



NUCLEARELECTRICA

## QUARTERLY REPORT

**regarding the economic and financial activity of S.N. Nuclearelectrica S.A. according to the provisions of art. 67 of Law no. 24/2017 on the issuers of financial instruments and market operations and Annex no. 13 to ASF Regulation no. 5/2018 regarding issuers of financial instruments and market operations for the 3-month period that ended on March 31, 2021  
(First quarter of financial year 2021)**

Basis of the report:	Art. 67 of Law no. 24/2017 on the issuers of financial instruments and market operations and Annex no. 13 to ASF Regulation no. 5/2018 for the 3-month period that ended on March 31, 2021 (First quarter of financial year 2021)
Report date:	May 11, 2021
Issuer's name:	<b>S.N. Nuclearelectrica S.A. ("SNN")</b>
Registered office:	Bucharest, No. 65, Polona Street, District 1
Telephone/fax number:	+40 21 203 82 00; +40 21 316 94 00
Web/Email:	www.nuclearelectrica.ro; office@nuclearelectrica.ro
Trade Register Office sole registration number:	10874881
Running number with the Trade Register:	J40/7403/1998
Subscribed and paid-up share capital:	RON 3,016,438,940
Regulated market on which the issued securities are traded:	Bucharest Stock Exchange (www.bvb.ro) Premium Category 301,643,894 shares, nominal value of 10 RON/share, dematerialized, nominative, ordinary, indivisible, with equal voting rights, freely tradable on Bucharest Stock Exchange under the SNN symbol starting with 04.11.2013.
Main features of the issued securities:	Individual Interim Financial Statements on the date and for the 3-month period ended on March 31, 2021, drafted according to the Order of the Ministry of Public Finance no. 2844/2016 for the approval of the Accounting Regulations according to the International Financial Reporting Standards ("IFRS"), based on Accounting Standard 34 - "Interim financial reporting" adopted by the European Union.
Applicable accounting standards:	Romanian Leu (RON) – all the presented amounts are in RON, unless indicated otherwise.
Reporting currency:	<b>First quarter of financial year 2021</b>
Reported period:	

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## 1. ECONOMIC AND FINANCIAL SITUATION

The information and Individual Interim Financial Statements on the date and for the period of 3 months ended on March 31, 2021 presented in this report are not audited by the financial auditor of S.N. Nuclearelectrica S.A. – S.C. Mazars Romania S.R.L. and were drafted according to the Order of the Ministry of Public Finance no. 2844/2016 for the approval of the Accounting Regulations according to the International Financial Reporting Standards (“IFRS”), based on the International Accounting Standard 34 - “Interim financial reporting” adopted by the European Union.

The presented indicators are in lei (RON) unless otherwise stated.

### a) Financial position statement as of March 31, 2021

Indicator [thousand RON]	March 31, 2021 (unaudited)	December 31, 2020 (audited)
Non-current assets	5,905,082	5,995,542
Current assets	3,071,572	2,848,928
<b>Total Assets</b>	<b>8,976,654</b>	<b>8,844,470</b>
Equity	7,754,170	7,519,685
Total liabilities, out of which:	1,222,484	1,324,785
Long-term liabilities	687,410	722,101
Current liabilities	535,074	602,684
<b>Total Equity and Liabilities</b>	<b>8,976,654</b>	<b>8,844,470</b>

### b) Profit and loss account and comprehensive income for the 3-month period that ended on March 31, 2021

Indicator [thousand RON]	3-month period ended on March 31, 2021 (unaudited)	3-month period ended on March 31, 2020 (unaudited)
Operating revenues	704,469	636,793
Operating expenses	(421,768)	(394,226)
<b>Operating profit</b>	<b>282,701</b>	<b>242,567</b>
Financial revenues	15,267	26,452
Financial expenses	(15,709)	(9,584)
<b>Net financial (expenses)/revenues</b>	<b>(442)</b>	<b>16,868</b>
<b>Profit before income tax</b>	<b>282,259</b>	<b>259,435</b>
Net income tax expense	(47,794)	(44,383)
<b>Profit for the period</b>	<b>234,465</b>	<b>215,052</b>
<b>Other items of the comprehensive income</b>	<b>7,149</b>	<b>7,279</b>
<b>Comprehensive income</b>	<b>241,614</b>	<b>222,331</b>
<b>Basic earnings per share (RON/share)</b>	<b>0.78</b>	<b>0.71</b>
<b>Diluted earnings per share (RON/share)</b>	<b>0.78</b>	<b>0.71</b>

## 2. SIGNIFICANT EVENTS

### 2.1 Significant events in the first quarter of financial year 2021

#### *Partnership between S.N. Nuclearelectrica S.A. and US - TDA*

By the Current Report published on January 13, 2021, SNN informed its shareholders and investors on the granting by US - TDA of a non-reimbursable grant of USD 1,277,115, in order to finance the costs for providing technical support for identifying and performing a preliminary assessment of potential nuclear locations compatible with small modular reactor (“SMR”) technologies in Romania and drafting a roadmap for licensing them.

