



NUCLEARELECTRICA

Current report in compliance with Law no. 24/2017 on issuers of financial instruments and capital market transactions and FSA Regulation no. 5/2018 on issuers of financial instruments and market operations

Reporting date: 12.11.2021

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

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

Phone/fax number: 021-203.82.00 / 021 – 316.94.00

Sole Registration Code with the Trade Register Office: 10874881 Registration number in the Trade Register: J40/7403/1998

Subscribed and paid-up share capital: 3.016.438.940 RON

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

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

Significant event to report:

Availability of the Quarterly Report for the 9-month period ended on September 30, 2021

Societatea Nationala Nuclearelectrica S.A. (“SNN”) informs the shareholders and investors on the availability of the Quarterly Report for the 9-month period ended on September 30, 2021, prepared in accordance with the provisions of art. 69 of Law no. 24/2017 regarding the financial instruments issuers and capital market transactions and with Appendix 13 to the FSA Regulation no. 5/2018, **starting with November 12, 2021, 08:00 a.m.**

The Quarterly Report for the 9-month period ended on September 30, 2021 is available in written format, for free, at the registered office of the company in Bucharest, 65 Polona St., District 1, and in electronic format, on the Company's website, under the section Relations with Investors (www.nuclearelectrica.ro).

The Quarterly Report for the 9-month period ended on September 30, 2021 includes:

- The main events of the company's activity during the reporting period;
- The Individual Interim Financial Statements on the date and for the 9-month period ended on September 30, 2021;
- The Quarterly Report of the Board of Directors for the period January 1 - September 30, 2021.

Additional information may be obtained from the Department for Communication and Relations with Investors, e-mail: investor.relations@nuclearelectrica.ro.

Main results

1. Financial results of the period

In the nine-month period ended on September 30, 2021, SNN registered a net profit of 640,608 thousand lei, 34.1% higher compared to the similar period of last year. Operation result (EBIT) registered a 40.3% increase, and EBITDA a 23.8% increase compared to the same period of last year.

Indicator [thousand RON]	9-month period ended on September 30, 2021 (unaudited)	9-month period ended on 30 September 2020 (unaudited)	Variation
Production (GWh)*	7,572	7,684	(1.5%)
Operating revenues, of which:	2,186,432	1,777,182	23.0%
<i>Revenues from the sale of electricity**</i>	2,114,818	1,731,673	22.1%
Operating expenses, less depreciation and impairment	(1,014,377)	(830,690)	22.1%
EBITDA	1,172,055	946,492	23.8%
Impairment and depreciation	(417,428)	(408,763)	2.1%
EBIT	754,627	537,729	40.3%
Net financial result	17,295	34,904	(50.4%)
Net income tax expense	(131,314)	(94,944)	38.3%
Net profit	640,608	477,689	34.1%

*Electricity produced and delivered by Cernavoda NPP in the National Energy System.

**Including revenues from the sale of thermal energy, insignificant in the total revenues.

Operating profit (EBITDA) increased by 23.8% as compared to the same period of the previous year, mainly following the increase of operating revenues by 23%, influenced by the increase by 22.1% of the revenues from the sale of electricity.

Operating revenues increased by 23%. This increase was caused by the increase by 19.8% of the weighted average price of the electricity sold between January 1 and September 30, 2021, as compared to the weighted average price from the same period of 2020, considering the sale of a total quantity of electricity that was by 1.9% higher.

2. Electric power sales (quantities, prices and values) over the period January 1 - September 30, 2021

The gross production of electricity of the two operational units of CNE Cernavoda was 8,241,915 MWh over the period January 1 - September 30, 2021 (of which 2,923,498 MWh in the third quarter of 2021); from this gross production, the own technological consumption of the Units during operation, and during the outages ensured from own production was of 670 thousand MWh over the period January 1 - September 30, 2021 (of which 241 thousand MWh in the third quarter of 2021).

Thus, the electricity produced and delivered in the National Energy System ("SEN") was 7,571,854 MWh in period January 1 - September 30, 2021, compared to the same period of 2020 (7,683,903 MWh), a decrease of 1.5%. In Q3 2021 the electricity quantity produced and delivered in SEN was 2,682,131 MWh, 22.7% higher than the level recorded in Q3 2020 of 2,185,269 MWh.

Electric power sales (quantities, prices and values) over the period January 1 - September 30, 2021

Sales by types	Quantities in MWh	% of total sales	Average price [Ron/MWh with Tg included]	Revenues from sales [RON]
Sales on the regulated market ^{*)}	361	0.0%	183.93	66,347
Sales on the competitive market (bilateral contracts and PZU and PI contracts), out of which:	8,036,733	99.7%	263.06	2,114,110,030
– Sales on PCCB – LE, PCCB – LE Flex, PCCB – NC, PC – OTC contracts and supply agreements	6,930,338	86.0%	250.17	1,733,740,074
- PZU and PI sales	1,106,395	13.7%	343.79	380,369,956
Positive imbalances on PE ^{**)}	25,818	0.3%	223.30	5,765,189
Total sales January 1 - September 30, 2021	8,062,912	100%	262.93	2,119,941,566

^{*)} NB: Starting with 2021, ANRE no longer established delivery obligations for manufacturers on the regulated market. The contracts concluded on the regulated market for the second half of 2020 have delivery in CET hours; the last delivery time in 2020 being the first in January 2021 (361 MWh, regulated price amounting to RON 183.93/MWh (including T_g)).

