy, a.s. in the total amount of CZK 540 million to finance the purchase of the 383 class (Vectron) traction vehicles. At 31 December 2022, the balance was reported as a short-term payable of CZK 57 million. The loan was repaid in 2023, as disclosed in Note 15 “Loans, borrowings and lease liabilities”.

ČD Cargo, a.s. is contractually secured by the Parent Company České dráhy, a.s. with the possibility of drawing financial resources of up to CZK 700 million (above the Group cash-pooling limit, which is CZK 300 million). The cash pooling credit line is maintained with Komerční banka, in case of drawdown, the interest rate on the funds is set at O/N Příbor + margin 0.90% p.a. In 2023, this was used in the amount of CZK 10 million in May.

## 33.6 Relationships with Správa železnic

In the 2023 and 2022 reporting periods, the costs incurred in relation to Správa železnic, s.o. predominantly include the fees for the allocation of capacity and use of the railroads. The Company also purchased traction electricity from Správa železnic, s.o. The costs for the reporting periods 2023 and 2022 are disclosed in Note 26.

In 2023, the income of the Company includes mainly sales from intrastate wagon consignment in the amount of CZK 20 million. In 2022, it was CZK 14 million.



The expenses and income of the Group in relation to Správa železnic, s.o. in 2023 and 2022 were as follows:

(CZK million)		
<b>31 Dec 2023</b>	<b>Expenses</b>	<b>Income</b>
Use of railway route and allocated railway capacity	702	0
Property rental	15	0
Traction electricity	786	0
Heat energy	0	20
Revenue from freight transportation	0	0
Telecommunication services	42	0
Contractual penalties and default interest	9	0
Compensation of damages	13	8
Extraordinary events investigation	3	0
Repairs and maintenance	17	0
Other	7	0
<b>Total</b>	<b>1,594</b>	<b>28</b>

(CZK million)		
<b>31 Dec 2022</b>	<b>Expenses</b>	<b>Income</b>
Use of railway route and allocated railway capacity	866	0
Property rental	13	0
Traction electricity	1,006	0
Heat energy	13	0
Revenue from freight transportation	0	14
Telecommunication services	42	0
Contractual penalties and default interest	8	0
Compensation of damages	5	0
Extraordinary events investigation	3	0
Repairs and maintenance	2	0
Other	7	12
<b>Total</b>	<b>1,965</b>	<b>26</b>

As a result of the above-stated activities, the Group records receivables and payables to Správa železnic, s.o.:

(CZK million)		
<b>Receivables</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
Revenue from freight transportation	12	2
Estimated receivables	0	12
Prepayments made	60	0
<b>Total</b>	<b>72</b>	<b>14</b>

(CZK million)		
<b>Payables</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
Use of railway route and allocated railway capacity - freight transportation	146	170
Traction electricity	76	20
Radio communication technology	12	0
Other	4	12
Unbilled supplies	14	12
<b>Total</b>	<b>252</b>	<b>214</b>

### 33.7 Relationships with the ČEZ Group

The expenses incurred in relation to the ČEZ Group primarily include the purchased railway services and payments for heat energy. The income primarily includes the sales of freight transportation.



(CZK million)		
<b>31 Dec 2023</b>	<b>Expenses</b>	<b>Income</b>
Real estate rent	1	0
Revenue from freight transportation	0	120
Purchased railway services	55	0
Heat energy	12	0
Other	5	0
<b>Total</b>	<b>73</b>	<b>120</b>

(CZK million)		
<b>31 Dec 2022</b>	<b>Expenses</b>	<b>Income</b>
Use of railroads and allocated railway capacity	1	0
Real estate rent	2	0
Revenue from freight transportation	0	140
Purchased railway services	46	0
Heat energy	11	0
<b>Total</b>	<b>60</b>	<b>140</b>

Given the activities above, the Company records receivables from the ČEZ Group:

(CZK million)		
<b>Receivables</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
Sales from freight transportation	26	23
<b>Total</b>	<b>26</b>	<b>23</b>

Given the activities above, the Company records payables to the ČEZ Group:

(CZK million)		
<b>Payables</b>	<b>31 Dec 2023</b>	<b>31 Dec 2022</b>
Purchased railway services	17	11
<b>Other</b>	<b>0</b>	<b>2</b>
<b>Total</b>	<b>17</b>	<b>13</b>

## 33.8 Relationships with other related parties

As part of other relationships with the state, state-owned companies and organisations, the Group made payments mainly relating to taxes and fees to the state institutions (VAT, tax payable, customs duties and charges, etc.).

## 34. NON-CONTROLLING INTERESTS

### 34.1 Equity – non-controlling interests

(CZK million)			
<b>31 Dec 2023</b>	<b>Terminal Brno, a.s. ČD-DUSS Terminál, a.s.</b>		<b>Total</b>
<b>Non-controlling interests of</b>			
<b>Share capital</b>	<b>24</b>	<b>2</b>	<b>26</b>
Retained earnings – current period	1	0	1
Retained earnings	6	12	18
<b>Total</b>	<b>31</b>	<b>14</b>	<b>45</b>



(CZK million)			
31 Dec 2022	Terminal Brno, a.s.	ČD-DUSS Terminál, a.s.	Total
<b>Non-controlling interests of</b>	<b>33.07%</b>	<b>49%</b>	
<b>Share capital</b>	<b>24</b>	<b>2</b>	<b>26</b>
Retained earnings – current period	(1)	1	0
Retained earnings	6	12	18
<b>Total</b>	<b>29</b>	<b>15</b>	<b>44</b>

(CZK million)			
1 Jan 2022	Terminal Brno, a.s.	ČD-DUSS Terminál, a.s.	Total
<b>Non-controlling interests of</b>	<b>33.07%</b>	<b>49%</b>	
<b>Share capital</b>	<b>24</b>	<b>2</b>	<b>26</b>
Retained earnings – current period	1	2	3
Retained earnings	6	10	16
<b>Total</b>	<b>31</b>	<b>14</b>	<b>45</b>

## 34.2 Summary of financial information – companies with non-controlling interests

(CZK million)			
31 Dec 2023	Terminal Brno, a.s.	ČD-DUSS Terminál, a.s.	
<b>Total assets</b>	<b>92</b>	<b>33</b>	
Non-current assets	72	8	
Current assets	20	24	
<b>Total liabilities</b>	<b>2</b>	<b>1</b>	
Current liabilities	2	1	
Net assets	90	31	
<b>Share of net assets – non-controlling interests</b>	<b>30</b>	<b>15</b>	
<b>Share of net assets – the Group</b>	<b>60</b>	<b>16</b>	

(CZK million)			
31. 12. 2022	Terminal Brno, a.s.	ČD-DUSS Terminál, a.s.	
<b>Total assets</b>	<b>90</b>	<b>33</b>	
Non-current assets	74	11	
Current assets	16	22	
<b>Total liabilities</b>	<b>2</b>	<b>3</b>	
Current liabilities	2	3	
Net assets	88	30	
<b>Share of net assets – non-controlling interests</b>	<b>29</b>	<b>15</b>	
<b>Share of net assets – the Group</b>	<b>59</b>	<b>15</b>	

(CZK million)		
	2023	2022
Total income	75	80
Profit for the period	2	(3)
<b>Share in the profit for the period – non-controlling interests</b>	<b>1</b>	<b>(1)</b>
<b>Share of the Group in the profit for the period</b>	<b>1</b>	<b>(2)</b>

## 35. FINANCIAL INSTRUMENTS

### 35.1 Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while optimising the balance between debt and equity. The target maximum ratio of the Group between debt and equity is 75% to 25% according to banking requirements.



