

HALF-YEAR REPORT

OF

the BOARD OF DIRECTORS

S.N. NUCLEARELECTRICA S.A.

(“SNN”)

First half-year of 2022

Report date: August 2022

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1. BASIS OF THE REPORT

The half-year report of the Board of Directors for the period January 1 - June 30, 2022 is drafted in virtue of the provisions of art. 55 of the Government Emergency Ordinance no. 109/2011 regarding corporate governance of the public enterprises, as further amended and supplemented (“GEO no.109/2011”) and of the mandate contracts concluded by the Board of Directors with SNN.

2. FINANCIAL STATEMENT ANALYSIS

The information and the Individual Interim Financial Statements as of and for the 6-month period ended on June 30, 2022 presented in this report are reviewed by the financial auditor of S.N. Nuclearelectrica S.A. - S.C. Mazars Romania S.R.L., and have been prepared in compliance with Order of the Ministry of Public Finance No. 2844/2016 on the approval of Accounting Regulations compliant with the International Financial Reporting Standards adopted by the European Union (“IFRS-UE”), based on the International Accounting Standard 34 - "Interim Financial Reporting" adopted by the European Union.

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

2.1. Financial position statement as of June 30, 2022

The financial position on June 30, 2022 is presented in **Annex 1**.

Indicator [thousand RON]	June 30, 2022 (revised)	December 31, 2021 (audited)	Variation
Non-current assets	6,108,235	6,110,845	(0.0%)
Current assets	4,089,797	3,514,280	16.4%
Total assets	10,198,032	9,625,125	6.0%
Long-term liabilities	561,159	597,564	(6.1%)
Current liabilities	646,745	662,300	(2.3%)
Total liabilities	1,207,904	1,259,864	(4.1%)
Equity	8,990,128	8,365,261	7.5%
Total equities and liabilities	10,198,032	9,625,125	6.0%

Non-current assets are on a level similar to that of December 31, 2021. The decrease of the net value of the tangible and intangible assets by the acknowledgment of the depreciation related to the first half-year of 2022 was compensated by the investments made in the period in tangible and intangible assets, and by the increase of financial investments in branches, by increasing the share capital of Energonuclear S.A. by RON 27 million.

Current assets recorded a 16.4% increase as compared to December 31, 2021, mainly due to the 19% increase in cash (cash, cash equivalents and bank deposits).

Long-term liabilities decreased by 6.1 %, as compared to the values recorded as of December 31, 2021. The decrease is mainly caused by the decrease of the long term portion of the external loans contracted from EURATOM for building and starting up Unit 2 of Cernavoda NPP, following the reclassification

of outstanding installments from the long-term portion to the short-term portion, gradually as the maturity of the loans is reached.

Current debts recorded a decrease of 2.3% compared to the values recorded as of December 31, 2021, due to the decrease of the current portion of external credits following the completion of the reimbursement of two of them. This decrease is partially diminished by the increase of commercial debts and other debts, following the generalized increase of procurement prices in the current economic-financial context, and the increase of the profit tax payable as of 30.06.2022, following the positive evolution of profit.

2.2. Profit and loss account for the 6-month period that ended on June 30, 2022

During the period of 6 months that ended on June 30, 2022, SNN recorded a net profit of 1.2 billion RON (1,220,792 thousand RON).

Indicator [thousand RON]	6-month period that ended on June 30, 2022 (revised)	6-month period ended on June 30, 2021 (revised)	Variation
Production (GWh)*	4,779	4,890	(2.3%)
Operating revenues, of which:	3,140,335	1,382,537	127.1%
<i>Revenues from the sale of electricity**</i>	3,089,082	1,339,580	130.6%
Operating expenses, less depreciation and amortization and additional income tax	(846,625)	(649,746)	30.3%
Additional income tax expense	(585,811)	-	-
EBITDA	1,707,899	732,791	133.1%
Impairment and depreciation	(302,619)	(277,642)	9.0 %
EBIT	1,405,280	455,149	208.8%
Net financial result	50,293	9,327	439.2%
Corporate tax expense	(234,781)	(79,083)	196.9%
Net profit	1,220,792	385,393	216.8%

*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 133.1 % as compared to the same period of the previous year, mainly following the increase of operating revenues by 127.1 %, influenced by the increase by 130.6 % of the revenues from the sale of electricity. The increase of revenues was partially diminished by the increase of operating expenses, after recording the expense with the additional income tax as of January 2022 (see the details below regarding the expense with the additional income tax), and the value of this expense for January - June 2022 was 585,811 thousand RON (0 RON for January - June 2021), and by the increase of the cost of the electricity purchased in the analyzed period, caused by the increase of purchase prices.

Operating revenues increased by 127.1 %. This increase was driven by the increase by 143% of the weighted average price, including Tg, of the electricity sold in the 1st half-year of 2022, as compared to the weighted average price from the same period of 2021.

In the first half-year of 2022, compared to the first half-year of 2021, the company sold a total quantity of electricity lower by 5.1%, because of electricity production lower by 2.3%, caused by the fact that in

2022 there was a scheduled stoppage of Unit 1, with a longer duration than the scheduled stoppage of Unit 2 in 2021.

The quantity of electricity sold on the competition market of bilateral contracts decreased by 4.6 % compared to the same period of the previous year, given that the average sale price on this market was 132,6% higher (price without Tg). The quantity of electricity sold by SNN on the spot market (PZU and PI) in the first half-year of 2022 increased by 7,7%, given that the average sale price on this market that was 179,0% lower (price without Tg).

Expense with the tax on additional revenues – following the application of the taxation rate of 80% on additional revenues resulted from the difference between the average monthly sale price of electricity and the price of 450 RON/MWh, according to art. II par. (1) of Law no. 259/2021, as further amended and supplemented, it resulted an expense with the tax on additional revenues of 585,811 thousand RON. The method for calculating this tax is set by GEO No. 27/2022 (Annex 6) and is applied, according to art. 4 of GEO no. 27/2022 in period November 1, 2021 – March 31, 2023. The company met the application criteria as of January 2022.

The operating expenses, except for impairment, depreciation and the expense with the tax on additional revenues, increased by 30.3% in the 1st half-year of 2022, compared to the same period of 2021, mainly caused by the increase of expenses with the purchased electricity, caused by the increase of the purchase prices.

Impairment and depreciation increased by 9%, following the effects of the asset evaluation as of 31.12.2021, which caused the increase of the asset value, and implicitly the increase of the expense with their depreciation.

The **financial result** positively influenced the net result, so that in the first half-year of 2022, net financial revenues were recorded, a 439.2% increase compared to the similar period of the previous year, following the obtained revenues from interests. The main currencies to which there are exposures are EUR and CAD.

The increase of **net corporate tax expense** decreased the positive influence of the other elements. This increase was caused by the increase of the taxable profit calculated for the first half-year of 2022 compared to the one calculated for the first half-year of 2021.

The profit and loss account for the period of 6 months ended on June 30, 2022 is presented in **Annex 2**.

2.3. Execution of the Revenue and Expense Budget as of June 30, 2022

The Revenue and Expenditure Budget (“budget”) of SNN for the year of 2022 was approved by the Resolution of the General Meeting of Shareholders No. 3/February 23, 2022.

The company is monitored in terms of the compliance with the performance indicators, objectives and criteria, i.e., the compliance with the salary payroll level, with the revenues and expenses level, the program to reduce the arrears and the outstanding receivables.

The execution of the Revenue and Expenses Budget on June 30, 2022 is presented in **Annex 3** to this report.

As per the analysis of the Budget of Revenues and Expenses execution as of June 30, 2022 (presented in **Annex 3**), a degree of achievement of total revenues of 128.60% and degree of achievement of total expenses of 123.34% results, therefore a degree of achievement of gross profit of 135.47%.

The implementation degree of the total expenses is determined by exceeding the budgeted level of the operating expenses, mainly caused by exceeding the budgeted level of the tax on additional revenues.

In virtue of art. II of Law No. 259/29.10.2021, the additional income achieved by the producers of electricity from the difference between the monthly average sale price of electricity, and the price of 450 RON/MWh it taxed with 80%. The budgeted level of the expense with the tax on additional revenues was determined according to the provisions in force when the budget was drafted for 2022, approved by GMS Resolution no. 3/23.02.2022; on the date on which the budget 2022 was drafted, the legislation provided the application of this tax in period November 2021 - March 2022, therefore the budget 2022 planned the expense with the tax on additional revenues for January - March 2022. GEO 27/18.03.2022 established the methodology for calculating the expense with the tax on additional revenues and the extension of the applicability period to March 2023, therefore also for April-December 2022. Thus, by applying the calculation methodology for each month of 2022, it resulted an expense implementation degree with the tax on additional revenues of 363% compared to the budgeted value, and the excess was fully reflected in the total operating expenses.

3. OPERATIONAL ACTIVITIES

3.1. Electricity production

The gross production of electricity of the two operational units of CNE Cernavoda was 5,194,806 MWh in the first half-year of 2022 (out of which 2,173,754 MWh in Q II 2022); from this gross production, the own technological consumption of the Units during the operation, and during the outages ensured from own production was 415 thousand MWh in the first half-year of 2022 (out of which 184 thousand MWh in Q II of 2022).

Thus, the electricity produced and delivered in the National Energy System ("SEN") was 4,779,204 MWh in the first half-year of 2022, compared to the same period of 2021 (4,889,722 MWh), a decrease of 2.3%. In Q2 2022 the electricity quantity produced and delivered in SEN was 1,989,873, 10.8% lower than the level recorded in Q2 2021 of 2,230,621 MW/h.

The net electricity production program approved by the Board of Directors for 2022 (April 2022 review) considered a quantity of 10,275,683 MWh: for the first half-year of 2022 it considered a quantity of 4,778,122 MWh, being implemented in a percentage of 100.02% and for the second quarter of 2022, it considered a quantity of 1,988,791 MWh, implemented in a percentage of 100.05%.

The installed power usage factor, recorded by each operational unit within CNE Cernavoda during the second quarter of 2022, and cumulated since the start of the commercial usage (Unit 1 on December 2nd, 1996, Unit 2 on November 1st, 2007) until June 30, 2022 was the following:

Cernavoda NPP unit	Cumulated 1st quarter 2022	April 2022	May 2022	June 2022	Cumulated 2022	Cumulated from the commercial commissioning
Unit 1	99.65 %	98.64%	22.72%	7.64%	71.05%	90.38%
Unit 2	99.75 %	99.83%	98.98%	97.37%	99.24%	94.10%

The lower value of the installed power usage factor at Unit 1 of Cernavoda NPP reflects the influence of the planned outage with an actual duration of 1.138 hours operated as of May 8, 2022, 11:00. The unplanned extension of the scheduled outage of Unit 1 of Cernavoda NPP was 83.5 hours and lasted until June 28, 2022, 08:31.

3.2. Electricity sales

Within the activity of electricity trading, the Company is obligated to submit letters of bank guarantee to certain contractual partners, according to the provisions stipulated in the electricity sale-purchase contracts. Mainly, these refer to: the contract concluded with C.N. Transelectrica S.A. for electricity transportation; the agreement concluded with OPCOM S.A. for electricity trading on DAM (Day Ahead Market) and IDM (Intra-Day Market) and on the Market of Large Consumers (PMC) operated by the Romanian Commodities Exchange (BRM); contracts concluded on the CMBC-CN platform (Centralized Market of Bilateral Electricity Contracts – trading method whereby contracts are awarded by Continuous Negotiation); the convention on the participation in the BM (Balancing Market) concluded with C.N. Transelectrica S.A. and the contract concluded with Ciga Energy S.A. for the provision of the representation service as the part in charge with balancing (PCB).

For the purpose of this activity, between January 1st and June 30th, 2022:

- 3 letters of bank guarantee were issued, amounting to RON 15,332,440;
 - 17 letters of bank guarantee were issued, amounting to RON 26,640,369 (issued in 2020 and 2021);
- and
- the value of four letters of bank guarantee was increased, from the value of RON 736,628 to RON 737,128, from RON 746,352 to RON 746,851, from RON 1,624,000 to RON 2,250,000 and from RON 24,600,000 to RON 35,100,000.

As of June 30, 2022, 9 letters of bank guarantee existed in the balance, amounting to RON 91,272,419.

The quantities of electricity sold in the 1st half-year of 2022 and the corresponding incomes, separated on types of sale contracts, are presented in the table below:

Electricity sales (quantities, prices and values) during the 1st half-year of 2022

Sales by types	Quantities in MWh	% of total sales	Average price [Ron/MWh with T _g included]	Revenues from sales [Ron]
Sales on the competitive market (bilateral contracts and PZU and PI contracts), out of which:	5,008,494	99.69%	615.40	3,082,248,250
– Sales under CMBC – EA, CMBC – EA Flex, CMBC-CN, CM – OTC contracts, directly negotiated contracts and supply contracts	4,189,745	83.40%	534.46	2,239,236,541
- Sales on DAM and IDM	818,749	16.30%	1,029.63	843,011,709
PE positive imbalances	15,475	0.31%	754.02	11,668,698
Total sales in the first half-year of 2022	5,023,969	100 %	615.83	3,093,916,948

The electricity quantity sold based on contracts, on the spot market (PZU and PI) and on PE is 5,023,969 MWh, 4.2% more than the sales program, of 4,823,423 MWh (sized on the production estimate, without estimating unplanned outages) and by 5.1% lower than the electricity quantity sold in the first semester of 2021.

The difference between the electricity sold by the Company and the electricity produced and delivered by CNE Cernavoda (244.7 thousand MWh) is represented by the electricity purchased for the full coverage of the contractual obligations, an electricity quantity that was purchased 89 % from the spot market, 6 % on PE and 5% by term contracts.

The revenues obtained from the electricity market related to the deliveries of electricity in the first half-year of 2022 are of RON 3,093,916,948, 28.1% higher than the budget revenues for HY1 2022, and 130,6 % higher than the results from the first half-year of 2021, respectively.

The average weighted sale price, for the quantities of electricity sold (without the BM), resulted in the first half-year of 2022, is 615.40 RON/MWh (including T_g). For comparison, the weighted average price of all the transactions performed on the markets on which SNN mainly operated in the first half-year of 2022 (PCCB – LE, PCCB – LE flex, PCCB – NC, PC – OTC, PZU and PI), calculated according to the values published by OPCOM in the monthly market reports, is 752.07 RON/MWh. In the first half-year of 2021, the average weighted sale price, for the energy quantities sold (without the regulated market and PE) was 253.61 lei/MWh (including T_g).

The electricity quantities sold on the competitive market of bilateral contracts represented in the first half-year of 2022 a percentage rate of 83.40% out of the total volume of the sold electricity, compared to a percentage rate of 82.97% recorded in the first half-year of 2021. The average sale price for bilateral contracts in this period was 534.46 RON/MWh (T_g included), an increase of 117 % compared to the average price recorded in the first half-year of 2021, of 246.34 RON/MWh (T_g included); considering that the value of the transportation fee for introducing electricity in the T_g network was 1.30 RON/MWh starting with January 2020 (according to ANRE Order No. 218/December 11, 2019), and as of January 1, 2022, 1.49 RON/MWh (according to ANRE Order No. 124/November 25, 2021) and 2.53 RON/MWh as of April 1, 2022 (according to ANRE order no. 33/23.03.2022).

On the spot market (PZU and PI), in the 1st half-year of 2022, a quantity of electricity representing 16.30% of the total sale volumes was sold, as compared to the percentage share of 16.76% recorded in

the 1st half-year of 2021. The average energy selling price on the spot market (PZU and PI) achieved by SNN in the first half-year of 2022 was 1.029.63 lei/MWh (T_g included), compared to 289.60 lei/MWh (T_g included) recorded in the first half-year of 2021.

In the first half-year of 2022, SNN implemented 375 energy sale contracts, as follows:

- 6 contracts concluded on CMBC - EA;
- 87 contracts concluded on CMBC – EA Flex;
- 19 contracts concluded on CMBC - CN;
- 260 transactions concluded on CM - OTC;
- 1 transaction directly negotiated in virtue of the provisions of law no. 123/2012 on electricity and natural gas, as further amended and supplemented, art 23 par. (2) let. a) and the provisions of GEO no. 27/2022, art. 14 par. (6);
- 2 supply contracts for 2 end users.