#### *Changes in the management of the Company - Board of Directors*

By Resolution no. 1/27.01.2021, of the Ordinary General Meeting of the Shareholders (“OGMS”), the following were approved:

1. The revocation of Mr. Iulian Robert Tudorache from the position of member of the Board of Directors, as he waived his mandate (section 4 of the OGMS agenda of January 27, 2021).
2. The revocation of Mr. Cristian Gentea from the position of member of the Board of Directors, as a result of the termination by operation of the law of the contract of mandate, considering the occurrence of a case of incompatibility, by the occupation of an elected position within the public administration (section 5 of the OGMS agenda of January 27, 2021).
3. Approving the initiation of the procedure of selecting two members in the Board of Directors of SNN, according to the provisions of Government Emergency Ordinance no. 109/2011 on the corporate governance of public entities, as further amended and supplemented (section 6 of the OGMS agenda of January 27, 2021).
4. Approving the empowerment of the Board of Directors of SNN for the development of the procedure of selection of two members of the Board of Directors (section 7 of the OGMS agenda of January 27, 2021).

#### *Amendment of the Articles of Incorporation of the Company*

By Resolution no. 2/27.01.2021, of the Extraordinary General Assembly of Shareholders, the amendment of the Articles of Incorporation of SNN, according to the report submitted to the shareholders for this item on the agenda (section 2 of the agenda of the Extraordinary General Meeting of the Shareholders of January 27, 2021), was approved.

#### *Subsidiary incorporation*

Resolution no. 2/27.01.2021, of the Extraordinary Meeting Assembly of the Shareholders (“EGAS”) approved the following activities for the incorporation of a new subsidiary:

1. Approving the incorporation of a subsidiary, fully owned by the Company, as a sole shareholder, in compliance with the note submitted to the shareholders for this item of the agenda (section 3 of the agenda of the EGMS of January 27, 2021). The scope of business of the subsidiary shall include “treating and removing hazardous waste, collecting hazardous waste and decontamination activities”.
2. Approving the empowerment of the Board of Directors of SNN to fulfill all the formalities for the incorporation of the new subsidiary (section 4 of the agenda of the Extraordinary General Meeting of the Shareholders of January 27, 2021).

### ***Signing the contract with National Uranium Company - Feldioara Branch***

By the current report published on March 19, 2021, SNN informed its shareholders and investors that on March 18, 2021, it signed a sale-purchase contract for some assets (lands, buildings, special buildings, installations, machinery and equipment) within the line for processing uranium concentrate from National Uranium Company - Feldioara Branch. By this transaction, SNN will integrate the cycle for manufacturing CANDU nuclear fuel, except for the mining activity.

### **2.2 Significant events after the date of March 31, 2021**

#### ***Main Aspects of Continuing the Project for Increasing the Production Capacity***

- With Resolution no. 3/05.04.2021, of the General Ordinary Meeting of Shareholders ("AGOA"), the "Strategy of for Continuing the Project of Units 3 and 4 of Cernavoda NPP" (section 2 of the AGOA agenda of April 5, 2021).
- With Resolution no. 4/04.05.2021, of the Extraordinary General Meeting of Shareholders ("EGMS") it was approved that SNN, through Energonuclear, wholly owned subsidiary of SNN, shall bear the expenses generated by Stage 1 of the Project for Units 3 and 4 of Cernavoda NPP, according to the provisions of the approved Strategy, under the conditions of meeting the income and expense budget approved in compliance with the legal provisions (section 7 of the EGMS agenda of April 5, 2021).

#### ***Subsidiary incorporation***

Resolution no. 4/04.05.2021, of the Extraordinary General Assembly of Shareholders ("EGAS") approved the following activities for incorporating a new subsidiary:

1. Approving the incorporation of a subsidiary, fully owned by the Company, as a sole shareholder, in compliance with the note submitted to the shareholders for this point of the agenda (section 2 of the EGMS agenda of April 5, 2021). The scope of business of the subsidiary shall include the "processing of nuclear fuel".
2. Approving the empowerment of the Board of Directors of SNN to fulfill all the formalities for the incorporation of the new subsidiary (section 3 of the EGMS agenda of April 5, 2021).

#### ***S.C. Energonuclear S.A. subsidiary***

With Resolution no. 4/04.05.2021, of the Extraordinary General Assembly of Shareholders ("EGAS") the following have been approved:

1. The increase of the share capital of S.C. Energonuclear S.A. by the amount of RON 25 mil. and, at the same time, the approval of the participation of SNN in the increase of the share capital of S.C. Energonuclear S.A., the wholly owned subsidiary of SNN, with the amount of RON 25 mil. (section 4 of the EGMS agenda of April 5, 2021).
2. The mandate of SNN representatives in the EGMS of Energonuclear to vote in favor of changing the share capital of Energonuclear, in the sense of increasing it by the amount of RON 25 mil., and, at the same time, the approval of the mandate of the SNN representatives in the EGMS of Energonuclear to vote in favor of the full subscription, by the sole shareholder of Energonuclear, i.e. SNN, of the additional (increased) share capital, of RON 25 mil., in the form of a cash contribution from SNN to the share capital of Energonuclear, amounting to RON 25 mil. (section 5 of the EGMS agenda of April 5, 2021).