The Group's capital structure consists of net debt (borrowings less cash and cash equivalents) and the Group's equity (includes share capital, funds, retained earnings).

		(CZK million)	
	Note	31 Dec 2023	31 Dec 2022
Loans, borrowings and bonds	15	18,879	18,535
Cash and cash equivalents	12	(1,391)	(1,279)
<b>Total net debt</b>		<b>17,488</b>	<b>17,256</b>

		(CZK million)	
	Note	31 Dec 2023	31 Dec 2022
Share capital	13	8,494	8,494
Capital funds	13	365	531
Retained earnings		1,249	953
<b>Total equity</b>		<b>10,108</b>	<b>9,978</b>

The Group is not subject to any capital requirements from the external parties.

The Board of Directors and the Supervisory Board of the Parent Company are regularly informed about the development of debt. Any additional debt is subject to approval by the Parent Company's Board of Directors and Supervisory Board.

## 35.2 Categories of financial instruments

			(CZK million)	
<b>Categories of financial assets under IFRS 9</b>	<b>Classes of financial assets</b>	Note	31 Dec 2023	31 Dec 2022
Financial assets at amortised cost	Cash and cash equivalents	12	1,391	1,279
	Trade receivables	9	1,979	2,080
	Other financial assets	10	187	144
Financial assets at fair value through profit or loss	Derivatives used in hedge accounting	10	57	120
<b>Total</b>			<b>3,614</b>	<b>3,623</b>

			(CZK million)	
<b>Categories of financial assets under IFRS 9</b>	<b>Classes of financial assets</b>	Note	31 Dec 2023	31 Dec 2022
Financial liabilities at amortised cost	Collateralised loans	15	2,504	2,852
	Lease liabilities	15	3,306	3,993
	Issued bonds	15	4,779	5,250
	Loans	15	8,290	6,439
	Trade payables	14	2,391	2,913
	Liabilities arising from supplier loans	17	168	143
Financial liabilities at fair value through profit or loss	Other financial liabilities	17	6	11
<b>Total</b>			<b>21,444</b>	<b>21,601</b>

Financial instruments are measured at fair value (level 2). This measurement is based on inputs other than quoted prices used at level 1; this information can be obtained from the asset or liability directly (i.e. prices) or indirectly (i.e. data derived from prices), as described in Note 35.10.



Income from individual classes of financial assets is as follows:

Class of financial asset	(CZK million)		
	2023	2022	Presented in the statement of profit or loss
Interest on cash and cash equivalents	9	8	Finance income
Interest on finance lease receivables	5	5	Finance income
<b>Total</b>	<b>14</b>	<b>13</b>	

Impairment losses on financial assets are presented in the note Trade receivables (Note 9) and Other financial assets (Note 10). No impairment was noted with regard to any other class of financial assets.

### 35.3 Financial risk management objectives

The Department of Financial Management and Risks monitors and manages the financial risks related to the operations of the Group. Financial risks include market risks (currency, interest rate, and commodity risk), credit risk, and liquidity risk.

### 35.4 Interest rate risk management

The Group is exposed to a small risk of changes in interest rates. As the Group has mainly fixed rate loans and borrowings, it has variable rate loans, and the amount of these are disclosed in note 15.

The variable rate is only in overdrafts, investment loans to ČDC Slovakia s.r.o., a new loan obtained in 2023 by CD Cargo Hungary Kft. and the loan from the parent company České dráhy a.s. which was repaid in 2023.

Instruments with fixed interest rate	(CZK million)	
	31 Dec 2023	31 Dec 2022
Financial assets	0	0
Financial liabilities	18,357	17,563
<b>Total</b>	<b>18,357</b>	<b>17,563</b>

Instruments with variable interest rate	(CZK million)	
	31 Dec 2023	31 Dec 2022
Financial assets	0	0
Financial liabilities	522	971
<b>Total</b>	<b>522</b>	<b>971</b>

#### 35.4.1 Hedge accounting

The Group used financial derivatives to hedge risks and mitigate their impacts. The use of financial derivatives observes the Group's principles approved by the Board of Directors. The Group does not arrange financial derivatives for trading for speculative purposes. All derivative transactions that the Group engages in are arranged on an economic basis solely for hedging purposes, but some of them are not classified as hedging for formal reasons. Derivatives that do not meet the hedge accounting criteria are reported as financial derivatives for trading and are recognised at fair value in the profit or loss. There was no such a case in 2023 and 2022.

The accounting principles of the hedge accounting are disclosed in Notes 2.17.10.



The following tables show the derivatives agreed as of 31 December 2023:

(CZK million)

Type of risk	Hedging instrument	Other financial assets non-current (Note 10)	Other financial assets current (Note 10)	Loans, borrowing and lease liabilities long-term (Note 15)	Loans, borrowing and lease liabilities short-term (Note 15)	Other financial liabilities non-current (Note 17)	Other financial liabilities current (Note 17)	Note
Currency	Currency par forwards	0	52	0	0	0	0	35.5.2
Currency	Lease liabilities and collateralised loans in EUR	0	0	2,962	892	0	0	35.5.3
Currency	Financing in EUR	0	0	4,824	520	0	0	35.5.4
Commodity	Commodity derivatives diesel	1	4	0	0	1	4	35.7
<b>Total</b>		<b>1</b>	<b>56</b>	<b>7,786</b>	<b>1,412</b>	<b>1</b>	<b>4</b>	

The following tables show the derivatives agreed as of 31 December 2022:

(CZK million)

Type of risk	Hedging instrument	Other financial assets non-current (Note 10)	Other financial assets current (Note 10)	Loans, borrowing and lease liabilities long-term (Note 15)	Loans, borrowing and lease liabilities short-term (Note 15)	Other financial liabilities non-current (Note 17)	Other financial liabilities current (Note 17)	Note
Currency	Currency par forwards	37	80	0	0	0	0	35.5.2
Currency	Lease liabilities and collateralised loans in EUR	0	0	3,570	938	0	0	35.5.3
Currency	Financing in EUR	0	0	2,219	145	0	0	35.5.4
Commodity	Commodity derivatives diesel	0	3	0	0	0	11	35.7
<b>Total</b>		<b>37</b>	<b>83</b>	<b>5,789</b>	<b>1,083</b>	<b>0</b>	<b>11</b>	

The information on the effect of the hedge accounting on the cash flow hedge reserve and the cost of hedging reserve is disclosed in Note 13.2.3.

## 35.5 Currency risk management

The Group, in the context of its market position and selected business strategy, is in a position where inputs are purchased primarily in CZK, but services (particularly income from international transport) are widely sold in foreign currency, primarily in EUR. This leads to the disproportion between monetary inputs and outputs. The Group has a long-term surplus of EUR-denominated sales over costs. The Group's objective is to minimise the impact of changes in exchange rates on the Company's revenues and expenses.

The Group reduces this currency position using a combination of several instruments: currency derivatives, purchases in EUR, and financing in EUR. In accordance with its risk management strategy, the Group hedges the currency risk to which its expected future foreign currency income is exposed using the hedging instruments specified below:

- currency derivatives;
- lease liabilities and collateralised loans denominated in EUR;



- issued bond denominated in EUR; and
- investment loans received denominated in EUR.

The Group applies cash flow hedge accounting for the above hedging instruments. Information about the notional and carrying amounts of the hedging instruments and other information required by IFRS 7 can be found in the descriptions of each hedging relationship in sections 35.5.2., 35.5.3., and 35.5.4.

At the same time, for all hedging relationships where the hedged item is future income in EUR, no more than 75% of the expected income in EUR is hedged in aggregate.