No contracts were terminated, and no significant delays were notified compared to the due payment terms provided in the contracts during the first half-year of 2022. In all cases where there have been delays, the Company sent notifications and charged penalties according to the contractual provisions.

The quantities of electricity sold in the 2nd quarter of 2022 and the corresponding incomes, separated on types of sale contracts, are presented in the table below:

Electricity sales (quantities, prices and values) during the 2nd quarter of 2022

Sales by types	Quantities in MWh	% of total sales	Average price [Ron/MWh with T_g included]	Revenues from sales [Ron]
Sales on the free market (bilateral contracts and PZU contracts), out of which:	2,218,669	99.62%	560.13	1,242,739,598
– Sales under PCCB – LE Flex, PCCB – NC, PC – OTC contracts, directly negotiated contracts and supply contracts	1,932,307	86.76%	501.03	968,136,140
- PZU sales	286,362	12.87%	958.94	274,603,458
PE positive imbalances	8,525	0.38%	703.52	5,997,485
Total sales in the 2nd quarter of 2022	2,227,194	100 %	560.68	1,248,737,083

The electricity quantity sold based on contracts, on the spot market (PZU) and on PE is 2,227,194 MWh, 9.5% more than the sales program, of 2,034,092 MWh (sized on the production estimate, without estimating unplanned outages) and 12.6% less than the electricity quantity sold in the 2nd quarter of 2021.

The difference between the electricity sold by the Company and the electricity produced and delivered by Cernavoda NPP (237.3 thousand MWh) is represented by the electricity purchased for the full coverage of contractual obligations, a quantity of electricity that was purchased in proportion of 92 % on the spot market, 5 % by contracts and 3% on PE.

The revenues obtained from the electricity market related to electricity deliveries in the 2nd quarter of 2022 are 1,248,737,083 lei, 31% higher than the budget revenues for the 2nd quarter of 2022, and 89.9% higher than the results from the 2nd quarter of 2021.

The average weighted sale price, for the electricity quantities sold (without PE), resulted in the second quarter of 2022, is 560.13 lei/MWh (including T_g). In Q2 2021 the average weighted sale price, for the energy quantities sold (without PE) was 258.29 lei/MWh (including T_g).

The electricity quantities sold on the competitive market of bilateral contracts represented in the first quarter of 2022 a percentage rate of 86.76% out of the total volume of the sold electricity, compared to a percentage rate of 84.62% recorded in the first quarter of 2021. The average sale price for bilateral contracts in this period was 501.03 RON/MWh (T_g included), an increase of 104,4 % compared to the average price recorded in the second quarter of 2021, of 245.13 RON/MWh (T_g included); considering that the value of the transportation fee for introducing electricity in the T_g network was 1.30 RON/MWh starting with January 2020 (according to ANRE Order No. 218/December 11, 2019), and as of January 1, 2022, 1.49 RON/MWh (according to ANRE Order No. 124/November 25, 2021) and 2.53 RON/MWh as of April 1, 2022 (according to ANRE order no. 33/23.03.2022).

On the spot market (PZU), over the second quarter of 2022, a quantity of electricity representing 12.87% of the total sale volumes was sold, as compared to the percentage share of 15.13% recorded over the second quarter of 2021. The average energy selling price on the spot market (PZU) achieved by SNN in the second quarter of 2022 was 958.94 lei/MWh (T_g included), compared to 331.88 lei/MWh (T_g included) recorded in the second quarter of 2021.

In Q II of 2022, SNN implemented 212 energy sale contracts, as follows:

- 58 contracts concluded on CMBC – EA Flex;
- 2 contracts concluded on CMBC - CN;
- 149 transactions concluded on CM - OTC;
- 1 transaction directly negotiated in virtue of the provisions of law no. 123/2012 on electricity and natural gas, as further amended and supplemented, art 23 par. (2) let. a) and the provisions of GEO no. 27/2022, art. 14 par. (6);
- 2 supply contracts for 2 end users.

3.3. Expenses incurred on the electricity market

In the first half-year of 2022, the total value of the expenses on the electricity market, incurred by SNN, is of RON 262,854,652, out of which RON 16,724,762 represent expenses on the balancing market (PE), RON 9,190,035 represent T_g (the regulated fee paid to CN Transelectrica SA for injecting the electricity produced by Cernavoda NPP in the electric power transportation network), RON 19,818 represent the expenses consisting in the equivalent value of the green certificates required to be purchased for the supplied electric power, RON 708,246 represent the tariffs paid to OPCOM SA and BRM for the sale and purchase transactions carried out on the platforms managed by them.

In the first half-year of 2022, the expenses with the electricity purchased from the spot market (PZU and PI) were RON 230,052,410 (first half-year of 2021: RON 112,382,298), or the purpose of ensuring the full compliance with the electricity delivery contractual obligations. The quantity of electricity purchased in the first half-year of 2022 was 218.978 MWh (1st half-year of 2021: 372,255 MWh), at an average price of 1.050.57 lei/MWh (first half-year of 2021: 301.90 RON/MWh).

In the first half-year of 2022, the expenses generated by energy purchases by term contracts were 6,077,198 RON for a quantity of 11,035 MWh, compared to the first half-year of 2021, when the expense was 1,556,880 RON for purchasing 7,925 MWh.

The PE expenses in the first half-year of 2022 were 16,740,856 lei, and the purchased electricity quantity was 14,752 MWh (the first half-year of 2021: RON 9,181,097, with the quantity of electricity purchased amounting to 22,309 MWh). This amount represents the equivalent value of the energy received from the BM for the compensation of the negative imbalances which occurred because of the differences between the quantities of actual energy delivered, and the quantities notified on the market as per the daily forecast for each settlement timeframe.

The expenses with purchases of electricity and negative imbalances were higher in the first half-year of 2022, compared to the first half-year of 2021, with the increase in the number of cumulated operating hours, by 192 hours, compared to the first half-year of 2021, amplified by a significant price increase for the quantities purchased, from 305.90 RON/MWh in the first half-year of 2021, to 1,033.12 RON/MWh in the first half-year of 2022.

With the enforcement of Art. II of Law No. 259/29.10.2021 and OUG 27/18.03.2022, the additional income achieved by the producers of electricity from the difference between the monthly average sale price of electricity, and the price of 450 RON/MWh is taxed with 80 %. Thus, Nuclearelectrica in the first half-year of 2022 recorded expenses with the tax on additional revenues of 585.810.575 RON.

In the first quarter of 2022, the total value of the expenses on the electricity market, incurred by SNN, is of RON 250,129,347, out of which RON 8,789,020 represent expenses on the balancing market (PE), RON 5,034,132 represent Tg (the regulated fee paid to CN Transelectrica SA for injecting the electricity produced by Cernavoda NPP in the electric power transportation network), RON 9,692 represent the expenses consisting in the equivalent value of the green certificates required to be purchased for the supplied electric power, RON 295,879 represent the tariffs paid to OPCOM SA and BRM for the sale and purchase transactions carried out on the platforms managed by them.

In the 2nd quarter of 2022, the expenses with the purchase of electricity were incurred mainly on the spot market (PZU and PI) and were 229,889,585 RON – for 218,838 MWh, and by contracts, in value of 6,077,198 RON – for 11,035 MWh. The expenses with electricity purchase (Centralized Markets and spot market) in the 2nd quarter of 2021 were 235,966,783 RON. The purchase has the purpose of ensuring the full compliance with the electricity delivery contractual obligations during the planned outage (including the unplanned outage, following the extension of the planned outage) of Unit 1 CNE Cernavoda; the quantity of electricity purchased in the 2nd quarter of 2022 was 229,873 MWh (in the 2nd quarter of 2021: 304,868 MWh), at an average price of 1026,51 lei/MWh (Q2 2021: 308.44 RON/MWh).

The PE expenses in Q2 2022 were 8,789,920 lei, and the purchased electricity quantity was 7,448 MWh (Q2 2021: RON 5,249,693, with the quantity of electricity purchased amounting to 13,109 MWh).

The expenses with purchases of electricity and negative imbalances were higher in the second quarter of 2022, compared to the second quarter of 2021, with the increase in the number of cumulated operating hours, by 355 hours, compared to the second quarter of 2021, amplified by a significant price increase for the quantities purchased, from 312.24 RON/MWh in the second quarter of 2021, to 1,031.33 RON/MWh in the second quarter of 2022.

3.4. Investment program as of June 30, 2022

The total value of the investment program of SNN for 2022 is RON 702,795 thousand (without the component allocated to the payment of the debt service related to long-term loans), a program approved by Resolution No. 4/February 23, 2022 of the Ordinary General Meeting of Shareholders of SNN, as part of the Revenue and Expenditure Budget ("REB") of SNN for 2022.

The comparative situation of the investment accomplishments (value and percentage) for the first half-year of 2022 compared to the same period of 2021 is presented in the table below:

Year	Value of Investment Program [thousand RON]	Achieved (01.01 - 30.06) [thousand RON]	Achievement level (01.01 - 30.06) (%)
2022	702,795	363,882	51.8%
2021	433,860	179,887	41.5%

When sizing the investment development program, SN Nuclearelectrica S.A. considered the necessities of the branches (Cernavoda NPP and Pitesti NFF) regarding production continuity, and reaching a high level of utilization of the production capacity (EAF Energy Availability Factor), respectively, in compliance with the nuclear safety regulations and the long-term maintenance of the level of excellence in the operation of the plant, the purchase of assets corresponding to the Feldioara Branch belonging to Compania Nationala a Uraniului S.A., and the transfer in the corporate assets of the Branch of the Fabrica de Prelucrare a Concentratelor de Uraniu – Feldioara S.R.L., branch set up by S.N. Nuclearelectrica S.A., as well as the contribution to the share capital of Nuclearelectrica Serv SRL and EnergoNuclear S.A. At the same time, the development program also caters for the necessity to upgrade/refurbish certain systems, which, for both economic reasons (specific consumption reductions, improvement of certain parameters related to the processes served, with a positive impact on efficiency), and legal ones, require the implementation of improvements in relation to nuclear security, environmental protection and labor security, representing imperative requirements imposed by the regulatory authorities in the field.

Analysis of the completion degree of the investment program on June 30, 2022

The investment program of SNN for 2022 annexed to the REB was value-sized by considering the ongoing contractual commitments, the estimates regarding the investment objectives to be implemented in 2022, including amounts allocated to investment projects for which the fulfillment of certain requirements outside the control of SNN was anticipated (for example: prior approvals of regulation authorities, legal terms regarding the completion of public procurement procedures, including appeals, obtaining the necessary approvals from SNN corporate bodies, etc.), in order to allow the implementation of these projects within the approved budget values.

Among the largest investment projects planned to be completed during 2022 are: Module 13 DICA; improving the reliability of electric generator 1-4121-G01 by replacing the stator covering; refurbishment of the power discharge transformers at Units 1 and 2 of Cernavoda NPP, and fitting of land owned by the NPP and relocating the necessary buildings for the adequate operation of the Seiru Warehouses on the territory of Cernavoda NPP. Besides these, the investment program includes inspections and capital repairs conducted at Unit 1 of Cernavoda NPP during the scheduled shutdown, other necessary investment projects within the Cernavoda NPP branch, FCN Pitesti branch and the headquarters, as well as investment objectives with completion over the following years.

The following projects were completed in the first half-year of 2022: replacement of the 440MVA power discharge transformers, improving the reliability of electric generator 1-4121-G01, by replacing the stator covering, improving the performance of the DCC display system by replacing the graphic system Ramtek FS2400 at U1, increasing the reliability of SDS#1 by the replacement of ROPT SDS#1 U1 amplifiers and EMI Tusonix filters on the NIM-BIN drawers, with new EMI amplifiers and filters, more reliable, similar to project ROP SDS#1 U2, Module 13 of the spent fuel intermediary storage facility, replacing the axle / pump vibration radial travel measurement panels NSP U1 at Cernavoda NPP, modernization of the laboratory installation at FCN Pitesti, and inspection and capital repair works associated to the scheduled stoppage of Unit 1 in 2022. The share capital of EnergoNuclear S.A. was increased by RON 27 million for funding the activities related to Stage I (preparatory activities) for the project of Units 3-4 of Cernavoda NPP.

Next we briefly present some of the projects of major importance or project which had an important share in the investment program, and the manner of their implementation in 2022:

- **“Extending the life cycle of Unit 1 by re-tubing the reactor and refurbishing the main systems”**: budgeted 157,282 thousand RON - the implementation value degree as of March 30, 2022 is 44.6%.
- **“Improving the reliability of the 1-4121-G01 electric generator by replacing the stator coil”**: budgeted RON 93,500 thousand, the implementation value degree as of June 30, 2022 is 107.4%;
- **“Scheduled shutdown of Unit 1 of CNE Cernavoda (regular general inspections and capital repairs)”**: budgeted 81,476 thousand lei – the implementation value degree as of June 30, 2022 is 60.1%.
- **“Refurbishing services for the power discharge transformers in Units 1 and 2 of Cernavoda NPP”**: budgeted RON 31,248 thousand, the implementation value degree as of June 30, 2022 is 95.1%;
- **“Burnt fuel intermediary warehouse”**: budgeted 17,164 thousand lei – the implementation value degree as of March 30, 2022, is 67.6%.
- **“Fittings”**, representing procurements of goods and other investment expenses: budgeted RON 101,369 thousand – the implementation value degree as of June 30, 2022 is 60%.

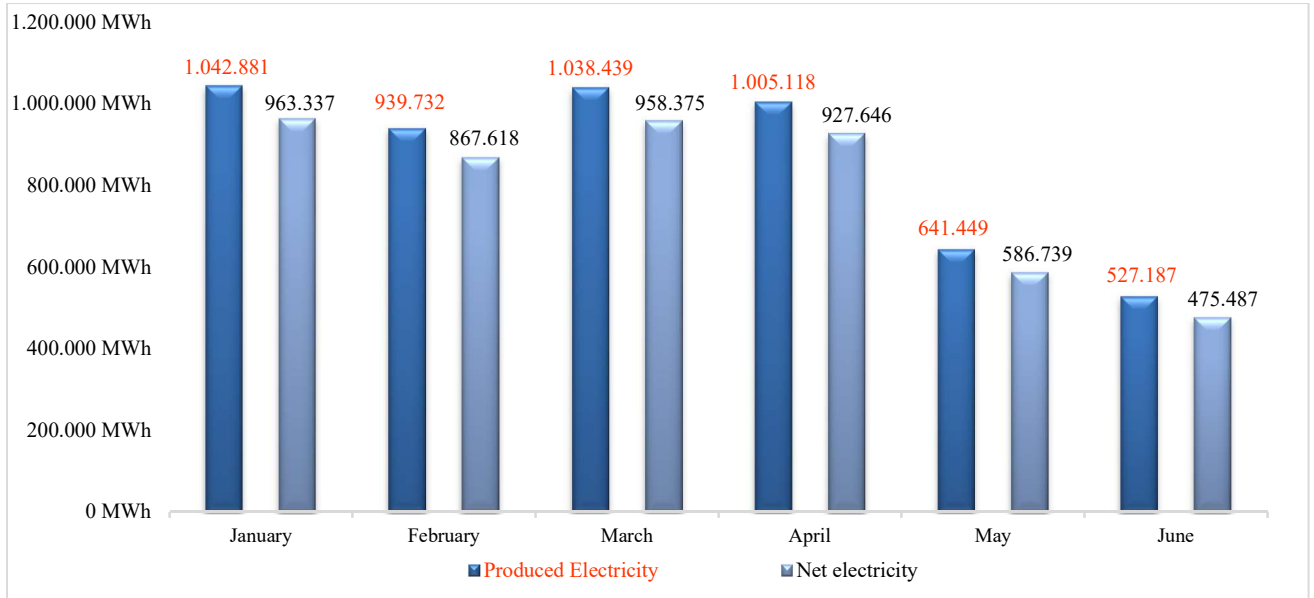
3.5. Activity of the Cernavoda NPP Branch

The operation activity was conducted without events that might have impact an impact on nuclear safety, upon the own personnel, population and environment. The relationship with the regulators was conducted in compliance with the requirements and conditions in the operation licenses.

