

[00:00 - 00:17] Thank you. Hello, everybody. Thank you for joining. Today, I'm going to present the financial individuals, financial statements as of 31st

[00:17 - 00:40] of December, 2022. As you probably know, these are the financials which were approved yesterday by our shareholders. They are not materially different from the ones from the interim of financial statements

[00:40 - 00:56] that we've presented some time ago. So basically, it shows the financial performance of the company in a strong performance of the company in 2022.

[00:56 - 01:18] Without any more comments, I'm going to enter into the presentations of the main financial results. So, as you see on the screen, the source of the energy, electricity was in line with our

[01:18 - 01:36] budget with a small variation. We're talking about 10.5 megawatts per hour, million. In terms of source of energy, our revenue of 6.3 billion, which was almost identical

[01:36 - 01:58] with our budget. In expenses, you see 2.9 billion EBITDA in line with the...

[01:58 - 02:24] Basically above our budgetary estimate. Because of this, our net profit is 22.9 higher than our Rectify budget. On the next slide, you'll see a breakdown of why we ended up with this 166.8 increase

[02:24 - 02:46] in our net results compared with the previous year. You see that the main driver for this exceptional performance was the increase in the source of electricity. On the plus side, of course, on the minus side, you are aware that we had to pay a huge

[02:46 - 03:03] windfall tax, which decreased significantly our profitability by increasing our expenses, of course. Other than that, we do not have significant changes.

[03:03 - 03:22] I think we can move to the next slide. In terms of the balance sheet, you see that the non-current assets have increased, but

[03:22 - 03:46] not materially, or have decreased with 1% compared to last year. In terms of total assets, of course, there is a significant increase, which is mainly driven by the increase in cash and cash equivalents in terms of monetary impact.

[03:46 - 04:09] In terms of long-term debts, you see that our long-term debts are decreasing. We are slowly closing our external debts. Only one or several small loans from Euroatom need to be repaid in 2024.

[04:09 - 04:26] Current liability, we have a higher current liability because it includes the solidarity contribution, the windfall tax before December, which is currently paid in January.

[04:26 - 04:51] The equity was increased as a result of the profit from the previous period. Now in terms of a detailed presentation of the income statement, as mentioned in the previous slide, we have a very good year in terms of revenue with 6.3 billion lei.

[04:51 - 05:10] Operating expenses of 2.9, the largest expense being the contribution to the Energy Transition Fund of 1 billion, with a significant, almost double EBITDA compared to 2021.

[05:10 - 05:34] Net profit 2.6 billion, which is an increase by 167% compared to our year, and it's an increase by 395 million compared to our, sorry, it's a little bit misleading.

[05:34 - 05:57] It's an increase with almost 500 million lei compared to our budget. Here we have an even further presentation of our financial highlights.

[05:57 - 06:18] It's a comparison between the final versus preliminary income statement. The difference is it's pretty small, only 35 million lei. As you can see in the right-hand side of our presentation, the difference comes from the

[06:18 - 06:35] transposition in our financial statement of an impact of a decision by court in relation with litigation with one of our unions.

[06:35 - 06:59] We've been successful, so therefore we need to reverse provision of 35 million lei. The other elements, small impact, which does not affect the overall picture.

[06:59 - 07:24] In terms of the elements which drove this financial performance, as you can see, there is on the screen you see a presentation of why we've managed to sell in 2022 more than

[07:24 - 07:42] 2021 and increase by 104.7%. Basically the drive was the increase in the weighted average selling price, a small decrease in quantity of electricity sold as compared to 2021.

[07:42 - 08:02] In the competitive market we have an increase of almost 110% in terms of price. On the spot market almost 147% and the balancing market significant increases but less than 100%.

[08:03 - 08:25] You see here in this presentation a breakdown of our structure on the regulated market, the price, you see the curves and you see that the quantities actually sold were almost

[08:25 - 08:43] identical with the one that we budgeted and that the spot market represents about 10.5% of the total sales value while the competitive market sales represents almost 90% of the

[08:43 - 09:11] total volume of electricity. The average price for the competitive market was in the region of 530 lei and the average price for the spot market was in the region of 1,205 lei. In terms of the OPEX, on the screen you see a very detailed analysis of what happened.