The net book value of the Group's financial assets and liabilities denominated in foreign currency, excluding financial assets and financial liabilities that are part of hedging relationships at the end of the reporting period:

	(CZK million)			
<b>31 Dec 2023</b>	<b>EUR</b>	<b>USD</b>	<b>Other</b>	<b>Total</b>
Financial assets	2,068	3	0	<b>2,071</b>
Financial liabilities	(6,351)	0	(2)	<b>(6,353)</b>
<b>Total</b>	<b>(4,283)</b>	<b>3</b>	<b>(2)</b>	<b>(4,282)</b>

	(CZK million)			
<b>31 Dec 2022</b>	<b>EUR</b>	<b>USD</b>	<b>Other</b>	<b>Total</b>
Financial assets	2,037	3	0	<b>2,040</b>
Financial liabilities	(1,692)	0	0	<b>(1,692)</b>
<b>Total</b>	<b>345</b>	<b>3</b>	<b>0</b>	<b>348</b>

### 35.5.1 Sensitivity to change in exchange rate

The exposure to currency risks is measured by a sensitivity analysis. The Company is exposed to the currency risk due to:

- changes in the value of unhedged cash items denominated in foreign currencies; and
- changes in the fair value of concluded financial derivatives.

The following table shows the impact that the strengthening of the Czech currency by CZK 1 with regard to the relevant foreign currencies would have on the profit and other comprehensive income. A positive value indicates an increase in the profit and other comprehensive income, a negative value indicates a decrease in the profit and other comprehensive income:

	(CZK million)	
	<b>2023</b>	<b>2022</b>
Translation of items denominated in foreign currencies at the end of the period	173	(14)
Change in the fair value of derivatives at the end of the period	0	0
<b>Total impact on the profit/ loss before tax</b>	<b>173</b>	<b>(14)</b>
Change in tax effect recognised in profit or loss	(36)	3
<b>Total impact on the profit/ loss after tax</b>	<b>137</b>	<b>(11)</b>
Change in the fair value of hedge derivatives	23	58
Exchange rate difference on lease liabilities under IFRS 16*	156	<b>187</b>
Exchange rate difference on investment loans and bonds *	218	<b>98</b>
<b>Total impact on other comprehensive income before tax</b>	<b>395</b>	<b>343</b>
Change in tax effect recognised in other comprehensive income	(83)	<b>(65)</b>
<b>Total impact on other comprehensive income after tax</b>	<b>312</b>	<b>278</b>

\* Recognised in the current reporting period



If the Czech currency weakened by CZK 1, the values would be the same, just with the opposite sign.

### 35.5.2 Currency derivatives

The Group in accordance with the risk management strategy concludes currency forwards and options to cover future payments received denominated in foreign currencies with a predetermined hedging ratio of 1:1. The hedge ratio is regularly monitored in relation to the risk management objectives.

The effectiveness of hedging is regularly measured on the basis of a comparison of key terms (critical terms). In the case of currency hedging, it is mainly the nominal value. The control against “over-hedging” of currency risk is monitored on the basis of the above-mentioned hedge report and is fulfilled thanks to the Financial Risk Management Strategy and the determination of the maximum amount of hedging of expected income.

The nominal value of currency forwards is lower than the future expected balance in EUR, i.e. more than 25% of the estimated revenue in EUR is never secured. The CZK/EUR exchange rate is hedged, which then transforms foreign currency income (EUR) into the functional currency (CZK).

As of 31 December 2021, the maximum volumes for hedging are set by the Financial Risk Management Strategy in ČD Cargo, a.s., as follows:

- for 2024, a maximum of 20% of EUR revenues; and
- for 2025, a maximum of 15% of EUR revenues.

Currency forwards are contracted under regular market conditions (without premium payment), the fair value of derivatives was nil as of the hedge date. Based on the above, the Group expects that the hedging relationship will be effective for its entire period. The result of the transaction is a predictable (fixed) amount of the CZK/EUR exchange rate obtained from the sale of EUR revenues of the Group.

Potential causes of possible inefficiencies may arise from basis spread. Another factor may be a timing mismatch. The Company does not hedge specific business cases but only the volume of the planned revenues. The above factors are considered by the Group to be insignificant or highly unlikely, and thus considers currency hedging to be effective.

The table shows outstanding par forwards for the sale of the foreign currency as of:

	Average hedged currency exchange rate	Foreign currency	Nominal value	(CZK million) Fair value
31 Dec 2023	27.185	EUR	653	52
31 Dec 2022	26.928	EUR	1,618	117

For purposes of determining effectiveness, the change in the fair value of the hedged item is equal to the change in the fair value of the hedging instrument because the hedging relationships were fully effective.



### ***Expected realisation of hedged items by foreign currency par forwards:***

The following table shows the expected hedged cash flows of future sales in EUR:

(CZK million)						
<b>31 Dec 2023</b>	<b>Less than 1 month</b>	<b>1 - 3 months</b>	<b>3 months to 1 year</b>	<b>1 year - 5 years</b>	<b>5 years and more</b>	<b>Total</b>
Hedged future sales in EUR	49	99	446	0	0	<b>594</b>

(CZK million)						
<b>31 Dec 2022</b>	<b>Less than 1 month</b>	<b>1 - 3 months</b>	<b>3 months to 1 year</b>	<b>1 year - 5 years</b>	<b>5 years and more</b>	<b>Total</b>
Hedged future sales in EUR	72	146	652	579	0	<b>1,449</b>

### ***35.5.3 Lease liabilities and collateralised loans denominated in EUR***

In accordance with its risk management strategy, the Group has chosen to hedge the foreign currency risk to which its expected future foreign currency income is exposed using the hedging instrument specified below. The hedged risk is the risk of a change in the CZK/EUR spot exchange rate that affects the impact of EUR-denominated revenue on the profit or loss of the Group.

Leases in EUR negotiated after 1 January 2020 are treated as hedging instruments on the first day of the month following the commencement of the lease.

The hedged item is the highly probable expected revenues in EUR. The Group considers all revenues in EUR as homogeneous groups with the same currency risk from a managed risk perspective.

Given the nature of the hedging relationship (EUR 1 used to repay the lease liability hedges EUR 1 of the proceeds), the hedge ratio is set at 100%.

The Group has identified as possible sources of inefficiency a time shift between the timing of lease payments and the timing of hedged revenues, the decrease in expected revenues in EUR or changes in the repayment schedule of the hedging instrument. The Group considers the above factors to be immaterial or highly improbable; therefore, considers the currency hedge to be effective.

The table shows lease liabilities and hedged loans denominated in EUR as of:

(CZK million)				
<b>Start of hedging</b>	<b>Average exchange rate at the date of hedging</b>	<b>Foreign currency</b>	<b>Nominal value in EUR million</b>	<b>Fair value</b>
31 Dec 2023	25.22	EUR	156	3,854
31 Dec 2022	25.11	EUR	187	4,508

The change in the value of the hedged item due to a change in the spot exchange rate is equal to the exchange difference on the hedging instrument for the purpose of determining effectiveness because the hedging relationship was fully effective.



The following table shows the expected hedged cash flows of future sales in EUR:

							(CZK million)
31 Dec 2023	Less than 1 month	1 - 3 months	3 months to 1 year	1 year - 5 years	5 years and more	Total	
Hedged future sales in EUR	86	149	754	2,608	513	<b>4,110</b>	

							(CZK million)
31 Dec 2022	Less than 1 month	1 - 3 months	3 months to 1 year	1 year - 5 years	5 years and more	Total	
Hedged future sales in EUR	83	167	752	2,725	1,027	<b>4,754</b>	

#### **35.5.4 Financing in EUR**

In accordance with its risk management strategy, the Group has chosen to hedge the foreign currency risk to which its expected future foreign currency income is exposed using the hedging instrument specified below. The hedged risk is the risk of a change in the CZK/EUR spot exchange rate that affects the impact of EUR-denominated revenue on the profit or loss of the Group.

