



NUCLEARELECTRICA

Current report according to: ASF Regulation no. 5/2018 on issuers of financial instruments and market operations

Reporting date: 09.11.2022

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

Registered office: Strada Polona nr. 65, Sector 1, Bucuresti

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

Sole Registration Code with the Trade Register Office:10874881

Order number: J40/7403/1998

Subscribed and paid share capital: 3.016.438.940 lei

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

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

Important event to be reported: US Exim Bank President, Ms. Reta Jo Lewis, announced the issuance of two Letters of Interest for the financing of US sourced pre-project technical services for Nuclearelectrica's Units 3 & 4

As world leaders and government officials convene in Sharm El-Sheikh to address climate change, U.S. Special Presidential Envoy for Climate John Kerry, Romania's President Klaus Iohannis & Romanian Minister of Energy Virgil Popescu observed the announcement at the U.S. Pavilion

At United Nations Conference on Climate Change (COP27), US Exim Bank announced the issuance of two Letters of Interest for the financing of US sourced pre-project technical services in connection to the Cernavoda Units 3 & 4 Project developed by Societatea Nationala Nuclearelectrica S.A.'s subsidiary in Romania.

Based on the preliminary information submitted, EXIM would be able to consider financing up to \$50,000,000.00 of the U.S. export contract for pre-project engineering services as part of engineering multiplier program (EMP) and up to \$3 billion of the U.S. export contract for engineering and project management services for Units 3 and 4 Cernavoda NPP Completion Contract.

Romania has a long and trustworthy partnership with U.S. in the nuclear field, concluded in October 2020, with the Romania – U.S. Intergovernmental Agreement (IGA) in the field of nuclear energy, which was also ratified by the Romanian Parliament, according to Law no. 200/2021. The US Exim Letters of Intent follow the Memorandum of Understanding (MOU)

Societatea Nationala NUCLEARELECTRICA S.A.

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Paid and subscribed capital: 3.016.438.940 lei.

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signed in October 2020, in which US Exim Bank expressed an interest to finance major energy investment projects in Romania, including nuclear ones, adding up to a total value of \$7 billion.

US Exim Bank Letters of Interest reaffirm the U.S. – Romania’s long-term partnership in the field of nuclear sector, supporting the development of Units 3 & 4 on due time to reach Romania’s climate and energy security goals.

As Nuclearelectrica is committed to complete at the highest standards of safety and excellence Units 3 and 4 and prove once more Romania’s capability and leadership in nuclear field, the quality of U.S. products and services will bring an added value and support us in reaching its goals.

Nuclearelectrica salutes and appreciates the efforts of U.S. Exim Bank team, the support given by the United States, at the highest level of Mr. President, Joe Biden, U.S. Special Presidential Envoy for Climate John Kerry, U.S. Government, U.S. Department of State, U.S. Department of Energy, as well as the support given by Romanian Presidency, Romanian Government and Parliament for the development of Romanian nuclear program.

Development Stages of Units 3 & 4 Project

Approved in April 2021 by the Ordinary General Meeting of Nuclearelectrica’s Shareholders, the Strategy for continuing the CANDU Units 3 and 4 Project of Cernavoda Nuclear Power Plant is being implemented in three stages, in accordance with the international experience in the construction of nuclear power plants.

Stage 1, the current one, started at the end of 2021, represents the preparatory stage, which initiated by capitalizing and operationalizing the project company, Energonuclear S.A. This stage will last up to 24 months, during which a set of engineering and safety documentation necessary for the Project re-start will be prepared/up-dated (update of Licensing Basis Documents, Safety Design Guides, Safety Related Design Changes, re-evaluation of the existing civil structures etc), required to substantiate a preliminary investment decision.

On November 25, 2021, Energonuclear S.A., the project company, signed the first contract with Candu Energy, a member of the SNC-Lavalin Group and the Design Authority and OEM Candu (the Original Manufacturer of the Candu Technology) for the Project. 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.

Stage 2 of the project (Preliminary Works) consists of performing preliminary works and estimated to last up to 30 months. This stage will consist in preparation of critical engineering ("Limited Notice to Proceed - LNTP") for the definition of the project, structuring and contracting financing and agreeing upon an adequate contractual architecture for the implementation of the Project, obtaining the Nuclear Safety License for Construction, re-assess the feasibility of the Project based upon updated technical and economic indicators and adopting the Final Investment Decision (FID), for the transition to Stage III (Construction).

Stage 3 of the Project consists of site mobilization, start of the construction works, commissioning and start of the commercial operation of the Unit 3 in 2030 and Unit 4 in 2031.

Based on the ROMATOM study on the capability of the Romanian Nuclear Industry to participate in the development of the Romanian nuclear program, it is estimated that the potential participation of the Romanian Nuclear Industry, with reference to the goods and services identified in this study, can be evaluated at about 1-1,6 billion Euro, which would represent between 25% to 40% of the total value of the Engineering, Procurement, Construction and Management Contract, thus representing a significant contribution with a major impact on the national economy and its re-industrialisation. The study also estimates that local industry can provide a maximum of 19,000 jobs committed to the development of the Romanian nuclear program (11,000 existing jobs plus 8,000 jobs that can be created if orders are received).

About Nuclearelectrica

The National Company “Nuclearelectrica” SA is the national Romanian company which produces electricity, heat and nuclear fuel operating under the authority of the Romanian Ministry of Energy, with the Romanian state holding 82.49% of shares and other shareholders holding 17.50%, after the listing of the company at the stock exchange in 2013.

The NPP (CNE) Cernavoda branch operates two CANDU nuclear units, which are two of the most high-performance units among the more than 400 nuclear plants in the world, a nuclear fuel factory and is in the process of carrying out an integrated fuel cycle through the procurement of a uranium concentrate processing line, in order to support the long-term investment projects of the company.

Nuclearelectrica has a major role at national level, contributing by more than 18% of the nuclear energy in the total energy production and by 33% in the total CO2-free energy production in Romania.

www.nuclearelectrica.ro

Background information regarding Romania’s & US Partnership in nuclear energy field

- On 9 October 2020, Romania signed with the United States an Intergovernmental Agreement (IGA) in the field of nuclear energy, which was also ratified by the Romanian Parliament, according to Law no. 200/2021, being adopted with a large majority of votes.
- Moreover, in October 2020, US Exim Bank expressed, through a Memorandum of Understanding (MOU) with the Romanian Ministry of Energy, its interest to finance major energy investment projects in Romania, including nuclear ones, adding up to a total value of \$7 billion.

Cosmin Ghita
Chief Executive Officer