



**Current Report according to the provisions of Law no. 24/2017 and ASF Regulation no. 5/2018 on issuers of financial instruments and market operations**

**Report date: May 12, 2023**

**Name of issuing entity: NUCLEARELECTRICA S.A. National Company**

**Registered office: 48 Iancu de Hunedoara Av., District 1, Bucharest**

**Telephone/Fax: 021.203.82.00 / 021.316.94.00**

**Sole Registration Code with the Trade Register Office: 10874881**

**Registration number with the Trade Register: J40/7403/1998**

**Subscribed and paid-up share capital: RON 3,016,438,940**

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

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

**Significant event to report: Availability of the Quarterly Report for the 1st Quarter of financial year 2023**

Societatea Nationala Nuclearelectrica S.A. (“SNN”) informs the shareholders and investors on the availability of the Quarterly Report for the 1st Quarter of financial year 2023, prepared in accordance with the provisions of art. 69 of Law no. 24/2017 regarding the financial instruments issuers and capital market transactions and with Appendix 13 to the ASF Regulation no. 5/2018, starting with **May 12, 2023, 08:00 HRS**, as follows:

- In written format, by request, at the Bucharest Headquarters, 48 Iancu de Hunedoara Av., District 1, External Communication, Sustainability and Investor Relations Department;
- Electronically on the company’s website, in the “Investor Relations – 2023 Financial Results” section ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)).

The Quarterly Report for the 1st Quarter of financial year 2023 comprises:

- The main events in the company’s activity throughout the reporting period;
- Individual Financial Statements as of and for the three-month period ended on March 31, 2023;
- The Quarterly Report of the Board of Directors on the administration activity for the period January 1 – March 31, 2023.

**Societatea Nationala NUCLEARELECTRICA S.A.**

Iancu de Hunedoara Boulevard 48, Bucharest 011745, Romania; Tel +4021 203 82 00, Fax +4021 316 94 00;

Trade Registry number: J40/7403/1998, Sole registration code: 10874881,

Paid and subscribed capital: 3.016.438.940 lei.

[office@nuclearelectrica.ro](mailto:office@nuclearelectrica.ro), [www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)

## Main results

### 1. Financial result for the period

In the 3-month period ended on 31 March 2023, SNN obtained a net profit of RON 766.518 thousand.

Ratio [Thousand RON]	The 3-month period ended on 31 March 2023 (unaudited)	The 3-month period ended on 31 March 2022 (unaudited)	Variation
<b>Production (GWh)*</b>	2,770	2,789	(0.7%)
Operating revenues, of which:	2,119,693	1,867,368	13.5%
<i>Revenues from the sale of electricity**</i>	2,093,433	1,844,368	13.5%
Operating expenses, less depreciation and impairment	(322,717)	(301,160)	7.2%
Cost of contribution to the Energy Transition Fund/tax on additional income	(840,842)	(459,177)	83.1%
<b>EBITDA</b>	<b>956,134</b>	<b>1,107,031</b>	<b>(13.6%)</b>
Depreciation and impairment	(156,160)	(150,904)	3.5%
<b>EBIT</b>	<b>799,974</b>	<b>956,127</b>	<b>(16.3%)</b>
Financial income	113,381	25,108	351.6%
Financial expenses	(5,650)	(6,412)	(11.9%)
<b>Net financial result</b>	<b>107,731</b>	<b>18,697</b>	<b>476.2%</b>
Net corporate income tax expenses	(141,187)	(155,922)	(9.5%)
<b>Net profit</b>	<b>766,518</b>	<b>818,901</b>	<b>(6.4%)</b>

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

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

### 2. Electricity sales (quantities, price and values) in the first quarter of 2023

The gross electricity production of the two operational units of Cernavodă NPP was 2,998,845 MWh in Q1 2023; of this gross production, the own technological consumption of the Units, during operation, was 229 thousand MWh in Q1 2023.

Thus, the electricity generated and delivered in the National Energy System ("SEN") was 2,769,639 MWh in Q1 2023, compared to the same period of 2022 (2,789,331 MWh), representing a decrease by 0.7%.

The net electricity production programme approved for 2023 (September 2022 revision) under Cernavoda NPP 22-500/27.09.2022, envisaged a quantity of 10,114,692 MWh, and for Q1 2023 the quantity envisaged was 2,703,013 MWh, and was attained 102.5%.