In 2022, the Group issued a bond with the total nominal value of EUR 40 million and used 2 investment loans with a total nominal value of EUR 40 million and EUR 20 million.

In 2023, the Group used 4 new loans with the total nominal value of EUR 130 million.

The hedged item is the highly probable expected revenues in EUR. The Group considers all revenues in EUR as homogeneous groups with the same currency risk from a managed risk perspective.

Given the nature of the hedging relationship (EUR 1 used to repay the lease liability hedges EUR 1 of the proceeds), the hedge ratio is set at 1:1.

The Group hedges only the first portion of the total planned foreign currency cash flows in each hedged period. The unhedged portion of the planned foreign currency cash flows represents a precautionary haircut.

The appropriate assessment of expected effectiveness (forward-looking) is particularly relevant to the continuation of the hedging relationship in the context of the requirements of IFRS 9. The assessment of expected effectiveness was made at the date of commencement of hedge accounting. In addition, it is performed at least annually and always at the date of the financial statements.

Since the effectiveness of the hedging relationship was supported by a quantitative sensitivity calculation at the inception date of the hedging relationship, in subsequent periods effectiveness is assessed primarily by evaluating whether there have been changes in the critical parameters of the hedging instrument or hedged item.

The Group has identified as possible sources of inefficiency a time shift between the timing of loan repayments and the timing of hedged revenues. This timing mismatch may cause a degree of inefficiency due to the application of discounting in the calculation of inefficiency. Consequently, a decrease in expected revenues in EUR or changes in the repayment schedule of the hedging instrument.



The table shows information as of 31 December 2023:

(CZK million)					
	Start of hedging	Average exchange rate at the date of hedging	Foreign currency	Nominal value (CZK million)	Fair value
Bond	20 April 2022	24.415	EUR	40	988
Investment loan RB	29 April 2022	24.605	EUR	34	841
Investment loan ING	23 Dec 2022	24.245	EUR	16	395
Investment loan ING	23 Jan 2023	23.880	EUR	20	495
Investment loan VUB	22 March 2023	23.720	EUR	26	647
Investment loan EIB	1 June 2023	23.685	EUR	40	989
Investment loan RB	20 Dec 2023	24.540	EUR	40	989

The table shows information as of 31 December 2022:

(CZK million)					
	Start of hedging	Average exchange rate at the date of hedging	Foreign currency	Nominal value (CZK million)	Fair value
Bond	20 April 2022	24.415	EUR	40	964
Investment loan RB	29 April 2022	24.605	EUR	38	917
Investment loan ING	23 Dec 2022	24.245	EUR	20	483

The change in the value of the hedged item due to a change in the spot exchange rate is equal to the exchange difference on the hedging instrument for the purpose of determining effectiveness because the hedging relationship was fully effective.

The following table shows the expected hedged cash flows of future sales in EUR:

(CZK million)						
31 Dec 2023	Less than 1 month	1 - 3 months	3 month to 1 year	1 year - 5 years	5 years and more	Total
From bonds	2	3	14	1,064	0	<b>1,083</b>
From investment loans	0	149	529	2,893	1,434	<b>5,005</b>

(CZK million)						
31 Dec 2022	Less than 1 month	1 - 3 months	3 month to 1 year	1 year - 5 years	5 years and more	Total
From bonds	2	3	14	75	983	<b>1,077</b>
From investment loans	0	34	160	917	506	<b>1,617</b>

## 35.6 Credit risk management

The Group is exposed to credit risk, which involves the risk that one party to the financial instrument will cause financial loss to the other party by failing to meet its obligation. Credit risk arises as a result of the Group's business activities (trade receivables) and financial transaction related activities. Credit risk quantification is based on a number of basic criteria, with a major measure being the risk associated with the counterparty default risk in a transaction that may negatively affect the economic result and the cash-flow of the Group. For the analysis of counterparties, the Group uses external information services in addition to supporting internal departments. Any insolvency of a partner may lead to immediate losses with undue influence on the Group's performance.

Sources of credit risk associated with the counterparty's default risk in the transaction:

- corporate customers; and



- financial institutions.

For this reason, approval of business activities with new counterparties is subject to standardised approval procedures by authorised departments. Credit risk management includes asset management and receivable management, where standard financial market instruments such as advance payments and bank guarantees are used to reduce risks.

Financial assets that expose the Group to possible credit risk consist of cash and cash equivalents, trade receivables and derivative financial instruments. The Group's cash is deposited at reputable domestic financial institutions. In terms of the business, the Group is mainly exposed to these types of credit risk:

- direct credit risk; and
- risk of credit equivalents.

Direct credit risk is the most common form of receivables from ordinary business relationships. The customer's credit quality is evaluated individually, considering its financial position, customer experience, and other factors.

At the same time, the development of the amount of receivables, revenues and transport performance by individual companies is monitored using reports. The overview shows the payment discipline of individual customers according to the selected period of time.

The Group investigated a number of variables (GDP, industry indexes, etc.) and their possible correlation with the solvency of customers. As no reliable correlation has been identified, the Group focuses on the individual assessment of customer credibility and, above all, their future ability and willingness to meet their obligations to the Group. The analyses were conducted on the basis of conditions and expectations as of 31 December 2023.

In accordance with IFRS 9, a simplified approach has been applied to Group trade receivables, and for receivables without a significant financing element, the appropriate loss rate has been applied to the outstanding receivables as of the date of the financial statements based on the age structure of these receivables. The receivables were first divided into three categories for which different expected credit loss rates were subsequently determined.

1. receivables from members of the ČD Group, where, in accordance with the internal methodology, no provisions are calculated as no risk of non-payment is expected. The potential amount of expected credit losses has always been immaterial.
2. receivables from the ČD Cargo most significant customers who generate the majority of the ČD Cargo revenue. These are large, multinational companies such as Třinecké železárny, ČEZ, ČEPRO, METRANS, Maersk, EP Holding, etc., for which we perceive the very low risk of expected credit losses of approximately 1%.
3. the customer category is already much more diversified and accounts for approximately 25% of total trade receivables. Smaller companies from various industries are already represented in this category and the Group perceives a significantly higher potential risk of future default



in this category, given the current macroeconomic situation in the world. The expected credit loss rate in this category is approximately 7%.

## Impairment of receivables

	(CZK million)						
	Before due date	1 - 30 days past due date	90 days past due date	91 - 180 days past due date	181 - 365 days past due date	over 365 days past due date	Total
<b>31 Dec 2023</b>							
Expected credit loss rate*	2.83%	3.23%	0%	33%	89%	100%	7%
Short-term trade receivables - gross residual value	1,836	155	29	3	18	96	2,137
<b>Expected credit loss</b>	<b>(9)</b>	<b>(3)</b>	<b>0</b>	<b>(1)</b>	<b>(16)</b>	<b>(84)</b>	<b>(113)</b>
Individual expected credit loss	(43)	(2)	0	0	0	0	(45)
<b>Total expected credit loss</b>	<b>(52)</b>	<b>(5)</b>	<b>0</b>	<b>(1)</b>	<b>(16)</b>	<b>(84)</b>	<b>(158)</b>
<b>Net value of receivables</b>	<b>1,784</b>	<b>150</b>	<b>29</b>	<b>2</b>	<b>2</b>	<b>12</b>	<b>1,979</b>

	(CZK million)						
	Before due date	1 - 30 days past due date	90 days past due date	91 - 180 days past due date	181 - 365 days past due date	over 365 days past due date	Total
<b>31 Dec 2022</b>							
Expected credit loss rate*	2.35%	3%	6%	30%	76%	100%	6%
Short-term trade receivables – gross residual value	1,954	151	19	6	12	79	2,221
<b>Expected credit loss</b>	<b>(1)</b>	<b>0</b>	<b>(1)</b>	<b>(2)</b>	<b>(9)</b>	<b>(79)</b>	<b>(92)</b>
Individual expected credit loss	(45)	(4)	0	0	0	0	(49)
<b>Total expected credit loss</b>	<b>(46)</b>	<b>(4)</b>	<b>(1)</b>	<b>(2)</b>	<b>(9)</b>	<b>(79)</b>	<b>(141)</b>
<b>Net value of receivables</b>	<b>1,908</b>	<b>147</b>	<b>18</b>	<b>4</b>	<b>3</b>	<b>0</b>	<b>2,080</b>

\* Impairment matrix = % of allowance from historical developments + % of considered future development = % of total allowance.