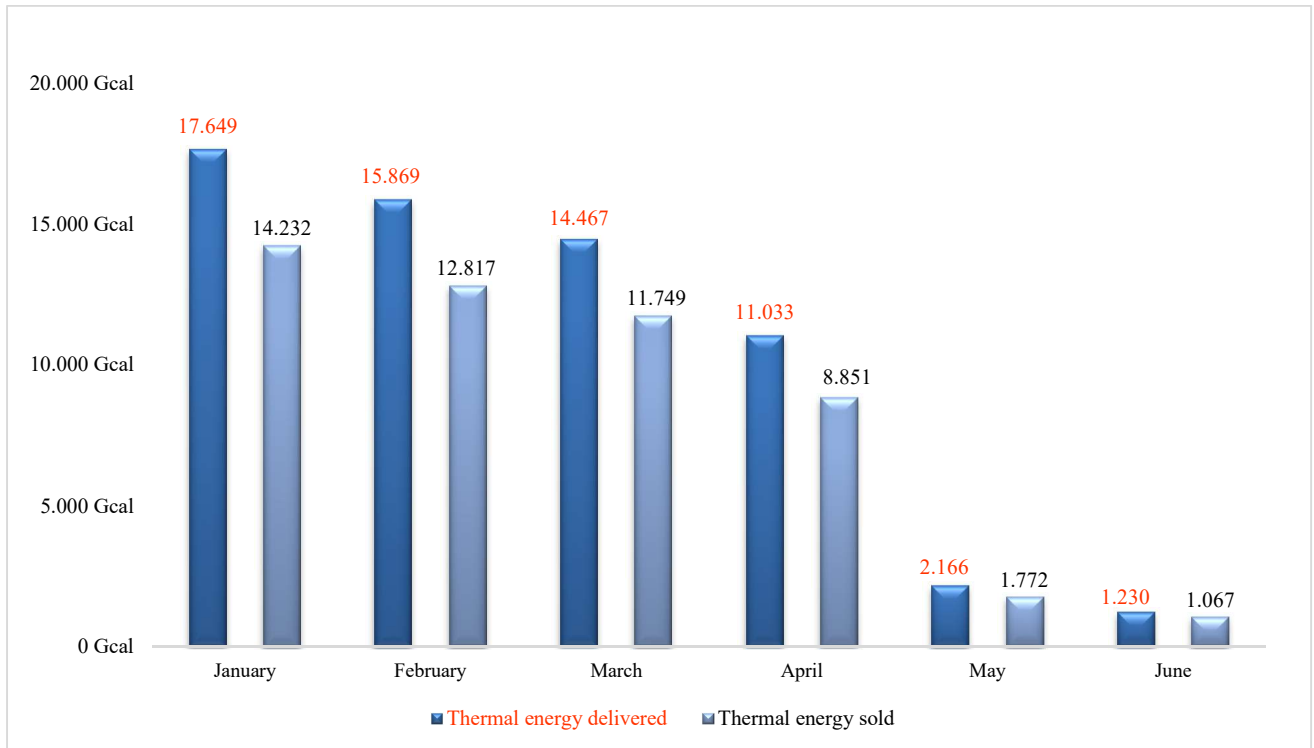
Over the 6-month period that ended on June 30, 2022, no operation event exceeding level 1 on the international scale of nuclear events was registered, regarding the degrading of the in-depth defense barriers, the impact on the site or outside (INDICATOR 1).

The main indicators of the production activity are shown in the following graphics.

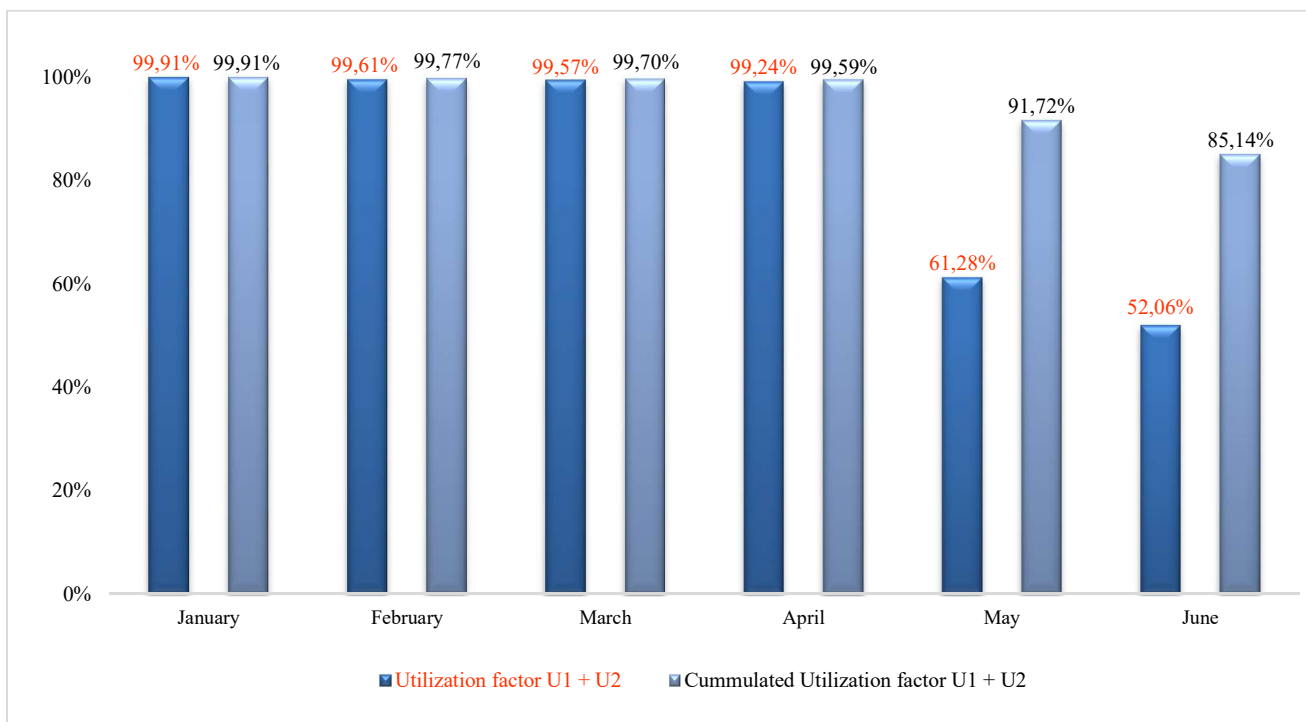
Produced/net electrical energy U1 + U2 (MWh)
(Produced electrical energy: 5,194,806/Net electricity delivered: 4.779.204)
(Own technological consumption cumulated for 2022: 7.56%)



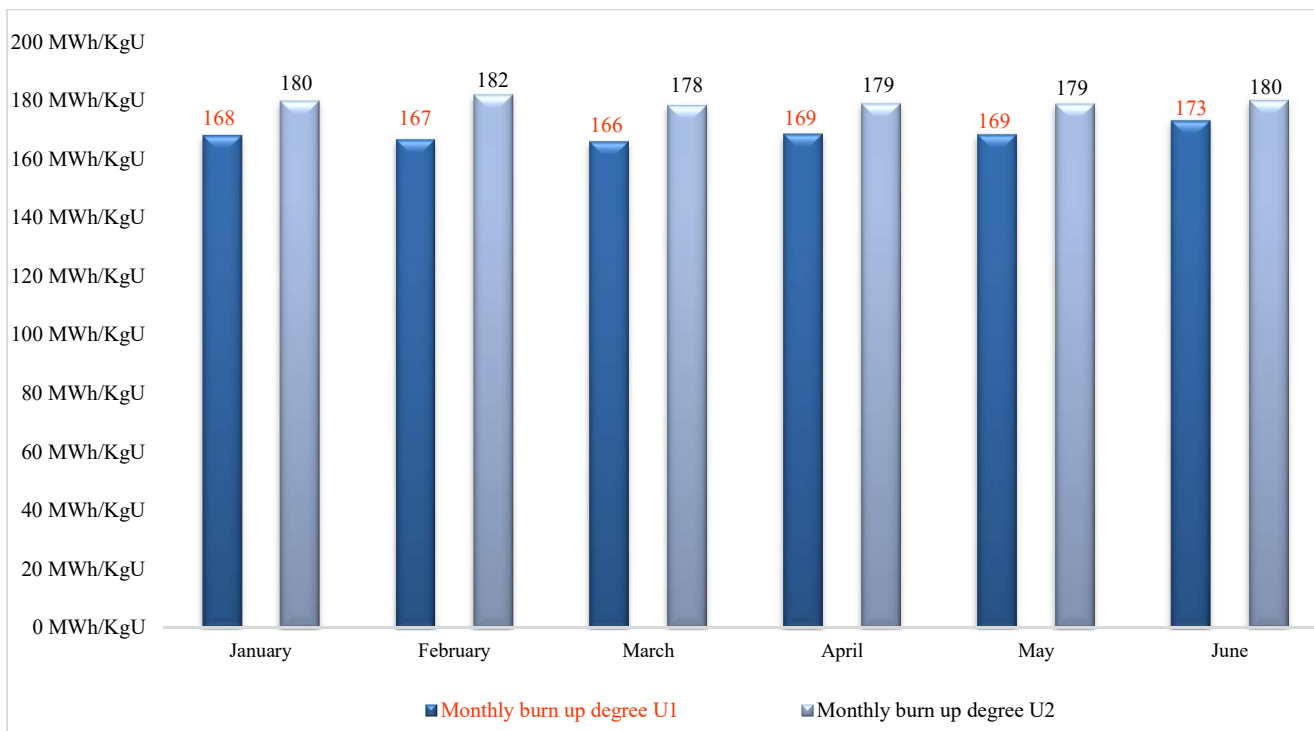
Thermal energy delivered to the district heating/sold (Gcal)
(Thermal energy delivered: 62,416/Thermal energy sold: 50.488)



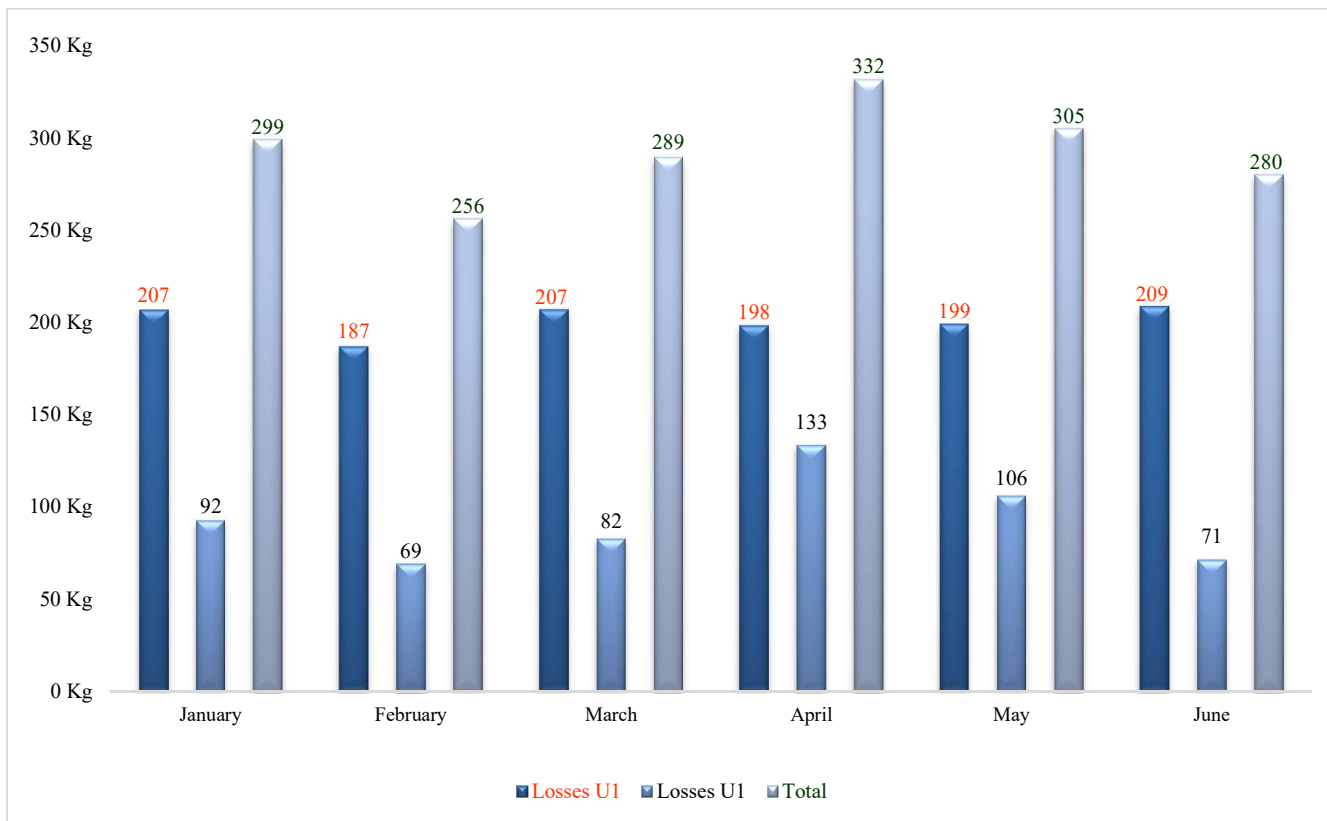
Installed power capacity factor U1 + U2 (%)
(Cumulated 2022: 85.14%)



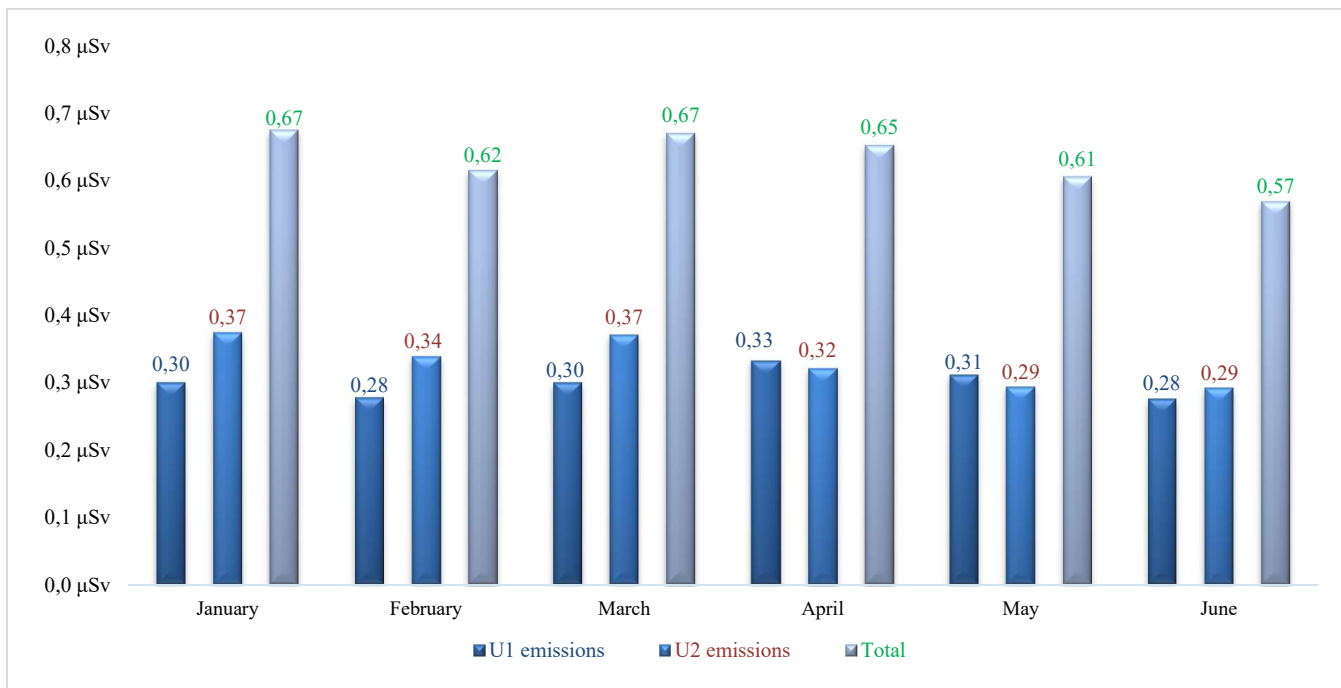
Nuclear fuel burn up degree (MWh/KgU)
(Cumulated 2022: 173.5/Provided in the project: min. 156)



Heavy water loss U1+U2 (Kg)
(Cumulated 2022: 2,160/Provided: max. 10,280)



Volume of radioactive emissions in the environment U1+U2 (µSv)
(Total cumulated 2022: 3.78/Annual limit: 250)



3.6. Activity of the Pitesti NFF Branch

Over the period January 1 - June 30, 2022, the Pitesti NFP Branch manufactured, controlled and accepted 5,272 nuclear fuel bundles, according to the manufacturing plan, all of them within the specifications, and the production of nuclear fuel bundles decreased by 13.29 % as compared to the same period of 2021, when 6,080 bundles were manufactured, inspected and accepted.

