THE CLEVELAND ELECTRIC ILLUMINATING COMPANY AND SUBSIDIARIES

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026 AND 2025

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
Unaudited

(In millions)	For the Three Months Ended June 30, 2026	For the Three Months Ended June 30, 2025	For the Six Months Ended June 30, 2026	For the Six Months Ended June 30, 2025
REVENUES:				
Electric sales	$ 239	$ 245	$ 457	$ 508
Excise and gross receipts tax collections	14	14	31	31
Total revenues	253	259	488	539
OPERATING EXPENSES:				
Purchased power	34	27	74	56
Other operating expenses	144	123	292	252
Provision for depreciation	33	35	67	70
Deferral of regulatory assets, net	(45)	(7)	(130)	(8)
General taxes	50	55	109	114
Total operating expenses	216	233	412	484
OPERATING INCOME	37	26	76	55
OTHER INCOME (EXPENSE):				
Miscellaneous income, net	2	2	3	3
Interest expense	(20)	(16)	(38)	(32)
Capitalized financing costs	—	1	2	2
Total other expense	(18)	(13)	(33)	(27)
INCOME BEFORE INCOME TAXES	19	13	43	28
INCOME TAXES	3	2	6	3
NET INCOME	$ 16	$ 11	$ 37	$ 25
COMPREHENSIVE INCOME	$ 16	$ 11	$ 37	$ 25

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
Unaudited

(In millions, except share amounts)	June 30, 2026	December 31, 2025
ASSETS		
CURRENT ASSETS:		
Restricted cash	$ 5	$ 5
Receivables -		
Customers	148	137
Less — Allowance for uncollectible customer receivables	6	7
	142	130
Affiliated companies	38	44
Other, net of allowance for uncollectible accounts of $2 in 2026 and 2025	14	11
Prepaid taxes and other	2	4
	201	194
PROPERTY, PLANT AND EQUIPMENT:		
In service	4,082	3,991
Less — Accumulated provision for depreciation	1,667	1,650
	2,415	2,341
Construction work in progress	113	128
	2,528	2,469
DEFERRED CHARGES AND OTHER ASSETS:		
Goodwill	1,689	1,689
Regulatory assets	93	—
Property taxes	59	138
Other	42	38
	1,883	1,865
TOTAL ASSETS	$ 4,612	$ 4,528
LIABILITIES AND EQUITY		
CURRENT LIABILITIES:		
Currently payable long-term debt	$ 5	$ 5
Short-term borrowings-		
Affiliated companies	552	266
Other	51	80
Accounts payable -		
Affiliated companies	61	59
Other	12	14
Accrued taxes	162	156
Accrued interest	8	8
Other	59	58
	910	646
NONCURRENT LIABILITIES:		
Long-term debt and other long-term obligations	1,092	1,094
Accumulated deferred income taxes, net	369	353
Retirement benefits	72	71
Regulatory liabilities	—	48
Property taxes	80	165
Other	235	236
	1,848	1,967
TOTAL LIABILITIES	2,758	2,613
COMMON STOCKHOLDER'S EQUITY:		
Common stock, without par value, 105,000,000 shares authorized - 67,930,743 shares outstanding	1,694	1,692
Accumulated other comprehensive loss	(1)	(1)
Retained earnings	161	224
TOTAL COMMON STOCKHOLDER'S EQUITY	1,854	1,915
TOTAL LIABILITIES AND COMMON STOCKHOLDER'S EQUITY	$ 4,612	$ 4,528

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
Unaudited

	For the Six Months Ended June 30,	
(In millions)	**2026**	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 37	$ 25
Adjustments to reconcile net income to net cash from operating activities-		
Depreciation and amortization	37	63
Deferred income taxes and investment tax credits, net	10	(2)
Employee benefit costs, net	1	2
Change in current assets and liabilities-		
Receivables	(9)	5
Prepaid taxes and other current assets	2	2
Accounts payable	(2)	4
Accrued taxes	—	7
Ohio settlement customer restitution and refunds	(100)	—
Other current liabilities	(4)	(1)
Collateral, net	1	4
Employee benefit plan funding and related payments	(1)	(1)
Other	(1)	9
Net cash provided from (used for) operating activities	(29)	117
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital investments	(107)	(94)
Asset removal costs	(19)	(9)
Other	1	—
Net cash used for investing activities	(125)	(103)
CASH FLOWS FROM FINANCING ACTIVITIES:		
New financing-		
Short-term borrowings - affiliated companies, net	286	—
Redemptions and repayments-		
Long-term debt	(2)	(3)
Short-term borrowings - other, net	(29)	—
Short-term borrowings - affiliated companies, net	—	(1)
Common stock dividend payments	(100)	(10)
Other	(1)	—
Net cash provided from (used for) financing activities	154	(14)
Net change in cash, cash equivalents, and restricted cash	—	—
Cash, cash equivalents, and restricted cash at beginning of period	5	5
Cash, cash equivalents, and restricted cash at end of period	$ 5	$ 5
SUPPLEMENTAL CASH FLOW INFORMATION:		
Significant non-cash transactions:		
Accrued capital investments	$ 12	$ 12