	(CZK million)	
<b>Movements of allowances for doubtful receivables</b>	<b>2023</b>	<b>2022</b>
<b>Allowances at 1 January</b>	<b>141</b>	<b>104</b>
Creation of allowances – trade receivables	34	58
Use of allowances – trade receivables	(15)	(15)
Write-offs – trade receivables	(2)	(6)
<b>Allowances at 31 December</b>	<b>158</b>	<b>141</b>

The Group seeks to trade only with credible counterparties whom the Group reviews on an ongoing basis using publicly available information and internal data. The Group's exposure and credit ratings of its counterparties are continuously monitored.

Standard instruments (deposits, payment terms, customer tracking, internal reporting tools, etc.) are used in various combinations for additional hedge of potential risk receivables. The offsetting policy for receivables and payables is being actively applied to improve the liquidity of the Group. At the same time, ČD Cargo, a.s. is applying continuous monitoring of individual receivables by individual companies and by default periods with special attention to receivables with more than 15 days overdue. Individual responsible employees of the Parent Company and the senior staff of the Receivables Commission are continuously engaged in past-due receivables development. There is no significant concentration of credit risk from the perspective of customers, industries, or regions.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned (the investment grade is required), see Note 12.



## 35.7 Commodity risk management

The Group is exposed to the risk of changes in the price of commodities, as the use of commodities, specifically diesel and electricity, is a significant cost item of the Group. The price of electricity is based on the maximum price from Správa železnic. The Group manages the risk of diesel price fluctuations by entering into medium-term derivatives for the purchase of diesel.

### 35.7.1 Analysis of sensitivity to changes in commodity prices

The exposure to the change in the price of commodities is measured by the sensitivity analysis. The Group is exposed to the risk of changes in the prices of commodities due to changes in the fair value of concluded financial derivatives.

The following table shows the impact that an increase in the diesel price of 10% would have on the profit and other comprehensive income. A positive value indicates an increase in the profit and other comprehensive income, a negative value indicates a decrease in the profit and other comprehensive income:

	(CZK million)	
	2023	2022
Change in the fair value of derivatives at the end of the period	0	0
<b>Total impact on the profit for the period before tax</b>	<b>0</b>	<b>0</b>
Change in tax effect recognised in profit or loss	0	0
<b>Total impact on the profit/ loss after tax</b>	<b>0</b>	<b>0</b>
Change in the fair value of derivatives at the end of the period*	13	9
<b>Total impact on other comprehensive income before tax</b>	<b>13</b>	<b>9</b>
Change in tax effect recognised in other comprehensive income	(3)	(2)
<b>Total impact on other comprehensive income after tax</b>	<b>10</b>	<b>7</b>

\* Financial derivatives used in hedge accounting.

If the diesel price were reduced by 10%, the values would be the same with the opposite sign only.

### 35.7.2 Commodity derivatives

In line with the requirements for managing commodity risk, the Group has entered into contracts to secure fluctuations in traction diesel prices. The hedge was made in the form of a commodity swap, which consists in determining the fixed price of traction diesel.

The hedge ratio of the hedging relationship is the same as the ratio between the amount of the hedged item and the hedging instrument used, in this case, the ratio is 1:1. The hedging ratio is determined by comparing the amount of the hedged item and the hedging instrument used. This calculation is based on a commodity swap agreement that compensates for the purchase of the hedged volume of planned consumption under the approved Financial Risk Management Strategy. The Group is aware that risk components such as excise duties, merchant margins, etc. are included in the hedge ratio calculation, but their effect on the amount is insignificant. The hedge ratio is regularly monitored in relation to the risk management objectives.

The economic relationship between the hedging instrument and the hedged item is described using the following parameters.



The effectiveness of hedging will be measured by comparing critical terms. According to the fact that the key characteristics of the hedging instrument fully correspond to the characteristics of the hedged item, the management of ČD Cargo, a.s. expects a high efficiency of hedging. A correlation test is performed at the same time. It compares the actual purchase prices of diesel per litre and the hedged cost of the derivative (diesel) at settlement. The correlation coefficient in 2023 was 93.01% (2022: 98.21%), thus confirming the high efficiency of the derivative.

The nominal value of the hedge is lower than the future projected volumes of purchased diesel, i.e. no more than 80% of the expected volume of purchased diesel is hedged. The commodity Platts ULSD 10ppm FOB Barge Rotterdam is hedged. The hedge is denominated in CZK, eliminating the risk arising from the CZK/USD exchange rate fluctuation. At 31 December 2023, the maximum volumes for hedging are set by the Financial Risk Management Strategy in ČD Cargo, a.s. as follows:

- for 2024, a maximum of 65% of the underlying asset (expected volume of diesel purchased),
- for 2025, a maximum of 50% of the underlying asset (expected volume of diesel purchased).

Commodity hedging was contracted under regular market conditions (without premium payment), the fair value of derivatives was nil as of the trade date. Based on the above, the Company expects that the hedging relationship will be effective for its entire period. The result of the transaction is the predictable amount of the price of the purchased volume of diesel.

Potential causes of potential inefficiency may arise due to unsecured components of the total diesel price (i.e. various surcharges, the impact of biodiesel prices, excise duty, etc.) and a significant decline in the counterparty's credibility. In this case, the Group carries out a correlation test for the diesel price. The Group hedges Platts ULSD 10ppm FOB Barge Rotterdam out of the total purchase price of diesel. As the hedge is denominated in CZK, the currency risk of the USD/CZK pair is eliminated. Other items that make up the diesel price are fixed or have very low volatility. The above-stated factors are considered by the Group to be insignificant or highly unlikely; therefore, the Group considers commodity hedging to be effective. For these reasons, the change in the fair value of the hedged item equals the change in the fair value of the hedging instrument for the purpose of determining effectiveness.