Over the period January 1 - June 30, 2022, FCN Pitesti branch delivered to CNE Cernavoda a quantity of 5,760 nuclear fuel bundles (January 1 - March 30, 2021: 5,040 bundles), and complied with the agreed delivery schedule.

In 2022, for the production of nuclear fuel, sintering powder of uranium dioxide was consumed, at an average price of RON 589.83/kg, derived from the existing inventory as of January 1, 2022 and from the purchases from CNU - Feldioara Branch (sintering powder of uranium dioxide from the processing of the uranium technical concentrate purchased by the FCN Pitesti Branch from NAC KazatomProm JSC –Kazakstan).

4. OTHER SIGNIFICANT ASPECTS

4.1. Main Aspects of Continuing the Project for Increasing the Production Capacity

The main actions performed by SNN in order to continue the Project for Increasing the Production Capacity are as follows:

- By Resolution of the Extraordinary General Meeting of the Shareholders (“EGMS”) no. 8/June 12, 2020, the following measures were approved:

1. Repealing of the “Strategy for the continuation of the Units 3 and 4 Project at Cernavoda NPP by organizing an investor selection procedure” (2014) and of the “Reviewed strategy for the continuation of the Units 3 and 4 Project at Cernavoda NPP by organizing an investor selection procedure” (2018) (section 2 on the agenda of the EGMS of June 12, 2020).

2. Authorizing the SNN Board of Directors to initiate the procedures/steps/actions on the termination of the negotiations with CGN, as well as the termination of the legal effects (by agreement of the parties, termination, etc.) of the following documents: "Memorandum of Understanding on the development, construction, operation and decommissioning of Units 3 and 4 of the Cernavoda NPP (MoU)" and "Investor Agreement in preliminary form", respectively (item 3 of the agenda of EGMS of June 12, 2020).

3. Empowering the Board of Directors of the SNN to initiate the steps for the analysis and crystallization of the strategic options for the construction of new nuclear power generation capacities (item 4 of the agenda of the EGMS of June 12, 2020).

- By Resolution of the Prime Minister of Romania No. 281/July 14, 2020, published in the Official Gazette of Romania, Part I, No. 618/July 14, 2020, the Strategic Coordination Committee for the Implementation of the Project for Cernavoda NPP Units 3 and 4 was set up.

- By Resolution of the Prime Minister of Romania No. 20/2021, published in the Official Gazette of Romania, Part I, No. 12/January 6, 2021, the structure of the Strategic Coordination Committee for the Implementation of the Project for Cernavoda NPP Units 3 and 4 was amended.

- With Resolution No. 3/05.04.2021 of the Ordinary General Meeting of Shareholders ("OGMS"), the "Strategy of for Continuing the Project of Units 3 and 4 of Cernavoda NPP" (point 2 of the OGMS agenda of April 5, 2021).
- With Resolution No. 4/April 5, 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 Revenue and Expenditure Budget approved in compliance with the legal provisions (point 7 of the EGMS agenda of April 5, 2021).
- Law No, 200/16.07.2021 ratified the Agreement between the Government of Romania and the Government of the United States of America on cooperation related to the nuclear energy projects at Cernavodă and in the civil nuclear energy sector in Romania, signed in Bucharest on December 9, 2020 and in Upper Marlboro on December 4, 2020;
- By the Current Report published on November 25, 2021, National Company Nuclearelectrica S.A. notifies the advancement of the Project of CANDU Units 3&4 within the current Preparatory Stage, Energonuclear S.A., the project company, signed the first contract with Candu Energy, a member of the SNC-Lavalin Group and the Authority for Designing Units 4 and 3 and OEM Candu (Original Manufacturer of the Candu Technology). Within the contract, CANDU Energy will provide engineering services for drafting and updating the necessary documentation for initiating the Project of Units CANDU 3 and 4 (among which, updating the main licensing documents, updating the nuclear security guides, updating the list of project modifications with nuclear security functions, etc.).
- With the Decision of the Prime Minister of Romania No. 5/03.01.2022 the Coordination Committee for the extension of the civil nuclear program in Romania was established, having as main duties the analysis, crystallization and substantiation of strategic decisions, of the measures necessary for the extension of the civil nuclear program in Romania, and the establishment of the mandate of the representatives of the Romanian Party within the meetings of the Strategic Committee ("Steering Committee") for the coordination, facilitation and assessment of the cooperation activities laid down under the Agreement between the Government of Romania and the U.S. Government on cooperation in relation to the nuclear energy projects at Cernavoda and in the civil nuclear energy sector in Romania.
- Resolution no. 6/10.08.2022 of the Ordinary General Meeting of Shareholders of SNN approved the continuation of the Project of Units 3 and 4 of Cernavoda NPP, and respectively adopting the Preliminary Investment Resolution and the advancement to Stage II - Preliminary Stages, conditional on approving and concluding the Support Agreement between the Romanian State and SNN in relation to the Project of Units 3 and 4 of Cernavoda NPP. Initiating endeavors in order to grant and conclude the necessary contracts for completing the Project, under the conditions of the competence limits provided by the articles of incorporation of SNN and Energonuclear S.R.L. was also approved, within the limit of EUR 185 million.

4.2. Project for the refurbishment of Unit 1 of Cernavoda NPP

Resolution no. 4/23.02.2022 of the Extraordinary General Meeting of Shareholders of SNN approved the investment decision in the project for refurbishing Unit 1 of Cernavoda NPP. The version approved by the SNN shareholders included project amendments which provide, in addition to Scenario 1, an increase in the nuclear safety margins of the plant and take into account the new trends in increasing the robustness in terms of nuclear safety. The current cost for the implementation of Scenario 2 Enhanced

Safety is of about 1.85 billion Euros, without taking into account the financing costs and the inflation rate update on the date when the refurbishment contract of Unit 1 of Cernavoda NPP is going to be signed.

With the approval of the investment decision, SNN goes into the second phase of the project, namely ensuring the financial resources for the implementation of the Project for the Refurbishment of U1, preparing the performance of the activities that have been identified and defined for the refurbishment in Phase 1 and obtaining all the necessary approvals and authorizations for the implementation of this project.

By the current report published on 21.07.2022, the Company announces the advancement of the Project for the refurbishment of Unit 1, by signing the first contract with Candu Energy, a member of the SNC-Lavalin group and the design authority for Unit 1 and OEM (original equipment manufacture) for the CANDU technology.

Within the contract, Candu Energy will provide engineering services for drafting the technical documentation for procuring long-cycle components for manufacturing the reactor, within the process called “reactor re-tubing” (replacing fuel channels, calandria tubes and feeders - ICCTCF). Candu Energy will also provide engineering services for assessing the state of the set of specialized tools to be used for replacing the components of the reactor and drafting the documentation for procuring the components that require replacement/modification.

4.3. The litigation initiated by the Trade Union of Cernavoda NPP and employees of Cernavoda NPP Branch

Pending with Constanta Law Court, a case was filed against SNN, no. 5802/118/2017, contemplating unpaid salary entitlements, representing the equivalent value of the occupational risk (hazardous conditions) bonus, the plaintiff being the Cernavoda NPP Trade Union, on behalf of 757 employees of the Cernavoda NPP Branch.

The company deems these claims unsubstantiated, as all due salary entitlements were paid to the employees, including the amounts of money contemplated by this litigation. The court dismissed the exception of res judicata, invoked by SNN, as unfounded, and approved the evidence by documents and forensic accounting, prorogating the technical expert appraisal contemplating the classification in the radiological risk areas after SNN submitted the documents. The management of the evidence and the performance of a new accounting analysis are in progress. The following hearing date is 16.09.2022.

4.4. The litigation initiated by Energetica Nucleara '90 Free Trade Union and employees of the Cernavoda NPP Branch

Pending with Constanta Law Court, a case was filed against SNN, no. 7036/118/2017, contemplating unpaid salary entitlements, representing the equivalent value of the occupational risk (hazardous conditions) bonus, the plaintiff being Energetica Nucleara '90 Free Trade Union on behalf of 291 employees of Cernavoda NPP Branch.

The company deems these claims unsubstantiated, as all due salary entitlements were paid to the employees, including the amounts of money contemplated by this litigation. The court approved the evidence by documents of accounting and technical expertise, for the purpose of the classification in the radiological risk areas. The court favorably resolved the litigation and rejected the action of the union as ungrounded. The judgment may be appealed.

4.5. Disputes initiated by the National Company Nuclearelectrica S.A. against the National Energy Regulatory Authority “ANRE”

S.N. Nuclearelectrica S.A. initiated the action of suspending ANRE Order 216/11.12.2019 for approving the Methodology for setting prices for the electricity sold by producers based on regulated contracts and the quantities of electricity from the regulated contracts concluded by producers with last-instance suppliers and for setting maximum electricity quantities that may be imposed as sale obligations based on regulated contracts - File no. 7222/2/2019. The court approved the SNN petition and ordered the suspension of the enforcement of ANRE Order No. 216/December 11, 2019 until the ruling of the court of first instance. Judgment No. 132/02.03.2020 is legally enforceable. Against this judgment, ANRE filed an appeal, settled by the High Court of Cassation and Justice, by Resolution No. 5713/November 4, 2020, namely it approved the exception of the lack of interest in supporting the appeal, invoked by the appellee - plaintiff SNN and dismissed the appeal filed by defendant ANRE against Civil judgment No. 132/March 2, 2020, ruled by the Court of Appeal of Bucharest - Section IX - administrative and fiscal unit, for lack of interest (final).

S.N. Nuclearelectrica S.A. initiated the action of cancelling ANRE Order 216/11.12.2019 for approving the Methodology for setting prices for the electricity sold by producers based on regulated contracts and the quantities of electricity from the regulated contracts concluded by producers with last-instance suppliers and for setting maximum electricity quantities that may be imposed as sale obligations based on regulated contracts (“ANRE order No. 216/11.12.2019”) - File No. 97/2/2020. In the Current Report published on August 3, 2020, SNN informed the shareholders and investors of the notification on the court portal, of the dismissal of the petition for the annulment of ANRE Order No. 216/December 11, 2019. The judgment of the Bucharest Court of Appeal was appealed within the legal timeframe, being registered pending with the High Court of Cassation and Justice. On 30.06.2022, ICCJ, according to the data on the scj.ro portal, ordered: Rejects the appeal formulated by plaintiff Societatea Națională Nuclearelectrica S.A. against civil judgment no. 681 of July 31, 2020 and against the authentication of July 10, 2020, of the Bucharest Court of Appeal - section VIII of administrative and fiscal litigations, as ungrounded. Final. Pronounced today, June 30, 2022, by making the solution available to the parties through the court registry. The judgment is pending drafting.

In related file 97/2/2020/a1 of ICCJ, it was ordered to approve the request to notify the Constitutional Court, and under no. 1658D/2022, the application was submitted to the Constitutional Court on 30.06.2022. The case is in the report stage.

S.N. Nuclearelectrica S.A. initiated the action to cancel ANRE Order No. 12/March 30, 2016 on the approval of the performance Standard for the electricity transmission service and for the system service (published in the Official Gazette No. 279/April 13, 2016) – File No. 2659/2/2020, recorded pending with Bucharest Court of Appeal, Division IX of the administrative and tax Court. The court rejected the application for the recovery of the material right to action within the statute of limitation as ungrounded, and allowed the exception of the delay in submitting the application and partially approved the application for notifying the Constitutional Court and ordered its notification with the solution of the non-constitutionality exception of the provisions of Art. 5 par. 7 of OUG No. 33/2017 amending and supplementing the Electricity Law No. 13/2007 and Gas Law No. 351/2004, approved by Law No. 160 of October 2, 2012. SNN filed a second appeal against this judgment and the High Court of Cassation and Justice granted a hearing for November 15, 2022.

S.N. Nuclearelectrica S.A initiated the action of canceling and suspending the enforcement of ANRE Order No. 88/2020 for the approval of the pricing Methodology for the regulated fees and prices charged by last-instance providers to end customers for the period July 1 - December 31, 2020, amending and supplementing the electricity sale-purchase framework agreement concluded between electricity producers and last-instance providers, approved by Order of the President of the National Energy Regulatory Authority No. 34/2019 - File No. 3570/2/2020 registered with the Bucharest Court of Appeal. At the hearing of December 17, 2020, the court rejected the application to suspend the implementation. By Judgment No. 247 of 04.03.2021, the court rejected the case as unfounded. First hearing in the appeal: 19.01.2023.

4.6. The litigation initiated by S.N. Nuclearelectrica S.A. regarding certain measures of regulating the facilities granted to pensioners from the electricity sector

S.N. Nuclearelectrica S.A initiated the action of suspending the implementation, the cancellation of Government Resolution no. 1041/2003 on certain measures of regulating facilities granted to pensioners from the electricity sector, as amended, and Government Resolution no. 1461/2003 for amending and supplementing Government Resolution no. 1041/2003 on certain measures of regulating facilities granted to pensioners from the electricity sector and the order to pay damage compensations of 820,422.44 RON, resulted from the application in the last three years of Government Resolution no. 1041/2003 and Government Resolution no. 1461/2003 – File no. 4419/2/2021 submitted with the Bucharest Court of Appeal Section VIII for Administrative and Fiscal Litigations. The court rejected the case. The judgment is appealable.

4.7. Reelection of Mr. Cosmin Ghita, the Chief Executive Officer of SNN, in the position of Governor in the Governing Board within the World Association of Nuclear Operators “WANO”

By the Current Report published on 25.01.2022, S.N. Nuclearelectrica S.A. informs its shareholders and investors on the reelection of Mr. Cosmin Ghita, the Chief Executive Officer of SN Nuclearelectrica SA, in the position of Governor in the Governing Board of World Association of Nuclear Operators (WANO-Asociatia Mondiala a Operatorilor Nucleari) for another 2-year mandate, until December 31, 2023. Mr. Cosmin Ghita was initially elected for the position of Governor in the Governing Board of WANO, globally, as of January 1, 2020, the first Romanian who holds this position on an international level, in the nuclear industry.

4.8. Changes in the management of the Company - Managers

By the Current Report published on 01.02.2022, the Company informed the shareholders and investors that as of 01.02.2022, the mandate contract of Mr. Dan Laurentiu Tudor, as Deputy Chief Executive Officer, is terminated with the agreement of the parties.

According to the organizational structure of the Company, approved by a Resolution of the Board of Directors, the position of Deputy Chief Executive Officer with a Mandate Contract shall be reorganized in the position of Corporate Service Deputy Chief Executive Officer, with an individual employment contract, and shall be transferred from the direct coordination of the Board of Directors to the direct coordination of the Chief Executive Officer of the Company. The position of Commercial and Development Deputy Chief Executive Officer and the position of Operations Deputy Chief Executive Officer were also created, both with individual employment contract, in the direct coordination of the Chief Executive Officer of the Company.