The installed power utilization factor, recorded by each operational unit within Cernavodă NPP in Q1 2023, as well as in aggregate from the start of commercial operation (Unit 1 on 2 December 1996, Unit 2 on 1 November 2007) until 31 March 2023, was as follows:

Cernavodă NPP unit	January 2023	February 2023	March 2023	Aggregate 2023	Aggregate since the first date of commercial operation
Unit 1	98.21%	97.76%	98.42%	98.14%	90.48%
Unit 2	99.66%	99.62%	99.77%	99.68%	94.32%

During 1 January - 31 March 2023, there were no scheduled or unscheduled shutdowns.

### Electricity sales (quantities, prices and values) in the Q1 2023

Sales by type	Quantities in MWh	% of total sales	Average price [RON/MWh including Tg]	Sale revenues [lei]
Sales via MACEE	1,234,350	44.41%	450.00	555,457,500
Sales on the competitive market (bilateral agreements and sales on DAM), of which:	1,538,222	55.35%	1,000.89	1,539,593,383
- Sales under CMBC-EA Flex, CMBC- CN, CM-OTC contracts, directly negotiated contract and supply contracts	1,213,129	43.65%	1,104.04	1,339,337,979
- Sales on DAM	325,093	11.70%	615.99	200,255,404
Positive imbalances on PE*	6,588	0.24%	369.72	2,435,718
<b>Total sales in Q1 2023</b>	<b>2,779,160</b>	<b>100%</b>	<b>754.72</b>	<b>2,097,486,601</b>

\* Note: the values also include RON 293,653 of additional system balancing income, according to ANRE Order 213/2020

The amount of electricity sold under contracts on the spot market (DAM and IDM) as well as on the PE market is 2,779,160 MWh, 1.1% above the sales schedule, of 2,748,405 MWh (measured according to the production forecast, without estimating unscheduled shutdowns) and 0.6% lower than the amount of electricity sold in Q1 2022.

The difference between the electricity sold by the Company and the electricity generated and delivered by Cernavodă NPP (9.5 thousand MWh) is represented by the electricity purchased in order to fully cover contractual obligations, 5% of which was purchased on the spot market and 95% on the PE market.

The revenues gained on the electricity market related to electricity deliveries in Q1 2023 amount to RON 2,097,486,601, 2.8% higher than the revenues budgeted for Q1 2023, and 13.7% higher compared to the amounts gained in Q1 2022.

**The weighted average sales price** for the electricity sold (without MACEE and PE) achieved in Q1 2023 is 1,000.89 RON/MWh (including Tg). For comparison, the weighted average price of all transactions concluded on the markets in which SNN was active in Q1 2023 (CMBC-EA, CMBC-EA-flex, CMBC-CN, CM-OTC, DAM and IDM), calculated based on the values published by OPCOM in

the monthly market reports, is 797.21 RON/MWh. In Q1 2022, the weighted average sales price for the energy sold (without PE) was 659.38 RON/MWh (including T<sub>g</sub>).

SNN is the seller under the **Centralized Electricity Acquisition Mechanism (“MACEE”)**, set up under the Government Emergency Ordinance no. 153/2022, for the period 1 January 2023 – 31 March 2025. OPCOM S.A., as sole purchaser, according to Article 2 and Article 3(2) of the Government Emergency Ordinance no. 153/2022, buys electricity from producers and sells it to buyers at the price of 450 RON/MWh, via the Electricity Centralized Acquisition Mechanism. In Q1 2023, the Company sold via MACEE, to OPCOM, 1,234,350 MWh.

**The quantities of electricity sold on the competitive market of bilateral contracts** represented a percentage share of 43.65% of the total volume of electricity sold in Q1 2023, compared to a percentage share of 80.72% reported in Q1 2022. The average sales price on bilateral contracts during this period was 1,104.04 RON/MWh (T<sub>g</sub> included), registering an increase of 96.1% compared to the average price recorded in the Q1 2022, of 563.09 RON/MWh (T<sub>g</sub> included); provided that the value of the transmission tariff for the introduction of electricity into the network T<sub>g</sub> amounted to 1.30 RON/MWh starting from January 2020 (according to ANRE Order no. 218/11.12.2019), 1.49 RON/MWh starting with 1 January 2022 (according to ANRE Order no. 124/25.11.2021) and 2.53 RON/MWh starting with April 1, 2022 (according to ANRE Order no. 33/23.03.2022).