The table shows outstanding commodity contracts for the purchase of diesel as of the end of the reporting period:

<b>Purchase of diesel</b>	<b>Hedged average price (CZK/mt*)</b>	<b>Volume of contract (mt*)</b>	<b>Fair value (CZK million)</b>
31 Dec 2023	16,052	7,200	0
31 Dec 2022	20,926	4,800	(8)

\* mt = metric ton



### ***Expected realisation of hedged items by commodity derivatives:***

The following table shows the expected hedged cash flows from purchases of diesel:

(CZK million)

<b>31 Dec 2023</b>	<b>Less than 1 month</b>	<b>1 - 3 months</b>	<b>3 months to 1 year</b>	<b>1 year to 5 years</b>	<b>5 years and more</b>	<b>Total</b>
Hedged future purchase of diesel	6	11	52	34	0	<b>103</b>

(CZK million)

<b>31 Dec 2022</b>	<b>Less than 1 month</b>	<b>1 - 3 months</b>	<b>3 months to 1 year</b>	<b>1 year to 5 years</b>	<b>5 years and more</b>	<b>Total</b>
Hedged future purchase of diesel	8	17	75	0	0	<b>100</b>

The following table shows what impact a 10% increase in the price of diesel would have in profit on the portion of the diesel consumption unhedged by derivatives. The positive value indicates an increase in the profit, the negative value indicates a decrease in the profit of the unhedged portion of the diesel consumption:

(CZK million)

	<b>Increase in the diesel price of 10%</b>		<b>Decrease in the diesel price of 10%</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Costs of diesel consumption for the period	(10)	(27)	10	27
<b>Total impact on the profit/loss for the period before tax</b>	<b>(10)</b>	<b>(27)</b>	<b>10</b>	<b>27</b>
Change in tax effect recognised in profit/loss	2	5	(2)	(5)
<b>Total impact on the profit/loss after tax</b>	<b>(8)</b>	<b>(22)</b>	<b>8</b>	<b>22</b>

## **35.8 Liquidity risk management**

The liquidity risk in the Group is managed with regard to the permanent provision of a sufficient volume of funds necessary for the settlement of financial liabilities.

The Group manages its capital to ensure that it is able to continue as a going concern while optimising the debt to equity ratio between liabilities and equity (more information regarding the open lines of credit is described in Note 33.8.2).

On a daily basis, the Group assesses the available funds and cash flows and liquidity development. Based on these assessments, the Group decides on the optimal use of operating financial sources, consisting primarily of overdraft loans and the cash-pooling limit. In order to strengthen its financial stability, the Group secures long-term financial sources on a continuous basis. The liquidity situation is continuously monitored by Moody's rating agency.

### ***35.8.1 Liquidity risk tables***

The following tables present the Group's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.



(CZK million)

31 Dec 2023	Less than 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	5 years and more	Total
Trade payables and other financial liabilities not covered below	1,353	946	258	67	0	2,624
Hedging derivatives – net	0	0	4	1	0	5
<i>Gross cash outflows</i>	0	(9)	(46)	(23)	0	(78)
<i>Gross cash inflows</i>	0	9	42	22	0	73
Collateralised loans	4	110	295	1,468	856	2,733
Lease liabilities	14	260	772	2,389	61	3,496
Fixed interest rate instruments – loan	421	317	1,086	5,344	2,033	9,201
Fixed interest rate instruments – bonds	8	17	106	4,950	0	5,081
<b>Total</b>	<b>1,800</b>	<b>1,650</b>	<b>2,521</b>	<b>14,219</b>	<b>2,950</b>	<b>23,140</b>

(CZK million)

31 Dec 2022	Less than 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	5 years and more	Total
Trade payables and other financial liabilities not covered below	1,644	981	428	2	0	3,055
Hedging derivatives – net	0	1	9	1	0	11
<i>Gross cash outflows</i>	7	7	58	6	0	78
<i>Gross cash inflows</i>	7	6	49	5	0	67
Collateralised loans	44	88	355	1,449	1,193	3,129
Lease liabilities	81	162	809	2,685	437	4,174
Fixed interest rate instruments – loan	872	180	761	3,739	1,443	6,995
Fixed interest rate instruments – bonds	9	18	611	4,040	984	5,662
<b>Total</b>	<b>2,650</b>	<b>1,430</b>	<b>2,973</b>	<b>11,916</b>	<b>4,057</b>	<b>23,026</b>

The following tables present the Group's expected maturity for its financial assets. The tables have been drawn up based on the undiscounted residual maturities of financial assets. The tables include both interest and principal cash flows.

(CZK million)

31 Dec 2023	Less than 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	5 years and more	Total
Financial assets at amortised cost	2,691	698	120	52	1	3,562
Hedging derivatives – net	5	10	41	1	0	57
<i>Gross cash outflows</i>	(49)	(106)	(459)	(19)	0	(633)
<i>Gross cash inflows</i>	54	116	500	20	0	690
<b>Total</b>	<b>2,696</b>	<b>708</b>	<b>161</b>	<b>53</b>	<b>1</b>	<b>3,619</b>

(CZK million)

31 Dec 2022	Less than 1 month	1 - 3 months	3 months to 1 year	1 - 5 years	5 years and more	Total
Financial assets at amortised cost	2,631	714	78	87	0	3,510
Hedging derivatives – net	8	16	59	37	0	120
<i>Gross cash outflows</i>	72	147	649	556	0	1,424
<i>Gross cash inflows</i>	80	163	708	593	0	1,544
<b>Total</b>	<b>2,639</b>	<b>730</b>	<b>137</b>	<b>124</b>	<b>0</b>	<b>3,630</b>

The amounts disclosed above for variable interest rate instruments for both non-derivative financial assets and liabilities are subject to change if changes in variable interest rates differ from interest rates determined at the end of the reporting period.



### 35.8.2 Sources of financing

The Company uses the following financing facilities:

	(CZK million)
	31 Dec 2023
	31 Dec 2022
Cash-pooling:	
· · loan facility in the amount of	300
Overdraft loans:	
· · loan facility in the amount of	2,051
Promissory note programme*:	
· · loan facility in the amount of	1,500
Revolving loan	
· · loan facility in the amount of	300
<b>Total</b>	<b>4,151</b>
	<b>3,836</b>

\* The internal promissory note programme is approved by the Parent Company ČD Cargo, a.s. in the maximum amount of CZK 1,500 million, with framework agreements in the amount of CZK 2,000 million approved for individual banks.

	(CZK million)									
Overdraft loans	VÚB Citibank	ING	ČSOB	RB Millenium Bank	PKO	Slovenská sporitelňa	Tatrabank a, a.s.	Total		
Loan facility at 1 Jan 2022	700	200	200	410	306	186	0	12	12	<b>2,026</b>
Unused amount at 1 Jan 2022	700	200	200	410	306	105	0	12	12	<b>1,945</b>
Change in the facility in 2022	0	0	0	0	0	0	10	0	0	<b>10</b>
Loan facility at 31 Dec 2022	700	200	200	410	306	186	10	12	12	<b>2,036</b>
Unused amount at 31 Dec 2022	480	47	29	396	6	156	10	4	12	<b>1,140</b>
Change of loan facility in 2023	0	0	0	0	0	0	12	0	25	<b>37</b>
Loan facility at 31 Dec 2023	700	200	200	410	306	186	12	12	25	<b>2,051</b>
Unused amount at 31 Dec 2023	487	88	167	410	249	186	12	12	25	<b>1,636</b>

As of 31 December 2023, an overdraft loan in the amount of CZK 415 million was used (in 2022, in the amount of CZK 896 million), the Group did not draw on the other loan facilities disclosed.