As of 01.02.2022, the three positions are occupied according to the legal provisions and the provisions of the Collective Employment Contract within the Company, by SNN personnel. The position of Corporate Service Deputy Chief Executive Officer shall be occupied by Mrs. Laura Constantin, previously the Manager of the SNN Legal Division, and involves the coordination of the procurement, legal, human resources, communication and compliance processes. The position of Commercial and Development Deputy Chief Executive Officer shall be occupied by Mrs. Melania Amuza, previously the Manager of the SNN Investment Division, and shall involve the coordination of the investment processes, electricity transactions and mining licenses, and the position of Operations Deputy Chief Executive Officer shall be occupied by Mr. Romeo Urjan, previously the manager of the Operations Division, and shall involve the coordination of the activities of operation, production, nuclear safety independent evaluation, fuel, security, management systems and process analysis.

By the Current Report published on February 11, 2022, the Company informed the shareholders and investors about the resolution of the Board of Directors dated February 10, 2022, on appointing Mr. Dan Niculaie-Faranga as interim Chief Financial Officer, with a term of office of 4 months, from February 11 2022 to June 10, 2022, with the possibility of extending it, for solid reasons, up to maximum 6 months, in virtue of Art. 64² of OUG 109/2011, as further amended and supplemented.

By the current report published on 10.06.2022, the Company informed the shareholders and investors on the extension of the term of the mandate contract of the Chief Financial Officer for a provisional period of 2 months, as of 11.06.2022.

4.9. The Complementary Delegated Act whereby nuclear energy and natural gas are included in the EU Taxonomy was approved by the European Parliament

On 02.02.2022, the European Commission notified the adoption of the Complementary Delegated Act, thus including nuclear energy and natural gas in the scope of the EU Taxonomy regarding Sustainable Financing. Thus, the document confirms the significant role of these two energy sources in ensuring the energy security of the states and in reaching the decarbonization targets.

Thus, by the Delegated Act, the major investment projects in the nuclear field, such as the refurbishment of nuclear units, building new capabilities and developing innovating technologies, are deemed as sustainable in order to contribute to the energy transition of the member states.

It also acknowledges the right of each EU state to choose its own national energy mix, in relation to the existing resources, expertise and capabilities. EU taxonomy intends to guide private investments to the necessary sources in order to accelerate the energy transition and reach climate neutrality.

On July 6, 2022, the Complementary Delegated Act whereby nuclear energy and natural gas are included in the EU Taxonomy was approved by the European Parliament It will become effective as of January 1, 2023.

4.10. Armed conflict between Russia and Ukraine

In February 2022, an armed conflict broke out between Russia and Ukraine, which affected the economies of the two countries and resulted, among others, in a significant flow of refugees from Ukraine to neighboring countries (including Romania), and several sanctions imposed by the international community on Russia and some Russian-origin companies. The medium-term and long-

term of this conflict and of the sanctions imposed on Russia cannot be currently anticipated with sufficient accuracy. Considering that the Company does not have activities significantly relying on the area under conflict or affected by sanctions (especially Russia, Ukraine, Belarus), nor regarding purchases or sales, we believe that the ability of the Company to continue its business in the foreseeable future shall not be significantly impacted.

4.11. Changes in the management of the Company - Board of Directors

With the Current Report dated March 9, 2022, the Company informs the shareholders and investors about the decision of the Board of Directors dated March 9, 2022, following the recommendation of the Nomination and Remuneration Committee, to appoint, on a temporary basis, as of March 9, 2022 and until the date of the General Meeting of Shareholders of SNN, two non-executive directors, on the vacancies within the Board of Directors of SNN.

According to the provisions of Art. 137² of Law No. 31/1990, in the event of a vacancy in one or several director positions, unless the Articles of Incorporation stipulate otherwise, the Board of Directors proceeds to the appointment of provisional directors, until the Ordinary General Meeting of Shareholders is held. Thus, the Board of Directors appointed Mr. Serban Constantin Valeca and Mr. George Sergiu Niculescu as provisional directors.

By Resolution No. 5/April 28, 2022 of the Ordinary General Meeting of Shareholders of SNN, the following have been approved:

- the election of two provisional members of the Board of Directors, Mr. Serban Constantin Valeca and Mr. George Sergiu Niculescu, as of April 28, 2022, for a 4-month mandate, in accordance with Art. 64¹, par. (3) and par. (5) of OUG No. 109/2011, as further amended and supplemented, as member of the Board of Directors of SNN;
- the gross monthly fixed allowance for the provisional members of the Board of Directors at the level of RON 15.057, equal to that of the most recent director in office selected according to OUG No. 109/2011, as well as of a variable component determined identically to that of the directors in office, at the level of the short-term component, granted on a pro rata basis in relation to the period of the provisional mandate;
- the form of the contract of mandate to be concluded with the provisional members of the Board of Directors.

By the current report published on 20.05.2022, the Company informs that, on 20.05.2022, the Board of Directors of SNN took note of the legal termination of the Mandate Contract of Mr. Serban Constantin Valeca following his death, according to the provisions of the Mandate Contract concluded with the company on 28.04.2022. By Resolution no. 6/10.08.2022 of the Ordinary General Meeting of Shareholders of SNN, Mr. Serban Constantin Valeca was revoked from the position of a member of Board of Directors.

Resolution no. 6/10.08.2022 of the Ordinary General Meeting of Shareholders of SNN approved the requests for renewing the mandates of three members of the Board of Directors of SNN, as of 29.09.2022, and the following members were appointed for a 4-year mandate: Mr. Minodor Teodor Chirica (non-executive director), Mr. Cosmin Ghita (executive director), Mrs. Elena Popescu (non-executive director). By the same Resolution of the Ordinary General Meeting of Shareholders of SNN, the following decisions were approved:

- the value of the monthly gross fixed remuneration of the non-executive members, in value of twice the average over the last 12 months of the gross monthly earnings for the performed activity, according to the main scope of business registered by the Company, at class level, according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to appointment and the value of the variable component of the non-executive directors in value of 12 monthly fixed salaries.
- the value of the monthly gross fixed remuneration of the non-executive member, in value of twice the average over the last 12 months of the gross monthly earnings for the performed activity, according to the main scope of business registered by the Company, at class level, according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to appointment and the value of the variable component of the non-executive director in value of 2.5 times the value of the annual gross fixed allowance for the entire financial year;
- the form of the mandate contract to be signed by the company with the newly-appointed directors.

Also by Resolution No. 6/10.08.2022 of the Ordinary General Meeting of Shareholders of SNN approved the appointment of a temporary member of the Board of Directors of SNN, as of 10.08.2022, for a 4-month mandate, according to art. 64¹, par. (3) and par. (5) of GEO no. 109/2011, as further amended and supplemented, or until the completion of the procedure of selecting the directors selected according to the provisions of GEO no. 109/2011, if the selection is completed before the aforementioned deadline. The form of the mandate contract and the monthly gross fixed salary at the level of RON 15,057, equal to that of the most recent director in office selected according to OUG No. 109/2011, as well as of a variable component determined identically to that of the directors in office, at the level of the short-term component, granted on a pro rata basis in relation to the period of the provisional mandate;

Resolution no. 6/10.08.2022 of the Ordinary General Meeting of Shareholders of SNN also approved the extension of the term of the mandate of Mr. George Sergiu Niculescu, which ceases on 28.08.2022, for 2 months, as of 29.08.2022, according to the provisions of art. 64¹, par. (3) and par. (5) of GEO no. 109/2011, as further amended and supplemented or until the mandate is accepted by another director appointed according to the provisions of GEO no. 109/2011, if the selection is completed before the aforementioned term. Maintaining the monthly gross fixed salary and the variable component was approved, as approved by OGMS Resolution no. 5/28.04.2022, and the form of the addendum to the mandate contract.

Resolution no. 6/10.08.2022 of the Ordinary General Meeting of Shareholders of SNN approved the initiation of the procedure for selecting the members of the Board of Directors of SNN for the vacant positions, according to the provisions of GEO no. 109/2011 on the corporate governance of public companies, as further amended and supplemented, and mandating the Board of Directors for the member selection procedure.

4.12. Adoption of GEO no. 27/18.03.2022 - amending and supplementing legislative acts in the energy field

On October 29, 2021, the Parliament of Romania adopted Law no. 259, approving GEO no. 118/2021, stipulating that the additional revenues obtained by producers of electricity resulted from the difference between the average monthly sale price of electricity and the price of RON 450/MWh is taxed by 80%, according to art. II par. (1) of Law no. 259/2021. The calculation method is set by GEO No. 27/2022

(Annex 6) and is applied, according to art. 4 of GEO no. 27/2022 in period November 1, 2021 – March 31, 2023.

According to these provisions, Nuclearelectrica S.A. recorded in period January 1 – June 30, 2022 a tax on additional revenues of 585,810,573 RON.

4.13. Launching the platform “Nucleu de bine”

With the Current Report published on 21.04.2022, the Company announces the launch of the social responsibility platform "Nucleu de bine", which follows the company's strategic directions and vision to build a sustainable future for the next generation, both through the production of clean energy at standards of excellence, as well as through the social and economic impact it has in Romania.

The "Nucleu de Bine" platform will incorporate both the social responsibility initiatives carried out by the company, and the projects that the company will select to sponsor, within the selection of "Nucleu de bine" projects, launched on this occasion.

In order to ensure the possibility for as many beneficiaries as possible to enlist, the sponsorship campaign will be implemented in 2 stages, the first stage in period April 21, 2022 - May 22, 2022, and the second stage in period July 17 - August 20, 2022.

Non-profit organizations and institutions can apply in the project contest, according to the applicable legislation and the regulations for participating and granting sponsorships, which can be found on the website of the company.

4.14. Approving the distribution of the net profit of the financial year of 2021

With Resolution No. 5/April 28, 2022 of the Ordinary General Meeting of Shareholders ("OGMS"), the distribution of the net profit for the financial year 2021 per destinations, the total value of gross dividends amounting to RON 595,925,367, the value of the gross dividend per share amounting to RON 1.97559234, the dividend payment date, i.e. June 24, 2022 and the payment methods, have been approved, according to the note submitted to the shareholders for this point of the agenda (point 5 of the OGMS agenda of April 28, 2022).

4.15. Planned outage of Unit 1 of Cernavoda NPP

Starting from May 8, 2022 at 11:00, Unit 1 CNE Cernavoda entered the planned outage program and the synchronization with the National Energy System was made on June 28, 2022 and reached nominal power on June 29, 2022.

Over the period of planned outage made once every two years, activities of the following programs were carried out for each unit:

- Preventive and corrective maintenance program;
- Inspection program;
- Mandatory testing program during the scheduled stoppage period;
- Project modification implementation program.

All the works over the scheduled outage period were performed under safety conditions for the staff of the plant, for the public and the environment, according to the procedures approved used by Cernavoda NPP Branch and in full observance of all the protection measures against COVID 19.

4.16. Signing the Memorandum of Understanding for the development of the first small modular reactor (SMR)

Within the Small Modular and Advanced Reactors Workshop Planning IV workshop organized in Bucharest by the US Trade and Development Agency (USTDA) in partnership with the US Trade Department, Nuclearelectrica, NuScale and E-Infra signed a Memorandum of Understanding for the development of the first small modular reactor (SMR) in Romania at the location of the former thermal power station of Doicești, Dambovită County.

Following the Memorandum of Understanding (“MOU”), the companies will conduct engineering surveys, technical analyzes and licensing and authorization activities on the site in Doicești, Dâmbovița County, the location selected for the implementation of the first NuScale VOYGR™ plant.

Resolution no. 7/10.08.2022 of the Extraordinary General Meeting of Shareholders of SNN approved the incorporation of a business unit of the Company in Doicești Commune, No. 12, Colonie Street, Casa de Cultura, ground floor, room 1, Dambovită County, in order to start the preliminary stages for analyzing the building of the first small modular reactor (SMR) in Romania at the location of the former thermal power station of Doicești, Dambovită County. Within the business unit of SN Nuclearelectrica SA, a project implementation Informational Center will operate, as well as an office that will serve for future actions that will be part of engineering and design survey, technical analyses of the site, licensing and authorization activities, etc.

4.17. EnergoNuclear S.A. Branch

Resolution no. 7/10.08.2022 of the Extraordinary General Meeting of Shareholders of SNN approved the funding by SNN of EnergoNuclear S.A. (EN), by the share capital increase of EN in cash by SNN and/or by granting loans related to SNN, with a total value of EUR 185 million, calibrated to the development requirements of the Project and necessary for the implementation of Stage II of the Project of Units 3 and 4 of Cernavodă NPP, subject to the approval and conclusion of the Support Agreement between the Romanian State and SNN in relation to the Project of Units 3 and 4 of Cernavodă NPP.

4.18. Major litigations

The situation of the major litigations (in amount of over 500 thousand lei) and of the monetary unevaluated ones in progress on June 30, 2022 is presented in Annex 4.

4.19. Other Information

The half-year report of the Board of Directors for the period January 1 - June 30, 2022, is accompanied by the Individual Interim Financial Statements on the date and for the period of 6 months ended on June 30, 2022; these financial statements are published on the website of S.N. Nuclearelectrica S.A. (www.nuclearelectrica.ro), Investors relation section.

5. MAIN ECONOMIC AND FINANCIAL INDICATORS AS OF 30.06.2022

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

Indicator name	Calculation method	M.U.	Value 30.06.2022 ^{*)}
1. Current ratio	Current assets/ Current debts	x	6.32
2. Debt ratio indicator			
2.1. Debt ratio indicator (1)	Borrowed capital/ Equity x 100	%	1.1%
2.1. Debt ratio indicator (2)	Borrowed capital/ Engaged capital x 100	%	1.1%
3. Accounts receivables turnover rate	Average customer balance/ Turnover x 180	days	13
4. Asset turnover speed^{**)}	Turnover/ Non-current assets	x	1.01

^{*)} Based on the Individual Interim Financial Statements on the date and for the 6 month period ended on June 30, 2022.

^{**)} The asset turnover speed is calculated by updating the quarterly turnover (360 days/180 days).

6. ACHIEVEMENT DEGREE OF THE KEY PERFORMANCE INDICATORS

By Resolution no. 12/28.09.2018 of the Ordinary General Meeting of the Shareholders of SNN, the structure of the Board of Directors of SNN was approved, for a 4-year term, starting with September 28, 2018, as follows: Mr. Iulian – Robert Tudorache, Mr. Cosmin Ghita, Mr. Dumitru Remus Vulpescu, Mr. Cristian Gentea, Mrs. Elena Popescu, Mr. Cristian Dima and Mr. Mihai Daniel Anitei.

By the Resolution of the Board of Directors no. 187/29.10.2018, the administration component of the Administration Plan was approved. By the Resolution of the Board of Directors no. 33/07.03.2019, the management component of the Administration Plan and the overall Administration Plan were approved.

By Resolution no. 3/10.04.2019 of the Ordinary General Meeting of Shareholders of SNN, the following were approved:

- the financial and non-financial performance indicators that will form the annex to the contract of mandate of non-executive directors;
- the amount of the annual variable component of the remuneration of non-executive directors, in the amount of 12 fixed monthly allowances;
- the form of the addendum to be concluded to the contract of mandate of the company's non-executive directors.

The mandate contracts and the addendums to the mandate contracts signed by SNN with the members of the Board of Directors provide their key performance indicators, and the quarterly and annual targets for 2019-2022. According to the provisions of the mandate contracts (section 5 of Annex 3 to the

mandate contracts), the total achievement percentage of the key performance indicators is calculated for each quarter.

On October 9, 2019, Mandate Contract no. 54/28.09.2018, concluded by the Company with Mr. Dima Cristian, legally expired, in virtue of Art. 13.1 letter k), according to which the contract is terminated when the director does not pass within 12 months after the start of the mandate the CNCAN verifications provided in NSN norms - 23 and of Art. 23 par. (8) of NSN 23 “Nuclear security norms regarding the training, qualification and authorization of the personnel of the organizations that operate nuclear installations” according to which “the members of the Board of Directors and/or of the supervisory board of the authorization holder with attributions and authority for taking decisions with impact on nuclear security must prove that they have the necessary knowledge, skills and attitudes, following the verification by CNCAN, by using the examination objectives and the questions from annexes no. 1 and 2 to these norms, according to the provisions of par. (5).”