^{**)} NB: RON 43,857 of the value presented represents revenues redistributed in January 2021 resulted from the balancing of the system, based on the application of ANRE Order no. 76/2017 and ANRE Order no. 61/2020. The value of positive imbalances for September 2021 is estimated.

The electricity quantity sold on the regulated market, based on contracts, on the spot market (PZU and PI) and on PE is 8,062,912 MWh, 5.2% more than the sales program, of 7,666,743 MWh (sized on the production estimate, without estimating unplanned outages) and 1.9% more than the electricity quantity sold in the same period of 2020.

The difference between the electricity sold by the Company and the electricity produced and delivered by CNE Cernavoda (491.1 thousand MWh) is represented by the electricity purchased for the full coverage of the contractual obligations, an electricity quantity that was purchased 86% from the spot market, 12% on PE, and the rest by long-term contracts.

The revenues obtained from the electricity market related to electricity deliveries over the period January 1 - September 30, 2021 are of RON 2,119,941,565 (of which RON 43,857 represent redistributed revenues resulted from balancing the system, 9.5% higher than the budget revenues over the period January 1 - September 30, 2021, and 22% higher than the revenues in the same period of 2020, respectively. Compared to the budgeted revenues comprised in the rectification of the Revenue and Expense Budget of 2021, approved by Resolution no. 11/28.10.2021 of the Ordinary General Meeting of Shareholders, the revenues obtained on the electricity market related to the electricity deliveries in period January 1 - September 30, 2021 is 0.9% higher.

The average weighted sale price, for the electricity quantities sold (without the regulated market and PE), resulted over the period January 1 - September 30, 2021, is of 263.06 RON/MWh (including T_g). For comparison, the weighted average price of all the transactions performed on the markets on which SNN operated over the period January 1 - September 30, 2021 (PCCB – LE, PCCB – LE flex, PCCB – NC, PC – OTC, PZU and PI), calculated based on the values published by OPCOM in the monthly market reports, is of 295.20 RON/MWh. Over the period January 1st - September 30th, 2020, the average weighted sale price, for the energy quantities sold (without the regulated market and PE) was of 227.15 RON/MWh (including T_g).

The electricity quantities sold on the **competitive market of bilateral contracts** represented in period January 1 - September 30, 2021 a percentage share of **86%** out of the total volume of the sold electricity, compared to the percentage of 51.1% recorded in period January 1 - September 30, 2020. The average sale price for bilateral contracts in this period was 250.17 RON/MWh (T_g included), a decrease of 6.2% compared to the average price recorded in period January 1 - September 30, 2020, of 266.81 RON/MWh (T_g included); given that the value of the transportation fee for introducing electricity in the network T_g has remained unmodified since January 2020 (1.30 RON/MWh according to ANRE Order no. 218/11.12.2019).

On the **spot market (PZU and PI)**, over the period January 1 - September 30, 2021, a quantity of electricity representing **13.7%** of the total sales volume was sold, compared to the percentage share of 29.9% recorded over the same period of 2020. The energy average selling price on the spot market (PZU and PI) achieved by SNN over the period January 1 - September 30, 2021 was of 343.79 RON/MWh (with T_g included), as compared to 159.46 RON/MWh (with T_g included) recorded over the same period of 2020.

3. Investment program on September 30, 2021

The total value of the investment program of SNN for 2021 is 433,860 thousand RON (without the component allocated to the payment of the debt service related to long-term loans), a program approved by Resolution no. 7/06.05.2021 of the Ordinary General Meeting of Shareholders of SNN, as part of the Income and Expense Budget ("BVC") of SNN for 2021.

Resolution no. 11/28.10.2021 of the Ordinary General Meeting of Shareholders approved the rectification of the Revenue and Expense Budget for 2021. According to this rectification, the total value of the investment program of SNN for 2021 is 356,774 thousand RON (without the component allocated to the payment of the debt service related to long-term loans).

The comparative situation of the investment accomplishments (value and percentage) for January 01 - September 30, 2021 compared to the same period of 2020 is presented in the table below:

Year	Value investment program [thousand RON]	Performed (01.01 - 30.09) [thousand RON]	Achievement level (01.01 - 30.09) (%)
2021	433,860	244,022	56.2%
2020	309,544	157,112	50.8%

As in the previous years, Nuclearelectrica S.A. structured its investment development program according to goals defined in relation to the needs of the branches (Cernavoda Nuclear Power Plant (CNE) and Pitesti Nuclear Fuel Factory (FCN)) regarding production continuity, so as to achieve a high level of utilization of the production capacity (EAF Energy Availability Factor) in compliance with the nuclear safety regulations and the long-term maintenance of the level of excellence in the operation of the plant. At the same time, the goal of the development program is to cover the necessity to upgrade/refurbish certain systems, for economic reasons (specific consumption reductions, improvement of certain parameters related to the served processes, with a positive impact on efficiency), as well as legal ones – the need to implement upgrades in relation to nuclear security, environmental protection and labor security representing imperative requirements imposed by the regulatory authorities in the field.

Further information is available and will be provided by the Communications and Investor Relations Department, e-mail: investor.relations@nuclearelectrica.ro.

Cosmin Ghita
Chief Executive Officer