	(CZK million)		
Promissory note programme	ČSOB	KB	Total
Loan facility at 1 Jan 2022	500	1,500	<b>2,000</b>
Unused amount at 1 Jan 2022	500	1,500	<b>2,000</b>
Change in the loan facility in 2022	0	0	<b>0</b>
Loan facility at 31 Dec 2021	500	1,500	<b>2,000</b>
Unused amount at 31 Dec 2022	500	1,500	<b>2,000</b>
Change in the loan facility in 2023	0	0	<b>0</b>
Loan facility at 31 Dec 2023	500	1,500	<b>2,000</b>
Unused amount at 31 Dec 2023	500	1,500	<b>2,000</b>

	(CZK million)	
Revolving loans	KB	Total
Change in the loan facility in 2023	0	<b>0</b>
Loan facility at 31 Dec 2023	300	<b>300</b>
Unused amount at 31 Dec 2023	300	<b>300</b>



As part of securing resources for the planned investments, the Company has access to the following long-term bank loan facilities:

	(CZK million)							
Investment loans	Raiffeisenbank	UniCredit Bank	ING Bank	EIB	VUB	Tatrabanka	MBH	Total
<b>Loan facility at 31 Dec 2020</b>	<b>0</b>	<b>2,000</b>	<b>1,000</b>	<b>3,412</b>	<b>0</b>	<b>32</b>	<b>0</b>	<b>6,444</b>
Unused amount at 31 Dec 2020	0	200	0	3,412	0	0	0	3,612
<i>Change in the loan facility in 2021</i>	<i>1,000</i>	<i>0</i>	<i>500</i>	<i>0</i>	<i>0</i>	<i>26</i>	<i>0</i>	<i>1,526</i>
<i>Change in the exchange rate</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(180)</i>	<i>0</i>	<i>(1)</i>	<i>0</i>	<i>(181)</i>
<b>Loan facility at 31 Dec 2021</b>	<b>1,000</b>	<b>2,000</b>	<b>1,500</b>	<b>3,232</b>	<b>0</b>	<b>57</b>	<b>0</b>	<b>7,789</b>
Loan facility at 31 Dec 2021	0	0	0	2,732	0	0	0	2,732
<i>Change in the loan facility in 2022</i>	<i>975</i>	<i>0</i>	<i>965</i>	<i>0</i>	<i>0</i>	<i>36</i>	<i>0</i>	<i>1,976</i>
<i>Change in the exchange rate</i>	<i>(10)</i>	<i>0</i>	<i>0</i>	<i>(97)</i>	<i>0</i>	<i>(4)</i>	<i>0</i>	<i>(111)</i>
<b>Loan facility at 31 Dec 2022</b>	<b>1,965</b>	<b>2,000</b>	<b>2,465</b>	<b>3,135</b>	<b>0</b>	<b>89</b>	<b>0</b>	<b>9,654</b>
Loan facility at 31 Dec 2022	484	0	482	2,635	0	0	0	3,601
<i>Change in the loan facility in 2023</i>	<i>1,500</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>703</i>	<i>(30)</i>	<i>65</i>	<i>2,238</i>
<i>Change in the exchange rate</i>	<i>20</i>	<i>0</i>	<i>24</i>	<i>79</i>	<i>39</i>	<i>(17)</i>	<i>0</i>	<i>145</i>
<b>Loan facility at 31 Dec 2023</b>	<b>3,485</b>	<b>2,000</b>	<b>2,489</b>	<b>3,214</b>	<b>742</b>	<b>42</b>	<b>65</b>	<b>12,037</b>
<b>Unused amount at 31 Dec 2023</b>	<b>525</b>	<b>0</b>	<b>0</b>	<b>1,660</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,185</b>

Changes in liabilities from financing including changes arising from cash flows and non-cash changes are disclosed in the following table:

	(CZK million)									
	Short-term loans	Long-term loans	Lease liabilities – short-term	Lease liabilities – long-term	Secured loans – short-term	Secured loans – long-term	Issued bonds – short-term	Issued bonds – long-term	Overdraft	Total
<b>Liabilities from financing at 1 Jan 2022</b>	<b>651</b>	<b>4,118</b>	<b>807</b>	<b>2,813</b>	<b>423</b>	<b>1,821</b>	<b>31</b>	<b>4,253</b>	<b>81</b>	<b>14,998</b>
<i>Cash flows from financing</i>	<i>(698)</i>	<i>1,499</i>	<i>(872)</i>	<i>0</i>	<i>(447)</i>	<i>1,082</i>	<i>0</i>	<i>974</i>	<i>815</i>	<i>2,353</i>
<i>Drawing of loans, borrowings and bonds</i>	<i>0</i>	<i>1,499</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>1,082</i>	<i>0</i>	<i>974</i>	<i>864</i>	<i>4,419</i>
<i>Repayments of loans, borrowings and bonds</i>	<i>(698)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(447)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(49)</i>	<i>(1,194)</i>
<i>Lease payments</i>	<i>0</i>	<i>0</i>	<i>(872)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(872)</i>
Non-monetary transactions:										
Effect of exchange rate changes	(11)	(14)	(80)	0	(26)	0	0	(10)	0	(141)
Reclassification*	879	(879)	1,170	(1,170)	487	(487)	498	(498)	0	0
Lease additions and change in estimates	0	0	45	1,363	0	0	0	0	0	1,408
Accrued interest	113	0	59	0	56	0	102	0	63	393
Interest paid (cash flows from operating activities)	(113)	0	(59)	0	(55)	0	(86)	0	(63)	(376)
Paid capitalised interest (cash flows from investing activities)	0	0	0	0	0	0	(13)	0	0	(13)
Other non-cash movements	0	(1)	(85)	2	(11)	9	(2)	1	0	(87)
<b>Liabilities from financing at 31 Dec 2022</b>	<b>821</b>	<b>4,723</b>	<b>985</b>	<b>3,008</b>	<b>427</b>	<b>2,425</b>	<b>530</b>	<b>4,720</b>	<b>896</b>	<b>18,535</b>
<i>Cash flows from financing</i>	<i>(969)</i>	<i>3,168</i>	<i>(982)</i>	<i>0</i>	<i>(426)</i>	<i>56</i>	<i>(500)</i>	<i>0</i>	<i>(481)</i>	<i>(134)</i>
<i>Drawing of loans, borrowings and bonds</i>	<i>5</i>	<i>3,168</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>56</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>3,229</i>
<i>Repayments of loans, borrowings and bonds</i>	<i>(974)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(426)</i>	<i>0</i>	<i>(500)</i>	<i>0</i>	<i>(481)</i>	<i>(2,381)</i>
<i>Lease payments</i>	<i>0</i>	<i>0</i>	<i>(982)</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(982)</i>
Non-monetary transactions:										
Effect of exchange rate changes	13	120	79	0	29	0	0	25	0	266
Reclassification*	1,305	(1,305)	506	(506)	332	(332)	0	0	0	0
Lease additions and change in estimates	0	0	469	99	0	0	0	0	0	568
Accrued interest	192	0	108	0	61	0	102	0	76	539
Interest paid (cash flows from operating activities)	(186)	0	(103)	0	(61)	0	(99)	0	(76)	(525)
Paid capitalised interest (cash flows from investing activities)	0	0	0	0	0	0	(6)	0	0	(6)
Other non-cash movements	(7)	0	(98)	(259)	(7)	0	4	3	0	(364)
<b>Liabilities from financing at 31 Dec 2023</b>	<b>1,169</b>	<b>6,706</b>	<b>964</b>	<b>2,342</b>	<b>355</b>	<b>2,149</b>	<b>31</b>	<b>4,748</b>	<b>415</b>	<b>18,879</b>

\* Loans and borrowings classified at 31 December 2021/2022 as long-term that became short-term in 2022/2023.



## **35.9 Strategy for the Company's financing in the following years**

### ***35.9.1 Collateralised loans***

In 2022, a secured loan was concluded with Raiffeisen - Leasing, s.r.o. for the purpose of financing 1 Effishunter traction vehicle (744 class traction vehicle). The contractual loan term is 120 months. The loan was made in CZK.

Furthermore, in 2022, the following euro-secured loans for 10 years were concluded with ČSOB Leasing, a.s. for the financing of 9 traction railway vehicles of the 742.7 class, as well as 3 partial contracts with Leasing České spořitelny, a.s. for the financing of 17 traction railway vehicles of the 742.7 class.

In the second half of 2023, CD Cargo Poland Sp. z o.o. entered into a contract for a collateralised loan for 40 EAS type wagons with PKO leasing. The loan was agreed in the total amount of CZK 58 million. In 2022, the subsidiaries entered into no new collateralised loans.