In Q1 2023, electricity accounting for 11.7% of the total sales value was sold on **the spot market (DAM and IDM)**, as compared to 19.04% in Q1 2022. The average sale price of energy on the spot market (DAM and IDM) achieved by SNN in Q1 2023 was 615.99 RON/MWh (T<sub>g</sub> included), as compared to 1,067.66 RON/MWh (T<sub>g</sub> included) in Q1 2022.

### **3. Investments degree of completion at the end of the first quarter 2023**

The total amount of SNN's 2023 investment programme is RON 1,345,406 thousand (without the component allocated to payment of debt service for long-term loans), which is significantly higher than the amount of the 2022 investment programme (RON 702,795 according to the 2022 IEB approved by the OGMS Resolution no. 3/23.02.2022, and RON 609,220 according to the 2022 rectified IEB approved by the OGMS Resolution no. 10/19.10.2022). The 2023 investment programme was approved by the Resolution no. 1/15.02.2023 of the Ordinary General Meeting of SNN Shareholders, as part of the 2023 Income and Expenditure Budget (“IEB”) of SNN.

The 2023 investment programme of SNN includes the necessary investments within the Cernavodă NPP Branch, the NFP Pitești Branch and the Central Headquarters estimated to be completed by the end of 2023, as well as investment objectives to be completed in the following years.

When sizing the investment development program, S.N. Nuclearelectrica S.A. took into account the need of the branches (Cernavodă NPP and NFP Pitești) regarding production continuity, respectively reaching the highest possible level of production capacity utilization (EAF – Energy Availability Factor) in compliance with the nuclear safety regulations and with the long-term maintenance of the level of excellence in the operation of the plant, as well as the contribution to the share capital of EnergoNuclear S.A. At the same time, the development program also responds to the need to modernize/upgrade some of the plant's systems, which for economic reasons (reductions in specific consumption, improvement of certain characteristic parameters of the processes served, with a positive

impact on efficiency), and for legal reasons, require the implementation of certain improvements associated with nuclear safety, environmental protection and work safety, these representing imperative requirements, coming from the regulatory authorities in the field.

The investment program of SNN for 2023 was dimensioned in terms of value, taking into account ongoing contractual commitments, estimates regarding the investment objectives to be achieved by the end of 2023, including amounts allocated to certain investment projects for which the fulfillment of certain requirements beyond SNN's control was anticipated (for example: prior approvals of certain regulatory authorities, legal deadlines regarding the completion of public procurement procedures including appeals, obtaining the necessary approvals from the SNN corporate bodies, etc.), to allow the implementation of these projects within the approved budget values.

The comparative statement of the investments made (value-wise and as percentages), for Q1 2023 compared to the same period of 2022, is presented in the table below. In Q1 2023, investments of RON 73,552 thousand were made (5.5% of the total 2023 investment programme), according to the internal planning.

<b>Year</b>	<b>Amount investment programme [thousand RON]</b>	<b>Actual (01.01 - 31.03) [thousand RON]</b>	<b>Degree of completion (01.01 - 31.03) (%)</b>
2023	1,345,406	73,552	5.5%
2022	702,795*	99,759	14.2%

\*) IEB 2022 approved by OGMS Resolution no. 3/23.02.2022

Further information may be obtained from the External Communication, Sustainability and Investor Relations Department, e-mail: [investor.relations@nuclearelectrica.ro](mailto:investor.relations@nuclearelectrica.ro).

**Cosmin Ghita**  
**Chief Executive Officer**



NUCLEARELECTRICA

## QUARTERLY REPORT

**on the economic and financial activity of S.N. Nuclearelectrica S.A., pursuant to the provisions of Article 69 of Law no. 24/2017 regarding the issuers of financial instruments and market operations, and to Appendix no. 13 to the FSA Regulation no. 5/2018 regarding the issuers of financial instruments and market operations, for the 3-month period ended on 31 March 2023 (Q1 of the financial year 2023)**