Board of Directors Resolution no. 216/19.12.2019 approved the recommendation of the Nomination and Remuneration Committee regarding the appointment by the Board of Directors of Mr. Teodor Minodor Chirica as a temporary member of the Board of Directors of SNN until the General Meeting of Shareholders, GMS, summoned for January 30, 2020.

Resolution no. 1/30.01.2020 of the Ordinary General Meeting of Shareholders of SNN approved the appointment of Mr. Teodor Minodor Chirica as a temporary member of the Board of Directors of SNN, with a 4-month duration, for 30.01.2020 – 30.05.2020, according to the provisions of Emergency Ordinance 109/2011 on the corporate governance of public companies, as further amended and supplemented. The remuneration of Mr. Teodor Minodor Chirica is composed of a fixed monthly gross compensation and a variable component set based on short-term financial and non-financial performance indicators for 2020, as approved for the current members of the Board of Directors of SNN with mandate contracts in force.

Resolution 6/28.05.2020 of the Ordinary General Meeting of Shareholders of SNN approved the extension of the mandate of Mr. Teodor Minodor Chirica which was completed on 30.05.2020, for a period of 2 months, as of 31.05.2020, in accordance with the provisions of Emergency Ordinance no. 109/2011 on the corporate governance of public enterprises, as further amended and supplemented, or until the mandate acceptance date by a director appointed in accordance with the provisions of Emergency Ordinance No. 109/2011 on the corporate governance of public enterprises, as further amended and supplemented, if the selection is completed before the indicated deadline. It also approved maintaining the monthly gross fixed payment and the variable component as approved by Resolution No. 1/30.01.2020 of the Ordinary General Meeting of Shareholders of SNN.

By resolution 130/10.07.2020, the Board of Directors of SNN took note of the resignation request of Mr. Iulian Robert Tudorache pertaining to his position of member of the Board of Directors of SNN, as of August 24, 2020.

Resolution of the Board of Directors No 131/23.07.2020 approved the appointment of Mr. Teodor Minodor Chirica as Chairman of the Board of Directors of SNN as of July 23, 2020 until the expiry of his term of office.

By Resolution no. 9/27.07.2020 of the Ordinary General Meeting of Shareholders of SNN, the following were approved:

- the election of Mr. Teodor Minodor Chirica as a member of the Board of Directors of the SNN, with a term of office until September 28, 2022, the date on which the term of office of the directors in office ends;
- the remuneration of Mr. Teodor Minodor Chirica consisting of a fixed monthly gross payment, equal to twice the average over the last 12 months of the average gross monthly earnings for the activity carried out according to the main scope of activity of SNN, at the class level according to the classification of activities in the national economy, communicated by the National Statistics Institute prior to the appointment, and an annual variable component amounting to 12 monthly fixed allowances determined on the basis of financial and non-financial performance indicators, as they were negotiated with the current directors in office of SNN and approved by the Ordinary General Meeting of Shareholders by Resolution No. 3/10.04.2019;
- the form of the mandate contract to be concluded with Mr. Teodor Minodor Chirica.

On November 23, 2020, Mr. Cristian Gentea notified the Company about the fact that as of November 19, 2020 he took over a position within the public administration, which is incompatible with the position of a member of the Board of Directors of SNN, according to the provisions of Art. 87 par. 1 let. d) of Law No. 161/2003 and the provisions of Art. 13.1 let. g) of Mandate contract no. 58/28.09.2018 concluded with SNN. The members of the Board of Directors took note, during the meeting of November 23, 2020, of the notification regarding the legal termination of Mandate contract no. 58/28.09.2018 of Mr. Cristian Gentea, because of a case of incompatibility, namely being appointed in a position within the public administration. As of November 19, 2020, Mr. Cristian Gentea is the mayor of Pitesti, a position which is incompatible with exercising the mandate of member of the Board of Directors of SNN.

By Resolution no. 1/January 27, 2021 of the Ordinary General Assembly of Shareholders (“OGAS”), the following were approved:

- dismissing Mr. Iulian Robert Tudorache from the position of member of the Board of Directors, as he waived his mandate;
- dismissing Mr. Cristian Gentea from the from the position of member of the Board of Directors, as a result of the legal termination of the mandate contract, because of a case of incompatibility, namely being appointed in a position within the public administration;
- 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;
- mandating the Board of Directors of SNN for the implementation of the procedure for selecting a member in the Board of Directors.

With Decision No. 41 of the Board of Directors dated March 9, 2022, following the recommendation of the Nomination and Remuneration Committee, it was decided to appoint two temporary non-executive directors of March 9, 2022 and until the date of the General Meeting of Shareholders of SNN, two non-executive directors, on the vacancies within the Board of Directors of SNN.

According to the provisions of Art. 137² of Law No. 31/1990, in the event of a vacancy in one or several director positions, unless the Articles of Incorporation stipulate otherwise, the Board of Directors proceeds to the appointment of provisional directors, until the Ordinary General Meeting of Shareholders is held. Thus, the Board of Directors appointed Mr. Serban Constantin Valeca and Mr. George Sergiu Niculescu as provisional directors.

By Resolution No. 5/April 28, 2022 of the Ordinary General Meeting of Shareholders of SNN, the following have been approved:

- the election of two provisional members of the Board of Directors, Mr. Serban Constantin Veleca and Mr. George Sergiu Niculescu, as of April 28, 2022, for a 4-month mandate, in accordance with Art. 64¹, par. (3) and par. (5) of OUG No. 109/2011, as further amended and supplemented, as member of the Board of Directors of SNN;
- the gross monthly fixed allowance for the provisional members of the Board of Directors at the level of RON 15.057, equal to that of the most recent director in office selected according to OUG No. 109/2011, as well as of a variable component determined identically to that of the directors in office, at the level of the short-term component, granted on a pro rata basis in relation to the period of the provisional mandate;
- the form of the contract of mandate to be concluded with the provisional members of the Board of Directors.

By the current report published on 20.05.2022, the Company informs that, on 20.05.2022, the Board of Directors of SNN took note of the legal termination of the Mandate Contract of Mr. Serban Constantin Valeca following his death, according to the provisions of the Mandate Contract concluded with the company on 28.04.2022. By Resolution no. 6/10.08.2022 of the Ordinary General Meeting of Shareholders of SNN, Mr. Serban Constantin Valeca was revoked from the position of a member of Board of Directors.

Resolution no. 6/10.08.2022 of the Ordinary General Meeting of Shareholders of SNN approved the requests for renewing the mandates of three members of the Board of Directors of SNN, as of 29.09.2022, and the following members were appointed for a 4-year mandate: Mr. Minodor Teodor Chirica (non-executive director), Mr. Cosmin Ghita (executive director), Mrs. Elena Popescu (non-executive director). By the same Resolution of the Ordinary General Meeting of Shareholders of SNN, the following decisions were approved:

- the value of the monthly gross fixed remuneration of the non-executive members, in value of twice the average over the last 12 months of the gross monthly earnings for the performed activity, according to the main scope of business registered by the Company, at class level, according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to appointment and the value of the variable component of the non-executive directors in value of 12 monthly fixed salaries.
- the value of the monthly gross fixed remuneration of the non-executive member, in value of twice the average over the last 12 months of the gross monthly earnings for the performed activity, according to the main scope of business registered by the Company, at class level, according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to appointment and the value of the variable component of the non-executive director in value of 2.5 times the value of the annual gross fixed allowance for the entire financial year;
- the form of the mandate contract to be signed by the company with the newly-appointed directors.

Also by Resolution No. 6/10.08.2022 of the Ordinary General Meeting of Shareholders of SNN approved the appointment of a temporary member of the Board of Directors of SNN, as of 10.08.2022, for a 4-month mandate, according to art. 64¹, par. (3) and par. (5) of GEO no. 109/2011, as further amended and supplemented, or until the completion of the procedure of selecting the directors selected according to the provisions of GEO no. 109/2011, if the selection is completed before the aforementioned deadline. The form of the mandate contract and the monthly gross fixed salary at the level of RON 15,057, equal to that of the most recent director in office selected according to OUG No.

109/2011, as well as of a variable component determined identically to that of the directors in office, at the level of the short-term component, granted on a pro rata basis in relation to the period of the provisional mandate;

Resolution no. 6/10.08.2022 of the Ordinary General Meeting of Shareholders of SNN also approved the extension of the term of the mandate of Mr. George Sergiu Niculescu, which ceases on 28.08.2022, for 2 months, as of 29.08.2022, according to the provisions of art. 64¹, par. (3) and par. (5) of GEO no. 109/2011, as further amended and supplemented or until the mandate is accepted by another director appointed according to the provisions of GEO no. 109/2011, if the selection is completed before the aforementioned term. Maintaining the monthly gross fixed salary and the variable component was approved, as approved by OGMS Resolution no. 5/28.04.2022, and the form of the addendum to the mandate contract.

Resolution no. 6/10.08.2022 of the Ordinary General Meeting of Shareholders of SNN approved the initiation of the procedure for selecting the members of the Board of Directors of SNN for the vacant positions, according to the provisions of GEO no. 109/2011 on the corporate governance of public companies, as further amended and supplemented, and mandating the Board of Directors for the member selection procedure.

As of June 30, 2022, the members of the Board of Directors were as follows:

Item no.	Name and surname	Date of mandate expiry
1.	Teodor Minodor Chirica ^{*)}	28.09.2022
2.	Cosmin Ghita ^{**)}	28.09.2022
3.	Dumitru Remus Vulpescu	28.09.2022
4.	Elena Popescu	28.09.2022
5.	Mihai Daniel Anitei	28.09.2022
6.	George Sergiu Niculescu ^{***)}	29.10.2022

^{*)} Chairman of the Board of Directors of SNN, in virtue of the Resolution of the Board of Directors No. 131/July 23, 2020.

^{**)} Also occupies the position of Chief Executive Officer of SNN.

^{***)} BoD member appointed by OGMS Resolution no. 5/28.04.2022 for 4 months, as of 28.04.2022, AGMS resolution no. 6/10.08.2022 approved the extension of the mandate term by 2 months.

The calculation of the total achievement percentage of the key performance indicators for the 1st half-year of 2022 is presented in **Annex 5**. The achievement degree of the key performance indicators is determined by the total achievement percentage of the key performance indicators, in relation to the achievements to the weights of each short, medium and long term indicator. The achievement degree of the key performance indicators is limited to the 100% threshold, if the achievements exceed the targets proposed by the mandate contract.

Thus, the indicators of the key performance indicators were achieved 89 % for the 1st half-year of 2022 cumulated (so over the 75 % threshold) for each member of the Board of Directors:

Mandate contract	Achievement level Half-year 1 of 2022 (total)
Board of Directors	89 %

In virtue of art. II of Law No. 259/29.10.2021, the additional income achieved by the producers of electricity from the difference between the monthly average sale price of electricity, and the price of 450 RON/MWh it taxed with 80%. After drafting the budget for 2022, and, respectively, after establishing all the performance indicators, GEO 27/18.03.2022 established the methodology for calculating the tax on additional revenues and extending the applicability period until March 2023 (the initial period, considered when drafting the budget was November 2021 - March 2022). Thus, by applying the calculation methodology and extending the applicability period, it resulted an expense implementation degree with the tax on additional revenues of 363% compared to the budgeted value, and the excess was fully reflected in the total operating expenses.

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

**Approved,
Dan Niculaie-Faranga,
Chief Financial Officer**

Annex 1 - Financial position statement as of June 30, 2022

	June 30, 2022 (revised)	December 31, 2021 (audited)
Assets		
Non-current assets		
Tangible assets	5,820,614,822	5,853,337,904
Assets representing rights to use underlying assets under a leasing contract	1,044,568	1,180,392
Intangible assets	52,098,034	48,391,975
Financial assets valued at amortized cost	35,039,398	35,496,297
Financial investments in subsidiaries	199,438,505	172,438,508
Total non-current assets	6,108,235,327	6,110,845,076
Current assets		
Inventories	591,041,919	560,149,518
Trade receivables	237,480,369	220,487,430
Other assets valued at amortized cost	107,165,820	87,270,340
Bank deposits	1,394,820,500	1,328,973,000
Cash and cash equivalents	1,759,288,183	1,317,399,999
Total current assets	4,089,796,791	3,514,280,287
Total assets	10,198,032,118	9,625,125,363
Equity and liabilities		
Equity		
Share capital, of which:	3,211,941,683	3,211,941,683
<i>Subscribed and paid in share capital</i>	3,016,438,940	3,016,438,940
<i>Inflation adjustments to the share capital</i>	195,502,743	195,502,743
Share premiums	31,474,149	31,474,149
Reserve paid in advance	21,553,537	21,553,537
Revaluation reserve	423,056,072	451,742,500
Retained earnings	5,302,102,729	4,648,549,459
Total equity	8,990,128,170	8,365,261,328
Liabilities		
Long-term liabilities		
Long-term loans	97,424,380	130,135,030
Debts from long-term leasing contracts	779,829	910,586
Provisions for risks and expenses	255,149,478	245,823,013
Deferred revenues	64,864,911	72,037,242
Deferred tax liability	96,561,465	102,278,835
Obligations concerning employee benefits	46,378,990	46,378,990
Total long-term liabilities	561,159,053	597,563,696
Current liabilities		
Trade payables and other liabilities	328,875,740	285,939,903
The current share of provisions for risks and expenses	73,123,770	69,541,135
Corporate tax due	77,362,189	48,781,242
Deferred revenues	77,084,361	89,647,495
Current portion of long-term loans	90,038,658	168,126,539
Debts from short-term leasing contracts	260,177	264,025
Total current liabilities	646,744,895	662,300,339
Total liabilities	1,207,903,948	1,259,864,035
Total equity and liabilities	10,198,032,118	9,625,125,363

This is a free translation from the Romanian version.

In case of any differences between the Romanian and English version, the Romanian version prevails.