In connection with the planned investments, it is expected that the Group will be using financing in the form of collateralised loans in the following years.

### ***35.9.2 Operating bank loans***

In funding its operating needs, the Group has overdraft limits and a cash pooling limit on loans in the maximum amount of CZK 2,331 million provided by eleven banks. The stratification of the lending to several financing entities sufficiently diversifies potential risks.

### ***35.9.3 Promissory note programme***

The Parent Company has the possibility to use the promissory note programme approved by the Supervisory Board, if needed. The promissory note programme is approved in the amount of CZK 1,500 million. The promissory note programme can be covered by a combination of possible issuance of promissory notes from two banks in the total amount of up to CZK 2,000 million (ČSOB CZK 500 million and Komerční banka CZK 1,500 million). The supervisory Board of ČD Cargo, a.s. must be informed about the intention of drawing over CZK 1,000 million. In 2023 and 2022, the promissory note programme was not used; however, the promissory note framework is left as the form of short-term financing provision, directly independent of bank resources.

### ***35.9.4 Possibility of a loan provided by České dráhy, a.s.***

The Parent Company ČD Cargo, a.s. has contractually secured with its parent company České dráhy, a.s. the possibility to use financial resources of up to CZK 700 million (beyond the limit of group cash-pooling). The cash pooling credit line is maintained with Komerční banka, in case of drawdown, the interest rate on the funds is set at O/N PRIBOR + margin 0.90 % p.a. In 2022, this financial resource was not used. In 2023, it was used only once in May in the amount of CZK 10 million.



### **35.9.5 Bonds**

In 2011, the Parent Company ČD Cargo, a.s. issued its first Bond Programme with the volume of CZK 6 billion and the duration of 10 years. Due to a change in legal regulations, this Bond Programme was updated in 2015. On the basis of the termination of this first Bond Programme, ČD Cargo, a.s. issued a new Bond Programme on 5 May 2021 with the duration of 10 years without the limitation of the maximum amount of outstanding bonds.

In 2022, a total amount of EUR 40 million was issued under this new Bond Programme. No bonds were redeemed in 2022.

In 2023, no other issue was made, the bond of CZK 500 million was redeemed (issued in 2016).

As of 31 December 2023, the Parent Company ČD Cargo, a.s. has issued bonds in the amount of CZK 4,750 million. Financing in the form of bonds increases the liquidity and financial stability of the Company. In accordance with the planned investments, it is expected that the company ČD Cargo, a.s. will continue to use bond financing.

### **35.9.6 Supplier loans**

If necessary, the Group plans to use supplier loans for individual investments where this form of financing will be effective.

### **35.9.7 Investment loans**

In 2022, two new loan facilities of EUR 40 million were negotiated by the Parent Company, one of which was fully used in the amount of CZK 975 million. The second loan facility in the amount of CZK 965 million was used in the amount of EUR 20 million (CZK 483 million).

The remaining part of the loan facility from 2022 of EUR 20 million (CZK 483 million) was used during 2023.

In addition, the following two credit facilities were agreed:

- EUR 30 million (used in full, equivalent to CZK 703 million); and
- CZK 1,500 million (in the amount of EUR 40 million, equivalent to CZK 975 million), the remaining portion of EUR 20.5 million (CZK 510 million) was used on 31 January 2024.

In August 2022, the investment loan was used by CD Cargo Slovakia, s.r.o., in the amount of CZK 36 million.

In December 2023, the investment loan was used by CD Cargo Hungary, Kft. in the amount of CZK 65 million.

Due to the planned capital expenditures in the coming years, the Group plans to continue to use external financing through financial loans.



### 35.9.8 Other loans

In December 2020, a loan agreement was signed with the European Investment Bank. According to the contractual conditions, the total amount of the loan is set at up to EUR 130 million (CZK 3,214 million). This loan facility will be gradually used (according to the conditions and possibilities arising from the contract) in the coming years to finance the Group's pre-determined investment projects approved by the European Investment Bank.

In 2021, the first tranche of CZK 500 million was used from the total limit. No further tranche was used in 2022. In 2023, the 2nd tranche of EUR 40 million (CZK 947 million) was used.

### 35.9.9 Summary

The above-stated current and planned funding structure creates a desired framework that allows the Group to maintain financial stability with the possibility of flexible use of individual forms according to actual needs and convenience.

Based on the planned funding structure, the Group will achieve a sufficient volume of available sources for funding its operating and investment activities with a sufficient reserve for potential unfavourable developments (shortfall in sales, change in the payment discipline, payment terms, legislative changes, etc.).

## 35.10 Fair value of financial instruments

### 35.10.1 Fair values of financial instruments at amortised cost

The carrying amounts of financial assets and financial liabilities, recognised at amortised cost in the financial statements, approximate their fair values, except for lease liabilities, collateralised loans, investment loans, and bonds.

The fair value of investment loans is determined using the rate based on the current market interest rate at the year-end increased by an average margin from the Group's external funds.

The fair value of ČD Cargo, a.s.'s bonds is recalculated on the basis of the current market exchange rate communicated by individual banks.

(CZK million)					
Financial assets	Level	Fair value at 31 Dec 2023	Carrying amount at 31 Dec 2023	Fair value at 31 Dec 2022	Carrying amount at 31 Dec 2022
Financial derivatives used in hedge accounting	level 2	57	57	120	120
<b>Total</b>		<b>57</b>	<b>57</b>	<b>120</b>	<b>120</b>

(CZK million)					
Financial liabilities	Level	Fair value at 31 Dec 2023	Carrying amount at 31 Dec 2023	Fair value at 31 Dec 2022	Carrying amount at 31 Dec 2022
Financial derivatives used in hedge accounting	level 2	6	6	11	11
Bonds issued	level 2	3,501	4,779	4,465	5,251
Investment loans	level 2	7,532	7,810	4,923	5,486
<b>Total</b>		<b>11,039</b>	<b>12,595</b>	<b>9,399</b>	<b>10,748</b>



Cash and cash equivalents, trade receivables and payables, and other current financial liabilities were not included in the table above because their fair value is equal to the carrying amount due to their short-term maturity. In addition, the above table does not include the loan from České dráhy, a.s. where the fair value is also equal to the carrying amount due to its short-term maturity in 2022. It was repaid in 2023.

### ***35.10.2 Valuation techniques applied for the purposes of measuring fair value***

The fair values of financial assets and financial liabilities are determined as follows:

- the fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- the fair values of other financial assets and financial liabilities (except for financial derivatives) are determined in accordance with generally accepted valuation models based on a discounted cash flow analysis using the prices from observable current market transactions, dealer quotes for similar instruments, and an appropriate yield curve with the corresponding duration as appropriate; and
- the fair values of financial derivatives are calculated using quoted prices. If these prices are not available, linear derivatives are measured using discounted cash flows by means of quoted foreign exchange rates, quoted prices of commodities, and an appropriate yield curve corresponding to the validity of contracts. An options valuation model is used for derivatives that include an option.

### ***35.10.3 Fair value measurements recognised in the statement of financial position***

Financial instruments measured at fair value are divided into Levels from 1 to 3, based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All financial instruments measured at fair value recognised by the Group as of 31 December 2023 and 31 December 2022 were included in Level 2.



## **36. POST BALANCE SHEET EVENTS**

In January 2024, the Group used up the investment loan from Raiffeisenbank a.s. of EUR 20.5 million (approximately CZK 506 million).

## **37. APPROVAL OF THE FINANCIAL STATEMENTS**

These financial statements were approved by the Board of Directors for issue on 9 April 2024.