Basis of the report:	Article 69 of Law no. 24/2017 regarding the issuers of financial instruments and market operations, as republished on 10 August 2021, and Appendix no. 13 to FSA Regulation no. 5/2018 for the 3-month period ended on 31 March 2023 (Q1 of the financial year 2023)
Date of report:	May 09, 2023
Name of the issuer:	<b>S.N. Nuclearelectrica S.A. ("SNN")</b>
Headquarters:	Bucharest, Bulevardul Iancu de Hunedoara, nr. 48, District 1
Phone/fax number:	+40 21 203 82 00; +40 21 316 94 00
Web/Email:	www.nuclearelectrica.ro; office@nuclearelectrica.ro
Single Code of Registration with the Office of the Trade Register:	10,874,881
Number of registration with the Trade Register:	J40/7403/1998
Subscribed and paid-up share capital:	RON 3,016,438,940
Regulated market on which the issued securities are traded:	Bucharest Stock Exchange (www.bvb.ro), Premium category 301,643,894 shares, each with the nominal value of RON 10/share, in dematerialized form, registered, ordinary, indivisible, with equal rights to vote, freely tradable with Bucharest Stock Exchange under SNN symbol of 4 November 2013.
The main characteristics of securities issued:	Individual Interim Financial Statements as at and for the 3-month period ended on 31 March 2023 prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations compliant with the International Financial Reporting Standards ("IFRS-EU") adopted by the European Union, based on International Accounting Standard 34 - "Interim Financial Reporting", adopted by the European Union.
Applicable accounting standards:	(Romanian Leu (RON)) - all amounts are expressed in RON, unless otherwise expressly provided for.
Reporting currency:	<b>Q1 of the financial year 2023</b>
Reporting period:	

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## 1. ECONOMIC AND FINANCIAL SITUATION

The Information and the Individual Interim Financial Statements as at and for the 3-month period ended on 31 March 2023 disclosed in this report are not audited and have prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations compliant with the International Financial Reporting Standards (“IFRS-EU”) adopted by the European Union, based on International Accounting Standard 34 - "Interim Financial Reporting”, adopted by the European Union.

The ratios presented are in lei (RON), unless otherwise specified.

### a) Statement of financial position as of 31 March 2023

Ratio [thousand RON]	31 March 2023 (unaudited)	31 December 2022 (audited)
Fixed assets	6,235,653	6,049,279
Current assets	6,626,417	5,743,493
<b>Total assets</b>	<b>12,862,070</b>	<b>11,792,772</b>
Equity	11,302,023	10,535,505
Total liabilities, of which:	1,560,047	1,257,267
Long-term liabilities	445,818	456,762
Current liabilities	1,114,229	800,505
<b>Total equity and liabilities</b>	<b>12,862,070</b>	<b>11,792,772</b>

### b) Statement of profit or loss and comprehensive income for the 3-month period ended on 31 March 2023

Ratio [thousand RON]	The 3-month period ended on 31 March 2023 (unaudited)	The 3-month period ended on 31 March 2022 (unaudited)
Operating income	2,119,693	1,867,368
Operating expenses	(1,319,719)	(911,241)
<i>of which, additional income tax expenditure</i>	<i>(840,842)</i>	<i>(459,177)</i>
<b>Operating profit</b>	<b>799,974</b>	<b>956,127</b>
Financial income	113,381	25,108
Financial expenses	(5,650)	(6,412)
<b>Net financial (Expense)/income</b>	<b>107,731</b>	<b>18,696</b>
<b>Pre-tax profit</b>	<b>907,705</b>	<b>974,823</b>
Net corporate income tax expenses	(141,187)	(155,922)
<b>Profit of the period</b>	<b>766,518</b>	<b>818,901</b>
<b>Other elements of the overall result</b>	<b>0</b>	<b>0</b>
<b>Overall result</b>	<b>766,518</b>	<b>818,901</b>
<b>Earnings based on share (RON/share)</b>	<b>2.54</b>	<b>2.71</b>
<b>Diluted earnings per share (RON/share)</b>	<b>2.54</b>	<b>2.71</b>



## 2. IMPORTANT EVENTS

### 2.1 Important events during Q1 2023

#### Changes in the management of the company - Directors

By the Current Report published on 13 February 2023, the Company informed about the decision of the Board of Directors of S.N. Nuclearelectrica S.A. dated 13 February 2023, based on the recommendation of the Nomination and Remuneration Committee, to appoint Mr. Dan Niculaie - Faranga as temporary Chief Financial Officer for a 4-month term of office, effective 14 February 2023, however without exceeding the date when a Chief Financial Officer would be appointed for a 4-year term of office further to completion of the CFO selection procedure pursuant to the provisions of the Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented, provided that this selection comes to an end before the set term.