Annex 2 - Profit and loss account for the 6-month period ended on June 30, 2022

	3-month period that ended on June 30, 2022 (not revised)	3-month period ended on June 30, 2021 (not revised)	6-month period that ended on June 30, 2022 (revised)	6-month period ended on June 30, 2021 (revised)
Income				
Income from electricity sales	1,244,714,494	656,036,231	3,089,082,186	1,339,580,230
Electricity transmission income	5,034,132	2,899,678	9,190,035	6,356,333
Total income	1,249,748,626	658,935,909	3,098,272,221	1,345,936,563
Other revenues	23,217,966	19,132,059	42,062,711	36,600,336
Operating expenses				
Impairment and depreciation	(151,714,957)	(140,549,621)	(302,618,886)	(277,642,431)
Personnel expenses	(123,506,916)	(98,778,441)	(243,061,318)	(193,788,929)
Cost of purchased electricity	(244,756,703)	(99,284,238)	(252,870,464)	(123,120,275)
Repairs and maintenance	(28,055,384)	(30,962,502)	(42,680,899)	(46,062,495)
Electricity transmission expenses	(5,034,132)	(2,899,678)	(9,190,035)	(6,356,333)
Cost of spare parts	(11,994,536)	(8,109,959)	(15,527,628)	(10,763,954)
Cost of nuclear fuel	(28,065,169)	(31,765,768)	(72,021,838)	(70,934,035)
Additional income tax expense	(126,633,872)	-	(585,810,573)	-
Other operating expenses	(104,051,067)	(93,270,800)	(211,272,679)	(198,720,330)
Total operating expenses	(823,812,736)	(505,621,007)	(1,735,054,320)	(927,388,782)
Operating profit	449,153,856	172,446,961	1,405,280,612	455,148,117
Financial expenses	(8,527,636)	(6,774,547)	(14,939,308)	(22,483,986)
Financial revenues	40,123,962	16,544,063	65,232,183	31,811,462
Net financial (expenses)/revenues	31,596,326	9,769,516	50,292,875	9,327,476
Profit before income tax	480,750,182	182,216,477	1,455,573,487	464,475,593
Net income tax expense	(78,859,361)	(31,288,690)	(234,781,278)	(79,083,064)
Profit for the period	401,890,821	150,927,787	1,220,792,209	385,392,529

Annex 3 - Execution of the Revenues and Expenses Budget as of June 30, 2022

								thousand RON
1	2	3	4	5	6	7	8	
Indicators	Row No.	2022 REB Quarter 1 of 2022 (approved by OGMS Resolution No. 3/February 23, 2022)	Achieved Quarter II 2022	% Achieved vs. Approved [Col.5/Col.4]	Variation (abs.) [Col.5-Col.4]	Variation (%) [Col.7/Col.4]		
I.		TOTAL REVENUES (Row 2 + Row 5)	1	2,478,205	3,187,002	128.60%	708.797	28.60%
	1.	Total operating income, of which:	2	2,447,635	3,121,770	127.54%	674.135	27.54%
		c ₁ Subsidies, in compliance with the legal provisions in force	3	-	-	-	-	-
		c ₂ Transfers, in compliance with the legal provisions in force	4	-	-	-	-	-
	2.	Financial revenues	5	30,570	65,232	213.39%	34,662	113.39%
II.		TOTAL EXPENSES (Row 7 + Row 21)	6	1,403,735	1,731,428	123.34%	327.693	23.34%
	1.	Operating expenses (Row 8 + Row 9 + Row 10 + Row 20)	7	1,385,192	1,716,489	123.92%	331.297	23.92%
	A.	Expenses on goods and services	8	551,435	492,555	89.32%	(58.879)	(10.68%)
	B.	Expenses on taxes, duties and similar payments	9	220,337	642,944	291.80%	422.607	191.80%
	C.	Personnel expenses (Row 11 + Row 14 + Row 18 + Row 19)	10	270,335	246,971	91.36%	(23.364)	(8.64%)
	C₀	Salary expenses (Row 12 + Row 13)	11	246,555	225,514	91.47%	(21.041)	(8.53%)
	C₁	Salary expenses	12	213,066	197,992	92.92%	(15.074)	(7.08%)
	C₂	Bonuses	13	33,489	27,522	82.18%	(5.967)	(17.82%)
	C₃	Other personnel expenses, out of which:	14	-	-	-	-	-
		a) Expenses on compensations for personnel lay-offs	15	-	-	-	-	-
		b) Expenses on salary entitlements owed in virtue of court decisions	16	-	-	-	-	-
		c) Salary expenses related to restructuring, privatization, receiver, other commissions and committees	17	-	-	-	-	-
	C₄	Expenses related to the mandate contract and other control authorities, commissions and committees	18	1,756	1,132	64.47%	(624)	(35.53%)
	C₅	Expenses related to social security and protection, special funds and other legal obligations	19	22,024	20,325	92.29%	(1.699)	(7.71%)
	D.	Other operating expenses	20	343,086	334,019	97.36%	(9.066)	(2.64%)
	2.	Financial expenses	21	18,543	14,939	80.57%	(3.604)	(19.43%)
III.		GROSS RESULT (profit/loss) (Row 1 – Row 6)	22	1,074,470	1,455,574	135.47%	381.104	35.47%
IV.		CORPORATE TAX	23	172,818	234,781	135.85%	61.963	35.85%
V.		ACCOUNTING PROFIT REMAINED AFTER CORPORATE TAX DEDUCTION (Row 22 – Row 23)	24	901,651	1,220,792	135.40%	319.141	35.40%

Annex 4 – Major litigations in progress on June 30, 2022 (over 500 thousand RON), including the non-monetary evaluated ones

Item No.	File number	Nature of Dispute/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
SNN Executive								
1.	9089/101/2013	Civil Tribunal Mehedinti	Creditor	Autonomous Administration for Nuclear Activities (RAAN)	Insolvency. Winding-up bankruptcy. Claim RON 7,828,405.48	Merits	Procedure in progress.	October 6, 2022
2.	873/1259/2008	Civil Tribunal Arges	Creditor	Termoficare 2000 S.A.	Insolvency Bankruptcy. Claim RON 2.713.986,71	Merits	Procedure in progress.	27.09.2022
3.	1794/118/2016	Criminal Tribunal Constanta Constanța Court of Appeal	Civil party	Bucur Ionel Negulici Elena Olteanu Madalina Encica Ionel Nicola Laurentiu Daramus Victor SC Davy Security S.R.L. as a civilly liable party by official receiver.	Damage EUR 3,471,463.	Merits	Solution type: the deed is not stipulated by the criminal law (Art. 10 let. b in the Criminal Procedure Code). In virtue of Art. 396 par. 5 in the criminal procedure code in ref. to Art. 17 par. 2 in the criminal procedure code and Art. 16 let. b in the criminal procedure code, brings the verdict of not guilty for defendant Bucur Ionel for having perpetrated the crime of abuse of office, if the public servant obtained for themselves or for another party an undue benefit stipulated by Art. 132 of Law 78/2000 in reference to Art. 297 par. 1 in the Criminal Code, by applying Art. 309 and Art. 183 in the Criminal Code by applying Art.5 in the Criminal Code (fraudulently granting the physical protection and monitoring service to S.C. Davi Security S.R.L.; S.C. Davi Protect & Security S.R.L., S.C. Davi Protect Comp S.R.L.) and for committing the crime of conflict of interests stipulated by Art. 301 in the Criminal Code by applying Art. 5 of the Criminal Code (Conflict of interests related to the security of building FE5 by S.C. Davi Security S.R.L./S.C. Davi Protect & Security S.R.L., S.C. Davi Protect Comp, S.C. Energosecurent S.R.L.). In virtue of Art. 396 par. 5 in the criminal procedure code in ref. to Art. 17 par. 2 in the criminal procedure code and Art. 16 let. b in the criminal procedure code, brings the verdict of not guilty for Negulici Elena Marinela for having perpetrated the crime of abuse of office and for having perpetrated the crime of conflict of interests stipulated by Art. 301 in the Criminal Code by applying Art. 5 of the criminal code, brings the verdict of not guilty for defendant Encica Ionel for having perpetrated the crime of abuse of office, brings the verdict of not	27.10.2022

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S.N. Nuclearelectrica S.A.

Half-year report of the Board of Directors for the first half-year of 2022

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Item No.	File number	Nature of Dispute/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
							guilty for defendant Nicola Laurentiu Theodor having perpetrated the crime of abuse of office, brings the verdict of not guilty for defendant Daramus Victor having perpetrated the crime of complicity to the crime of occupational abuse, brings the verdict of not guilty for defendant Olteanu Madalina having perpetrated the crime of abuse of office, in virtue of Art. 397 in the criminal procedure code and Art. 25 in the criminal procedure code, dismisses the civil case filed by civil party S.N. Nuclearelectrica S.A., as unsubstantiated. Lifts the distraint upon property established by Ordinance No. 279/P/2015 of January 6, 2016 of DNA – ST Constanta, as amended by decision No. 9/January 19, 2016 of Constanta Tribunal and by Ordinance 279/P/2015 of February 11, 2016 of DNA – ST Constanta, on the assets of defendants Bucur Ionel, Negulici Elena - Marinela and Daramus Victor. In virtue of Art. 275 par. 3 in the criminal procedure code, and the legal charges paid by the state continue to remain incumbent thereupon. Subject to appeal within 10 days of communication. Pronounced in public session today, February 19, 2021 Court Decision No. 125/February 19, 2021.	
4.	409/2/2016	Bucharest Court of Appeal	Civil Party	Tudor Ion Criminal group Banat insolvency firm, liquidator at CET Energoterm Resita.	Tax evasion offenses, bribery, corrupt practices RON 580,974.21.	Merits	Merits Procedure in progress.	30.09.2022
5.	41419/3/2016	Civil Tribunal Bucharest II Division Bucharest Court of Appeal	Plaintiff-Defendant	Energosec S.R.L.	SNN claims: RON 330,074.32 Claims of Energosec S.R.L.: RON 2,206,539.80	Merits	Merits Partially admits the main petition. Orders the defendant to pay to the plaintiff RON 337,569.25, of which RON 273,341.76 representing amounts paid in excess following the reduction of CAS, RON 64,254.49 representing the related VAT, plus legal interest amounting to RON 31,399.28. Approves the counterclaim as indicated, and consequently: Orders the plaintiff - defendant to pay to the defendant - plaintiff RON 1,257,880.8, representing the value of the invoices issued and paid for the security services provided in	November 3, 2022

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Half-year report of the Board of Directors for the first half-year of 2022

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Item No.	File number	Nature of Dispute/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
							period 01.07.2014 - 28.02.2016, of which RON 1,022,112,46 representing the main debt and RON 235,786.34 representing the related VAT. Offsets court fees. With right to appeal within 15 days of communication. Pronounced today, 18.05.2021. Second appeal	
6.	5802/118/2017	Labor Constanta Tribunal	Defendant	CNE Trade Union for 757 employees.	Monetary rights hazardous conditions bonus.	Merits	Merits Management of forensic accounting.	September 16, 2022
7.	7036/118/2017	Labor Constanta Tribunal	Defendant	SLEN trade union for 132 employees 159 plaintiffs on their own behalf.	Monetary rights hazardous conditions bonus.	Merits	Merits Dismisses the action as groundless. Approves the application formulated by judicial technical expert LĂZĂROAIA REMULUS. Sets the fee for judicial technical expert LĂZĂROAIA REMULUS for drafting the judicial technical expertise report in the accounting specialization at 12,000.00 RON. Orders the plaintiffs to pay to the Constanta Court of Law - Local Office of Judicial Technical Expertise the amount of 1,000 RON, as expert fee difference, in favor of judicial expert Lăzăroaia Remulus. Orders the payment to the Constanta Court of Law - Local Office of Judicial Technical Expertise the amount of 1,000 RON, as expert fee difference, in favor of judicial expert Lăzăroaia Remulus. Enforceable regarding the obligation to pay the expert's fee. Orders the plaintiffs to pay equally to the defendant the amount of RON 59,221.94, as trial expenses. With right of appeal within 10 days of communication. The appeal is to be submitted to the Constanta Court, under the sanction of nullity. Pronounced by making the solution available to the parties through the court registry today, 17.06.2022. Document: Judgment 2205/2022 17.06.2022	
8.	6471/2/2018	Administrative Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff	Court of Accounts	Cancellation of the measure in section 1 of the Decision - Energonuclear loan.	Merits	Merits Admits the action. Partially cancels Decision No.29/July 31, 2018, respectively section 1, and Decision No. 5/June 8, 2018, respectively the measure ordered in section I.4 for the removal of the deviation described in section 4. Compels the defendant to the payment of the legal charges. Subject to appeal within 15 days of communication. Court Decision No. 1229/March 29, 2019. Second appeal	October 12, 2022

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Half-year report of the Board of Directors for the first half-year of 2022

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Item No.	File number	Nature of Dispute/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
9.	6472/2/2018	Administrative Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff	Court of Accounts	Cancellation of the measure in section 4 of the Decision – Uranium.	Merits	Merits Admits the action. Partially cancels Decision No.29/July 31, 2018, i.e., section 4, and Decision No. 5/June 8, 2018, i.e., the measure ordered in section I.8 for the removal of the deviation described in section 10. Compels to the payment of the legal charges. Subject to appeal within 15 days of communication. Court Decision No. 1230/March 29, 2019. Second appeal	October 6, 2022
10.	6487/2/2018	Administrative Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff	Court of Accounts	Cancellation of the measure in section 2 of the Decision - non-increase of the share capital.	Merits	Merits Dismisses the action as unfounded. Subject to appeal within 15 days of communication. Court Decision No. 1940/June 5, 2019. Second appeal Rejects the second appeal formulated by the plaintiff, Nuclearelectrica S.A., against Judgment No. 1940 dated June 5, 2019, pronounced by the Bucharest Court of Appeal - Administrative and Fiscal Section VIII, as ungrounded. Final. Pronounced in public session today, May 4, 2022	completed
11.	35162/299/2018*/a1	Civil – County Court of the District 1 of Bucharest - Civil Division II	Third party in garnishment – SNN Debtor Claimant AAAS Respondent Ionita Stefan.	Ionita Stefan – enforcement file 959/2010 BEJ Draganescu, Ionescu, Crafcenco	Appeal against enforcement RON 2,089,042.69.	Merits retrial	Merits Dismisses the exception of the lack of passive legal standing of the garnishee as unfounded. Dismisses the appeal against the enforcement as unfounded. Subject to appeal within 15 days of communication. Court Decision No. 1611/March 21, 2019. Second appeal Approves the appeal. Approves the exception of the lack of the mandatory passive procedural framework, invoked ex officio. Overrules the judgment and sends the case for retrial to the same law court. Irrevocable. Pronounced in public session today, January 14, 2020. Court Decision No. 7/January 14, 2020. Retrial merits - suspended in virtue of Art. 412 NCPC until the submittal of evidence on the heir status. Retrial recourse suspension: Dismisses the second appeal as unsubstantiated. Irrevocable.	Suspended
12.	36200/3/2019	Civil Bucharest Tribunal	Plaintiff	Ministry of Economy, Energy and Business Environment.	RON 2,217,600 plus interest and inflation index - damage representing the difference between the variable indemnification collected by the BoD members and the	Merits	Merits In virtue of Art. 413 par. 1 section 1 in the Civil Procedure Code, it orders the suspension of the case until the final settlement of file No. 6481/3/2018 pending before Bucharest Court of Appeal Division IX, administrative and tax court. Subject to appeal during the suspension, the appeal petition being lodged with Bucharest Tribunal – Civil Division VI. Pronounced in public session today, May 26, 2020. Decision - Suspension May 26, 2020.	Suspended.

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Item No.	File number	Nature of Dispute/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
					managers for the period 2015-2017.			
13.	6026/109/2019	Labor Arges Tribunal	Defendant	Gheba Florin Ovidiu.	Appeal against Decision No. 344/October 17, 2019 on the termination of the individual employment contract and Decision No. 300/September 12, 2019 - disciplinary investigation commission.	Merits	Merits 244 in the civil procedure court Solution in brief: in virtue of the provisions of Art. 413 par. (1) section 1 of the Civil Procedure Code, it suspends the judgment of the case until the final settlement of the case contemplated by file No. 1012/46/2019 of Pitesti Court of Appeal. Subject to second appeal during the suspension, to be filed with the Arges Tribunal. Pronounced today, September 9, 2020, within the terms of Art. 396 par. 2 of the Civil Procedure Code. Decision - Suspension September 9, 2020.	14.12.2022
14.	5462/2/2019	Administrative Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff	General Regional Directorate of Public Finance Bucharest General Directorate for the Administration of Large Taxpayers.	Cancellation of fiscal documents	Merits	Merits Approves the exception of the lack of passive lawsuit status of the defendant, the Public Finance General Regional Division of Bucharest. Dismisses the request formulated by plaintiff S.N. Nuclearelectrica S.A. against the defendant, the General Regional Directorate of Public Finance Bucharest, as formulated against a person without a passive lawsuit status. Admits the exception of the law prescription to the action. Dismisses the arraignment application formulated by plaintiff S.N. Nuclearelectrica S.A. against defendant ANAF - Appeal Resolution General Division as exceeding the statute of limitations. Admits the exception of non-admissibility. Dismisses the arraignment application formulated by plaintiff S.N. Nuclearelectrica S.A. against the defendant, the Large Taxpayer Management General Division, as inadmissible. With right of appeal within 15 days of communication. Judgment No. 985/June 22, 2021 Second appeal	Hearing to follow.
15.	97/2/2020	Civil Bucharest Tribunal. Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff.	NARE (National Energy Regulatory Authority).	Cancellation of administrative order No. 216/December 11, 2019.	Appeal	Merits Dismisses the petition. Solution in brief: approves of the lateness exception for filing additional petitions, invoked by the defendant. Dismisses the action in voidance for Decisions 2213/December 23, 2019 and No. 2214/December 23, 2019, respectively notice No. 110703/December 23, 2019, as filed delayed. Dismisses the rest of the writ of summons as unfounded. Subject to appeal within 15 days of intimation, the petition being lodged with Bucharest Court of Appeal - Administrative and Tax Court- Division VIII. Pronounced by making the solution available to the parties through the court registry today, July 31, 2020. Court Decision No. 681/July 31, 2020.	