[09:11 - 09:30] As mentioned before, the largest impact was this windfall tax contribution to the Energy Transition Fund. The name of this contribution varied last year because of the various changes in the methodology and the way to compute it.

[09:30 - 09:50] We have an increase in the depreciation and amortization because we've performed a revaluation of our assets. Our personal expenses increased because we hired more employees and we've paid higher

[09:50 - 10:06] salaries to the existing salaries. Cost of uranium fuel is roughly the same. Another contribution is roughly the same in terms of non-notable variation.

[10:06 - 10:26] Technological and non-technological water and energy basically we followed the higher utility prices. Cost of traded electricity, of course we had to buy energy on the market and therefore

[10:26 - 10:49] we encountered a significant increase of the cost of traded electricity. Electricity transmission expenses, the tariff has become more expensive so therefore we had a significant increase as compared to 2021.

[10:49 - 11:06] Cost with spare parts repairs and maintenance we also have an increase but it's not dramatic. So in terms of CAPEX, the next slide, we've managed to invest 561 million lei which out

[11:06 - 11:22] of a total investment program of 699 million lei which is we are happy with this level of investment. The targeted level of 60% of course has been exceeded.

[11:22 - 11:37] In terms of the split of these investments you see here, a split between ongoing investment, investments made on tangible assets and equipments. The largest bit was on ongoing investment as you can see on the screen.

[11:37 - 11:53] The next slide in terms of the status of our large CAPEX program, you see that we are unit one refurbishment. We are still in the second phase of the project.

[11:53 - 12:17] We are working with our selected contractors mainly Candu Energy part of SNC Lavalin to advance the project and we've basically signed several pre-project engineering contracts. With respect to the unit three and unit four project developed by our subsidiary Energo

[12:17 - 12:35] Nuclear, the main development here was the fact that we have successfully worked with our government to promote a law for the signing of a support agreement between the Romanian

[12:35 - 12:57] state and Nuclear Electrica for the development of this project. This law entails the support of the government financially with sovereign guarantees, implementation of contract for different mechanism, a stable dividend structure going forward and a lot

[12:57 - 13:18] of other administrative measures which are extremely valuable for the future. On the third large project, the development of our first small modular reactor in Doicesti, we are progressing with the first phases of the design.

[13:18 - 13:37] We call it the FEED with double E with our selected partner, the US company NuScale Power LLC. And we signed several memorandums of understanding with potential clients.

[13:37 - 13:54] So we are progressing very well with this project. In terms of other KPIs, you know that we are following carefully our level of radioactive emissions. You see the variation during the year, nothing to worry about. We are within our standards.

[13:54 - 14:15] The same with nuclear fuel burn factor. It's important and we are very well within the limits. The capacity factor still is one of the best in the world. At an accumulated 2022, unit 1 plus 1 into 90.1% which we are very proud.

[14:15 - 14:34] We are continuing our excellence in delivering the energy. In terms of next step, in about 12 days, we will hear each other again to present the

[14:34 - 14:49] first quarter report on 2023. It will be a good quarter. And then on 14th of August, we have the publication of our year report and later on in November,

[14:49 - 15:32] the quarterly report, the third quarterly report for 2023. So I think the presentation as it is. I finished the presentation. Please, if there are any questions. If there are any questions in the chat, please, send them to me directly.

[15:32 - 16:02] I don't think there are any questions, right? Well, if you have any questions, you can always send them by. Yes.

[16:02 - 16:27] You can always send your questions by email to us. We are going to answer each and every one of them. Meanwhile, if there are no questions, thank you for taking part in this conference call. Thank you to my colleague, Dan. As usual, I'm going to send you by email to those of you who have confirmed both the presentation and the audio file.

[16:27 - 16:43] For everybody else, you can always find them on our website, investor relations page. So thank you very much. Have a great afternoon. Goodbye. Thank you. Bye bye. Bye. Thank you. Bye. Thank you. Thank you to everybody.

[16:43 - 16:45] Thank you. Bye bye.