By the Current Report published on 3 May 2023, the Company informed, according to the Decision of the Board of Directors, about the appointment of Mr. Dan Niculaie-Faranga in the position of Financial Director, with a 4-month term of office, starting on 3 May 2023.

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

By OGMS Resolution no. 1/15.02.2023 of the Ordinary General Meeting of SNN's Shareholders, four non-executive members of the Board of Directors were appointed effective 15 February 2023, for a 4-year term of office, in keeping with the provisions of Article 29(1) of the Government Emergency Ordinance no. 109/2011. The form of the mandate contract and the fixed allowance of the new non-executive directors were also approved. As non-executive directors of the Board of Directors of SNN, Mr. Vulpescu Remus, Mr. Chirlesan Dumitru, Mr. Niculescu George Sergiu and Mrs. Grajdan Vasilica were appointed.

By the Current Report dated 29 March 2023, the Company informed the shareholders and investors about the notice given to Mr. George-Sergiu Niculescu as to the termination *de jure* of his mandate as a member of the Board of Directors, effective 29 March 2023. Termination *de jure* of his office stems from the provisions of Article 13.1(g) of his contract of mandate concluded with SNN, stipulating that the contract comes to an end *de jure* when a case of incompatibility occurs or a prohibition provided by law becomes applicable.

#### Relocation of SNN's registered office

By the EGMS Resolution no. 2/15.02.2023 of the Ordinary General Meeting of SNN's Shareholders, the shareholders approved relocation of the company's registered office to the address of Bucharest, sector 1, Bd. Iancu de Hunedoara nr. 48, ground floor and 4th, 5th and 13th floor, as well as the updating the Articles of Incorporation of SNN with the new registered office.

#### Development of the first small modular reactor (SMR) – RoPower Nuclear S.A.

On 28 December 2022, the contract for the Front-End Engineering and Design (FEED) works was concluded, and marked an important step towards deployment of a NuScale VOYGR™ power plant with small modular reactors (SMR) in Romania.

By the EGMS Resolution no. 2/15.02.2023 of the Ordinary General Meeting of SNN's Shareholders, the shareholders approved the revocation of the approval of point 3 of the SNN EGMS Resolution no. 7/10.08.2022 on the establishment of a SNN business unit in Commune of Doicesti, given that RoPower Nuclear SA had already established a business unit in that location. The establishment had been previously approved by Decision of the Extraordinary General Meeting of Shareholders no. 7/10.08.2022.

### **Refurbishment Project of Unit 1 Cernavodă NPP**

As at 7 March 2023, Nuclearelectrica announced selection of Candu Energy Inc., a member of the SNC-Lavalin Group (TSX: SNC), to carry out additional pre-project works for the CANDU reactor of Unit 1 of Cernavoda. Under the two-year agreement, with an amount of approximately USD 65 million, SNC-Lavalin will perform long-term engineering and front-end engineering services, in order to prepare the future refurbishment project of Cernavoda NPP's Unit 1.

### **Memorandum of Understanding with Emirates Nuclear Energy Corporation (ENEC)**

By the Current Report published on 20 March 2023, the Company announced the signing of a Memorandum of Understanding (MoU) for bilateral cooperation in the nuclear energy sector, to support the development of this critical energy source in addressing the energy security and climate change challenges.

The objective of the Memorandum of Understanding is to provide both parties with a favorable framework for a potential collaboration in development and expansion of nuclear energy programme in the UAE and in Romania, as well as in Central and Eastern Europe.

### **Continuation of the Project on Increasing Production Capacity**

As at 31 March 2023, Law no. 74, approving the signing of the Support Agreement between the Romanian State and Societatea Națională Nuclearelectrica S.A. for Cernavodă NPP's Units 3 and 4 Project, was passed.

### **Fabrica de Prelucrare a Concentratelor de Uraniu ("FPCU") - SNN Subsidiary**

Between January and March 2023, Feldioara Subsidiary became fully operational with a view to developing the integrated nuclear fuel cycle; in this regard, all the necessary steps were taken to authorize the production process and prepare the plants to commence processing. As the same time, with Feldioara Subsidiary becoming fully operational, a subsequent contract was signed with the qualified supplier Kazatomprom in order to ensure the necessary technological resources for production of uranium dioxide (UO<sub>2</sub>). During the same period, all the necessary steps were taken to transport the uranium technical concentrate and to deliver of the contracted quantities.

