



NUCLEARELECTRICA

Current report of information

Report date: 19.03.2021

Name of the issuing entity: Societatea Nationala NUCLEARELECTRICA S.A.

Registered office: 65 Polona St., district 1, Bucharest

Telephone/Fax Number: 021-203.82.00 / 021 – 316.94.00

Sole Registration Code with the Trade Register Office: 10874881

Registration number with the Trade Register: J40/7403/1998

Subscribed and paid-up share capital: 3,016,438,940

Regulated market on which the issued securities are traded: Bucharest Stock Exchange

**To: Bucharest Stock Exchange
Financial Supervision Authority**

Significant event to report: Signing of the contract for the sale and purchase of assets within the uranium concentrate processing line of the Feldioara Branch of Compania Nationala a Uraniului ("CNU")

Societatea Nationala Nuclearelectrica S.A. ("SNN") informs shareholders and investors that it has signed with CNU the contract for the sale and purchase of assets within the uranium concentrate processing line at the Feldioara Branch of the CNU on March 18, 2021, following the mandate of the executive management of SNN to sign this transaction on the basis of the decisions of the Board of Directors and approval in the General Assembly of CNU Shareholders.

We recall that the shareholders of SNN approved by AGA Decision No. 5/25.04.2018 the "Strategy for diversification of the sources of supply of raw material necessary for the production of nuclear fuel", one of the measures including the identification of a solution to ensure the processing/refining capacity of the uranium technical concentrate (U3O8), i.e. the raw material from which the uranium octoxide (UO2) required for the manufacture of fuel bundles is obtained. Through specific studies and optimal conditions for the acquisition of uranium octoxide, SNN considered processing it at the Feldioara Factory by taking over the uranium technical concentrate processing line by SNN from the CNU.

By means of corroboration, by AGA Decision No. 4/30.03.2020, shareholders have approved the start of the procedures for the purchase of certain assets of the Feldioara Branch, by direct negotiation, in accordance with the provisions of OUG 88/1997 on the privatization of companies and of Law 44/1998, with subsequent amendments and additions

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Following a due diligence analysis, SNN has identified the necessary assets that it will strategically integrate into the structure and thus SNN, by means of this transaction, will integrate the cycle of manufacture of CANDU nuclear fuel, except for mining activity.

The object of the transaction consists only of assets (land, buildings, special constructions, installations, machinery and equipment).

The acquisition of some assets of the Feldioara Branch is structured in two different stages: Date of signing of the contract, the stage that has taken place on March 18, 2021, and the Date of Completion. Between the two stages a number of preconditions that depend to a large extent on the support of the CNU are provided. Thus, at the time of signing the contract, the general terms and conditions of the transaction were agreed and the preconditions were established. On the date of completion, the contract for sale-purchase of assets in authentic form and the contract for sale-purchase of assets, will be signed on the basis of the terms and conditions established at the date of signing.

The preconditions deal with the transmission and issuance by the competent authorities of the necessary transfer authorisations, permits and opinions as well as clarification by CNU of certain aspects related to the insurance of the transfer of assets.

The strategic decision to acquire part of Feldioara's assets necessary for the processing of the raw material was aimed at ensuring integrated production capabilities at the SNN level and, to an equal extent, ensuring the production of fuel bundles and the optimal operation of FCN Pitesti and CNE Cernavoda, in the context of expanding the capacity of the nuclear power plant, and maintaining the nuclear fuel cycle at national level at an advantageous transaction cost.

Cosmin Ghita
Chief Executive Officer

Paul Ichim
Chief Financial Officer

Valentina Dinu
DCRI Manager

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