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Item No.	File number	Nature of Dispute/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
							<p>Second appeal</p> <p>Rejects the appeal formulated by plaintiff Societatea Națională Nuclearelectrica S.A. against civil judgment no. 681 of July 31, 2020 and against the authentication of July 10, 2020, of the Bucharest Court of Appeal - section VIII of administrative and fiscal litigations, as ungrounded. Final. Pronounced today, June 30, 2022, by providing the judgment to the parties via the registry of the court. Joined file 97/2/2020/a1 of ICCJ ordered the approval of the request to notify the Constitutional Court, and the application was registered with the Constitutional Court under no. 1658D/2022, on 30.06.2022. The case is in the report stage.</p>	
16.	3083/3/2020	Civil Bucharest Tribunal. Bucharest Court of Appeal High Court of Cassation and Justice	Plaintiff.	Transelectrica National Electricity Transportation Company.	RON 1,472,785	Merits	<p>Merits</p> <p>Approves of the writ of summons. Compels the defendant to the payment of the amount of RON 1,290,533,156, as liquidated damages, to the update of this amount by the inflation rate from September 27, 2018 and until the date of the actual payment, to the payment of the amount of RON 182,251.94 representing the legal penalty interest calculated from September 27, 2018 until January 31, 2020, as well as the continued payment of the legal penalty interest, calculated from February 1, 2020 until the date of the actual payment. It compels the defendant to the payment, in favor of the plaintiff, of the amount of RON 23,441.66 as legal charges representing the judicial stamp duty. Dismisses the petition of the defendant on the payment of the legal charges as unfounded. Subject to appeal within 30 days of communication. The demand for appeal shall be lodged with Bucharest Tribunal - Civil Division VI. Pronounced today, December 22, 2020, by making the solution available to the parties through the court registry. Court Decision No. 2698/December 22, 2020</p> <p>Appeal</p> <p>Approves the appeal. Partially changes the appealed civil judgment, namely: Dismisses the writ of summons, as unfounded. Maintains the order of the first court to reject the request of the defendant on the payment of court fees, as unfounded. Orders the appellee-plaintiff to pay to the appellant-defendant the amount of 20,591.66 by way of court fees in the appeal. Subject to second appeal within 30 days of communication, with the request for second appeal to be filed with the Bucharest Court of Appeal - Civil Section VI. Pronounced by making the solution available to the parties through the court registry</p>	October 12, 2022

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Item No.	File number	Nature of Dispute/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
							today, November 25, 2021. Document: Judgment 1927/2021 November 25, 2021. Second appeal filed, hearing on 12.10.2022	
17.	1506/118/2020	Civil/ Constanta Tribunal	Plaintiff.	U.A.T. Seimeni Commune, Romanian State by the Ministry of Public Finance, Ministry of Economy, Energy and Business Environment, Government of Romania.	Action for ascertaining the right of use, easement, free use of publicly-owned land.	Merits	Merits Dismisses the exception of inadmissibility of invoking the exception of illegality of HCL 7/2009 Seimeni UAT [<i>Administrative and Territorial Unit</i>]. Admits the exception of illegality of HCL 7/2009 Seimeni UAT. Orders the deregistration from the Seimeni Real Estate Register 101215 of the private property right of Seimeni UAT. Admits the exception of inadmissibility of the requests filed against the Romanian State through the Ministry of Public Finance. Dismisses the claims made against the Romanian State through the Ministry of Public Finance as inadmissible. Dismisses the rest of the claims made against Seimeni UAT as unfounded. Orders the obligation of the defendant Seimeni UAT to pay to the appellant the amount of RON 3,000, by way of court fees. With right of appeal, to be submitted with the Constanța Tribunal, within 30 days of the communication. Pronounced by making the solution available to the parties through the court registry today, April 1, 2022. Judgment 1136/April 1, 2022 Appeal: judgment pending drafting.	Pending the drafting of the judgment
18.	1663/118/2020 *	Civil Constanța Court of Law	Plaintiff	Romanian State by the Ministry of Public Finance. "Apele Romane" National Administration. Dobrogea Litoral Water Basin Administration.	Declaratory action for the right of management of the land related to the river basin Cismelei Valley, use, easement, free use of public property land 31,050 sq.m. and 73,428 sq.m.	Merits	Merits Dismisses the exception of the lack of passive lawsuit status of the Ministry of Environment, Waters and Forests, invoked by the statement of defense, as ungrounded. Approves the exception of the inadmissibility of the arraignment application formulated by plaintiff S.N. Nuclearelectrica S.A. against defendants the Romanian State, by the Ministry of Finance, the Romanian Waters National Administration, the Dobrogea Litoral Basin Administration and the Ministry of Environment, Waters and Forests, an exception which was invoked ex officio. Dismisses the writ of summons formulated by plaintiff S.N. Nuclearelectrica S.A. against defendants the Romanian State, by the Ministry of Finance, the Romanian Waters National Administration, the Dobrogea Litoral Basin Administration and the Ministry of Environment, Waters and Forests, as inadmissible. With appeal within 30 days of communication. Judgment no. 891/June 17, 2021. Appeal Approves the appeal. Cancels, in part, both the Conclusion dated March 17, 2021, regarding the rejection of the evidence with the topographical expertise, as well as Civil Decision No. 891/June 17,	The hearing is next

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Item No.	File number	Nature of Dispute/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
							2021, regarding the decision pronounced on the exception of inadmissibility and relevance given thereto on the writ of summons. Maintains the other dispositions of the conclusion and the decision appealed. With appeal within 30 days of the communication; the request for second appeal to be submitted with the Constanta Tribunal, under the penalty of nullity. Pronounced by making the solution available to the parties through the court registry today, March 11, 2022. Minutes, mistakenly, the phrase "Sends the case for retrial to the first court" was not mentioned. Judgment 391.11.03.2022 The judgment is pending drafting. Merits, retrial, hearing to be set.	
19.	2659/2/2020	Administrative Court High Court of Cassation and Justice	Plaintiff	NARE	Cancellation of Order No. 12/2016.	Merits	Merits Dismisses as unfounded the petition for the recovery of the material right to action within the limitation term. Approves the exception of the lateness in filing the petition. Dismisses the petition as filed late. Partially approves the petition of notification the Constitutional Court and orders the notification of the Constitutional Court with the settlement of the lack of constitutionality exception of the provisions of Art. 5 par. 7 of OUG No. 33/2017 amending and supplementing the Electricity Law No. 13/2007 and Gas Law No. 351/2004, approved by Law No. 160 of October 2, 2012. Dismisses the rest of the petition of notification of the Constitutional Court as inadmissible. Subject to appeal within 48 hours of ruling, on the rejection as inadmissible of the petition of notification of the Constitutional Court. Subject to appeal within 15 days of communication. Pronounced today, February 9, 2021, by making the solution available to the parties through the court registry. Court Decision No. 139/February 9, 2021. Second appeal on 15.11.2022	November 15, 2022
20.	16597/3/2020	Civil/ Bucharest Tribunal	Plaintiff - Defendant	General Concrete Cernavoda S.R.L.	Cancellation of an administrative act RON 2,760,296,490	Merits	Merits Administration of evidence for the technical expertise in constructions.	12.09.2022
21.	1506/118/2020	Constanta Tribunal	Plaintiff	U.A.T Seimeni Constanta County	- inexistence of the private ownership of UAT Seimeni on land outside the city limits, area of 300,000 sq m, related to the investment "canal for	Merits	Merits Admits the exception of illegality of HCL 7/2009 Seimeni UAT. Orders the deregistration from the Seimeni Real Estate Register 101215 of the private property right of Seimeni UAT. Admits the exception of inadmissibility of the requests filed against the Romanian State through the Ministry of Public Finance. Dismisses	

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Item No.	File number	Nature of Dispute/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
					discharging warm water from SNN to the Danube" - deregistration from the land book of the ownership right of UAT Seimeni - right of SNN to use the state-owned land free of charge		the claims made against the Romanian State through the Ministry of Public Finance as inadmissible. Dismisses the rest of the claims made against Seimeni UAT as unfounded. Orders the obligation of the defendant Seimeni UAT to pay to the appellant the amount of RON 3,000, by way of court fees. With right of appeal, to be submitted with the Constanța Tribunal, within 30 days of the communication. Judgment 1136/2022 01.04.2022	
22.	3570/2/2020	Administrative Court/ High Court of Cassation and Justice	Plaintiff	NARE	Cancellation of documents issued by the regulatory authorities. Order No. 88/2020.	Merits	Merits Dismisses the indicated action, as unfounded. Subject to appeal within 15 days of communication. Judgment No. 247/March 4, 2021. Second appeal	January 19, 2023
23.	544/109/2015	Civil/ Arges Tribunal Pitesti Court of Appeal	Appellant CNU	Goga Gheorghe	Invention patents.	Merits Appeal	Merits Partially admits the action. Orders the defendant to pay RON 4,015,582 representing patrimonial rights derived from the operation of the technical methods that are subject to the investments related to period 2014-2018. With appeal. Judgment No. 343/September 26, 2018. Appeal According to the provisions of art. 75 par. 1 of Law no. 85 of June 25, 2014 on insolvency prevention procedures and on insolvency, suspends the trial of the case. With right of second appeal during the suspension, to be filed with the Court of Appeal of Pitesti. Issued in a public session today, 04.05.2022. Document: Authentication - Suspension 04.05.2022	Suspended
24.	4419/2/2021	Administrative Court Bucharest Court of Appeal	Plaintiff	Government of Romania	Suspension of the implementation and cancellation of G.R. No. 1041/2003.	Merits	Merits: Rejects the enforcement suspension application as ungrounded With right to second appeal 15 days after notification, submitted to this court Pronounced today 13.04.2022 by making the solution available to the parties through the court registry. Document: Minutes of the Proceedings 13.04.2022 Second appeal filed. The hearing is to be set. Dismisses the petition as unsubstantiated. With right to second appeal 15 days after notification, submitted to this court Pronounced today 11.05.2022 by making the solution available to the parties through the court registry. Document: Judgment 887/2022 11.05.2022 The judgment is pending drafting.	

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25.	25751/3/2021	Labor Tribunal Bucharest	respondent	Botea Ceciliu Lucian	appeal against dismissal decision	Merits	Merits: Dismisses the petition as unsubstantiated With appeal within 10 days after notification, to be filed with the Bucharest Court of Law - Section VIII Occupational and social insurance conflicts. Pronounced today by making the solution available to the parties by the registry of the Court today 31.05.2022. Document: Judgment 3753/2022 31.05.2022 The judgment is pending drafting.	
Cernavoda NPP Branch								
1.	7023/118/2019	Labor/ Constanta Tribunal	Defendant.	17 MID employees.	Granting a 30 % bonus.	Merits	Merits Dismisses the writ of summons, as ungrounded. With right of appeal within 30 days of communication. Pronounced by making the solution available to the parties through the court registry today, December 16, 2020. Document: Judgment 4634/2021 December 16, 2021	not drafted
2.	2221/118/2019 *	Constanța Civil Tribunal /Constanta Court of Appeal	Appellant Defendant	Sorex S.A.	Notice of claim/return of cranes or the equivalent value thereof - EUR 114,000.	Appeal	Merits Dismisses the exception of the lack of passive lawsuit capacity of NUCLEARELECTRICA SA, Cernavodă NPP branch, as ungrounded. Partially approves the action formulated by plaintiff SOREX SA, undergoing the bankruptcy procedure, by judicial liquidator CII Ursache Aurel against the defendant NUCLEARELECTRICA SA, Cernavodă NPP Branch. Orders the defendant to return to the plaintiff, in kind, the following assets: tower crane type MTA 125 with inventory number 651417 and manufacture series 679/1984 located inside reactor No. 3; tower crane type MTA 125 with inventory number 651424 and manufacture series 690/1985 located inside reactor No. 4; tower crane type MTA 125 with inventory number 651372 and manufacture series 689/1985 located inside reactor No. 5. If the assets are no longer in the current actual state, as ascertained by the judicial technical expertise report drafted by expert Popa Teodor, orders the defendant to pay to the plaintiff the amount of EUR 10,000 for each of the three assets. Dismisses the rest of the case, as ungrounded. Orders the defendant to pay to the plaintiff the amount of RON 1,500 representing court fees (part of the fee paid to the expert). With right of appeal within 30 days of communication. Judgment 1034/2021 September 30, 2021	completed

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S.N. Nuclearelectrica S.A.

Half-year report of the Board of Directors for the first half-year of 2022

(All amounts are expressed in RON, unless otherwise specified.)

Item No.	File number	Nature of Dispute/ Court	SNN capacity	Opposing party	Value	Stage	Description	Lawsuit stage Term
							Appeal Approves the appeal. Takes note of the transaction concluded between the parties, and its content constitutes the judgment. With a right of appeal in 30 days since the communication. The second appeal shall be lodged with the Constanta Court of Appeal. Document: Judgment 286/2022 06.07.2022	

Annex 5 – Achievement degree of key performance indicators as of 30.06.2022 – Board of Directors

Nr. Crt.	Objective/Performance indicators				Verification tool	Target Quarter II 2022	Realised Quarter II 2022	Accomplishment degree capped to 100%	Limity capped (%)
	Indicator	Weighting in the variable component of the short - term indicators	Weighting in the variable component of the medium - term indicators	Weighting in the variable component of the long - term indicators					
0	1	2	3	4	5	6	7	8	9
Governance indicators									
1	Monitoring the performance of the executive management	12.00%	-	-	Quarterly report of SNN directors	Accomplished	Accomplished	100%	12%
2	Monitoring of risk management	10.00%	-	-	Quarterly risk management report	Accomplished	Accomplished	100%	10%
3	Monitoring transparency in communication	8.00%	-	-	Regular publication of corporate governance information	Accomplished	Accomplished	100%	8%
4	Implementation of the company's strategy	-	5.00%	5.00%	Progress report	Accomplished	Accomplished	100%	10%
Operational indicators									
1	No operating events that exceeded Level 1 on the International Nuclear Event Scale	2.00%	-	-	INE Scale according to IEAE.org website	Accomplished	Accomplished	100%	2%
2	Degree of achievement of investment budget	10.00%	2.00%	2.00%	Annex no. 4 BVC	20.00%	51.78%	100%	14%
3	Obtaining an utilization coefficient of installed power capacity of minimum	7.00%	1.00%	1.00%	Realised production (MWh)/Maximum theoretical production (MWh)	80%	85.14%	100%	9%
4	EHS - Annual collective dose	2.00%	-	-	Total dose, average per unit, man Sv (ALARA quarterly report)	Annual indicator level (0,40 om/Sv)	0.30	100%	2%
5	EHS - Effluents in the environment	2.00%	-	-	MSv/CNE (ALARA quarterly report)	250	3.78	100%	2%
6	EHS - Maximum allowable dose	-	0.50%	0.50%	Msv/man (ALARA annual report)	20	7.96	100%	1%
Financial indicators									
1	Gross profit	7.00%	1.00%	1.00%	Form "Profit and Loss Account"	40,000,000 lei	1,455,573,487 lei	100%	9%
2	Average price/MWh on the competitive market	8.00%	1.00%	1.00%	Price published by OPCOM	90% * ROPEX_FM 31.12.2021 (90% * 477.62 lei/MWh = 429.86 lei/MWh)	615.40	100%	10%
3	Fitting in the total budgeted operating expenses	9.00%	1.00%	1.00%	Annex no. 1 BVC	Accomplished	Unaccomplished	0%	0%
The weighted average degree of accomplishment of the key indicators									89%

Note 1: Values "Target Quarter II 2022": according to Annex no. 3.2. to Mandate Contracts no. 56, 57, 59/28.09.2018 (including related additions), no. 70/27.07.2020, no. 73, 74/09.03.2022 and no. 75,76/28.04.2022

Note 2: - N = Current year.
- M = Micro.

Note 3: The short - term variable component granted based on quarterly indicators shall be adjusted depending on the cumulative achievements at the end of each financial year.
For calendar quarters not fully covered by the contract of mandate, the variable component shall be granted proportionally, in relation to the period covered by the contract of mandate.

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