As at 24 March 2023, a loan agreement was concluded with FPCU Feldioara, in the amount of RON 11,000,000, to finance for the subsidiary's investment activities. The first tranche of RON 1,000,000 was disbursed in Q1.

## **Development of nuclear medicine in Europe under an innovative agreement with BWXT Medical Ltd, part of BWX Technologies**

The agreement between Nuclearelectrica and BWXT Medical Ltd. will explore the possibility of further cooperation in nuclear medicine in Europe, for production of medical isotopes. The initial purpose of the agreement is to conduct a specific market analysis, which is to inform the next collaboration phases. BWXT Medical Ltd., part of BWX Technologies, Inc., has more than 40 years of experience in nuclear medicine, *i.e.* in production of medical isotopes, pharmaceutical products and medical devices, strengthening cooperation to further develop new treatments in the field of nuclear medicine through the development, manufacture and supply of diagnostic imaging and radiotherapy treatment products.

### **2.2 Important events subsequent to 31 March 2023**

#### **Fabrica de Prelucrare a Concentratelor de Uraniu (“FPCU”) - SNN Subsidiary**

The Resolution no. 4/26.04.2023 of the Extraordinary General Meeting of Shareholders (“EGMS”) approved the transfer of the license for concession of the Tulghes – Grinties exploitation activity (Exploitation License no. 479/1999) from SNN S.A. to Fabrica de Prelucrare a Concentratelor de Uraniu – Feldioara S.R.L.

#### **Approval of distribution of the net profit of financial year 2022**

Through Resolution no. 3/26.04.2023 of the Ordinary General Meeting of Shareholders (“OGMS”) it was approved the distribution of the net profit of the financial year 2022 by applications, the total gross amount of the dividends of RON 1,283,215,656, the amount of the gross dividend per share of RON 4.25407469, the dividend payment date, *i.e.* 23 June 2023, and the payment methods, in accordance with the note presented to the shareholders for this item on the agenda (item 5 of the OGMS agenda from 26 April 2023).

#### **Changes in the management of the company - Directors**

By the Current Report published on 3 May 2023, the Company informed on the appointment, under a Decision of the Board of Directors, of Mr. Dan Niculaie-Faranga to the position of Financial Director, with a 4-month term of office, starting on 3 May 2023.

### 3. ECONOMIC AND FINANCIAL RATIOS

SNN performances are found as well, in the fulfilment of the main economic and financial ratios, as follows:

Name of ratio	Calculation method	M.U.	Amount 31 March 2023 <sup>*)</sup>
<b>1. Current ratio</b>	Current assets/ Short-term liabilities	x	5.95
<b>2. Indebtedness ratio</b>			
2.1. Indebtedness ratio (1)	Borrowed capital/ Equity x 100	%	0.5%
2.1. Indebtedness ratio (2)	Borrowed capital/ Capital employed x 100	%	0.5%
<b>3. Accounts receivable turnover ratio</b>	Average customer balance/ Turnover x 90	days	22
<b>4. Assets turnover ratio <sup>**)</sup></b>	Turnover/ Fixed assets	x	1.35

<sup>\*)</sup> According to the Individual Interim Financial Statements as at, and for the 3-month period ended on, 31 March 2023.

<sup>\*\*)</sup> Assets turnover ratio is calculated by the annualization of the quarterly turnover (360 days/90 days).

### 4. STATEMENTS AND SIGNATURES

Based on the best available information, we confirm that Individual Interim Financial Statements as of and for the 3-month period ended on 31 March 2023 prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations compliant with the International Financial Reporting Standards (“IFRS-EU”), based on International Accounting Standard 34 - "Interim Financial Reporting" adopted by the European Union, provide a fair and true image regarding financial position, financial performance and cash flows for the 3-month period ended on 31 March 2023 and that such report, prepared in accordance with the provisions of art. 69 of Law no. 24/2017 regarding issuers of financial instruments and market operations, republished on 10 August 2021, and Appendix no. 13 to FSA Regulation no. 5/2018 regarding issuers of financial instruments and market operations for the 3-month period ended on 31 March 2023, included fair and true information in relation to the company development and performance.