3. The empowering of the SNN Board of Directors to initiate, conduct and approve the procedures, operations and corporate decisions necessary to increase the share capital of Energonuclear, operationalize Energonuclear and provide the necessary resources, according to the Strategy approved by the OGMS of SNN (section 6 of the EGMS agenda of April 5, 2021).

#### ***Amendment of the Articles of Incorporation of the Company***

By Resolution no. 4/05.04.2021 of the Extraordinary General Meeting of Shareholders, the amendment of the Articles of Incorporation of SNN, according to the report submitted to the shareholders for this topic on the agenda (section 8 of the EGMS agenda of April 5, 2021), was approved.

#### ***Approving the distribution of the net profit of the financial year 2020***

With Resolution no. 5/26.04.2021 of the Ordinary General Meeting of Shareholders ("OGMS"), the distribution of the net profit for the financial year 2020 per destinations, the total value of gross dividends amounting to RON 472,117,575, the value of the gross dividend per share amounting to RON 1.56514879, the dividend payment date, i.e. June 25, 2021 and the payment methods, have been approved, according to the note submitted to the shareholders for this point of the agenda (section 5 of the OGMS agenda of April 26, 2021).

### **3. ECONOMIC AND FINANCIAL INDICATORS**

SNN performances are reflected in the accomplishment of the main economic financial indicators, as follows:

<b>Indicator name</b>	<b>Calculation method</b>	<b>M.U.</b>	<b>Value 31.03.2021<sup>*)</sup></b>
<b>1. The current liquidity indicator</b>	Current assets/ Current liabilities	x	5.74
<b>2. Debt ratio indicator</b>			
2.1. Debt ratio indicator (1)	Borrowed capital / Equity x 100	%	3.4%
2.1. Debt ratio indicator (2)	Borrowed capital / Employed capital x 100	%	3.3%
<b>3. Turnover speed, for client debit items</b>	Average accounts receivables/ Turnover x 90	days	23
<b>4. Asset turnover speed<sup>**)</sup></b>	Turnover/ Non-current assets	x	0.47

<sup>\*)</sup> Based on the Individual Interim Financial Statements on the date and for the 3-month period ended on March 31, 2021.

<sup>\*\*)</sup> The asset turnover speed is calculated by extrapolating the quarterly turnover (360 days/90 days).

#### **4. STATEMENTS AND SIGNATURES**

Based on the best available information, we confirm that the Individual Interim Financial Statements on the date and for the period of 3 months that ended on March 31, 2021 drafted according to the Order of the Minister of Public Finance no. 2844/2016 for approving the Accounting Regulations according to the International Financial Reporting Standards (“IFRS”), based on the International Accounting Standard 34 – “Interim financial reporting” passed by the European Union, provides an accurate and real image regarding the financial position, the financial performance and the cash flows for the 3-month period that ended on March 31, 2021 and that this report, drafted according to the provisions of art. 67 of Law no. 24/2017 on the issuers of financial instruments and market operations and Annex no. 13 to ASF Regulation no. 5/2018 regarding the issuers of financial instruments and market operations for the 3-month period ended on March 31, 2021, comprises accurate and real information according to the development and performance of the Company.

**Teodor Minodor Chirica,**  
**Chairman of the Board of Directors**

**Endorsed,**  
**Paul Ichim,**  
**Chief Financial Officer**

## **5. APPENDIXES**

### **5.1 INDIVIDUAL INTERIM FINANCIAL STATEMENTS on the date and for the 3-month period ended on March 31, 2021**

The Individual Interim Financial Statements on the date and for the period of 3 months that ended on March 31, 2021 drafted according to the Order of the Ministry of Public Finance no. 2844/2016 for approving the Accounting Regulations according to the International Financial Reporting Standards (“IFRS”), based on the International Accounting Standard 34 - “Interim financial reporting” passed by the European Union, are published on the webpage of S.N. Nuclearelectrica S.A. ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)), Relations with investors section.

### **5.2 QUARTERLY REPORT of the Board of Directors on the administration activity for the period January 1 - March 31, 2021**

The Quarterly report of the Board of Directors on the administration activity for the period January 1 - March 31, 2021 drafted according to the provisions of art. 67 of Law no. 24/2017 on the issuers of financial instruments and market operations, as further amended and supplemented, and of the Mandate contracts concluded by the Board of Directors with SNN, is published on the webpage of S.N. Nuclearelectrica S.A. ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)), Investor relation section.