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

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

## **5. APPENDICES**

### **5.1 INDIVIDUAL INTERIM FINANCIAL STATEMENTS as of and for the 3-month period ended, on 31 March 2023**

The Individual Interim Financial Statements as at, and for the 3-month period ended on 31 March 2023 prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations compliant with the International Financial Reporting Standards (“IFRS-EU”) adopted by the European Union, based on International Accounting Standard 34 - "Interim Financial Reporting”, adopted by the European Union, as published on the website of S.N. Nuclearelectrica S.A. ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)), section Investor Relations.

### **5.2 QUARTERLY REPORT of the Board of Directors regarding the management activity for the period 1 January - 31 March 2023**

The quarterly report of the Board of Directors regarding the management activity for the period 1 January - 31 March 2023 drawn up based on the provisions of art. 69 of Law no. 24/2017 regarding the issuers of financial instruments and market operations, republished on 10 August 2021, and the Mandate Contracts concluded by the Board of Directors with SNN, is published on the internet page of S.N. Nuclearelectrica S.A. ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)), section Investor Relations.



## **S.N. Nuclearelectrica S.A.**

**Individual Interim Financial Statements  
as at, and for the three-month period ended on,  
31 March 2023**

Issued in accordance with  
Order of the Minister of Public Finance no 2.844/2016 on the approval of the  
Accounting Regulations compliant with the  
International Financial Reporting Standards adopted by the  
European Union (IFRS - EU), based on the International Accounting  
Standard 34 - "Interim Financial Reporting" adopted by the European Union

**S.N. Nuclearelectrica S.A.**

Individual Interim Statement of Financial Position as at 31 March 2023

*(All amounts are expressed in RON, unless otherwise expressly provided for.)*

	Note	31 March 2023 (unaudited)	31 December 2022 (audited)
<b>Assets</b>			
<b>Fixed assets</b>			
Tangible non-current assets	4	5,700,488,370	5,737,295,053
Assets representing rights to use underlying assets within a leasing contract	5	15,780,705	15,565,831
Intangible non-current assets		47,293,429	50,773,837
Financial assets measured at amortized cost	6	267,709,020	41,262,942
Financial investments in subsidiaries	7	199,438,505	199,438,505
Investments in related entities	8	4,943,000	4,943,000
<b>Total fixed assets</b>		<b>6,235,653,029</b>	<b>6,049,279,168</b>
<b>Current assets</b>			
Inventories	9	764,740,338	653,199,691
Trade receivables	10	602,399,747	438,539,974
Other financial assets measured at amortized cost	11	156,608,407	140,954,592
Bank deposits	12	2,320,437,843	1,829,796,500
Cash and cash equivalents	12	2,782,230,255	2,681,002,427
<b>Total current assets</b>		<b>6,626,416,590</b>	<b>5,743,493,184</b>
<b>Total assets</b>		<b>12,862,069,619</b>	<b>11,792,772,352</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital, of which:		3,211,941,683	3,211,941,683
<i>Share capital subscribed and paid up</i>		3,016,438,940	3,016,438,940
<i>Inflation adjustments of the share capital</i>		195,502,743	195,502,743
Share premium		31,474,149	31,474,149
Reserve paid in advance		21,553,537	21,553,537
Revaluation reserve		380,026,429	394,369,643
Retained earnings		7,657,027,075	6,876,165,858
<b>Total equity</b>		<b>11,302,022,873</b>	<b>10,535,504,870</b>
<b>Liabilities</b>			
<b>Long-term liabilities</b>			
Long-term loans	13	54,440,100	64,810,940
Liabilities under long-term leasing agreements	5	13,115,935	12,831,121
Provisions for risks and charges	16	180,749,507	174,504,703
Deferred income		59,910,956	63,611,498
Deferred tax liability		92,043,677	95,446,226
Liabilities for employee benefits	14	45,557,591	45,557,591
<b>Total long-term liabilities</b>		<b>445,817,766</b>	<b>456,762,079</b>
<b>Current liabilities</b>			
Trade and other payables	15	676,389,631	445,315,659
Liabilities under short-term leasing agreements	5	2,805,245	2,734,403
Current part of provisions for risks and charges	16	90,809,021	77,040,585
Corporate income tax due		197,391,235	52,801,797
Deferred income		80,650,376	157,087,526
Current part of the long-term loans	13	66,183,472	65,525,433
<b>Total current liabilities</b>		<b>1,114,228,980</b>	<b>800,505,403</b>
<b>Total liabilities</b>		<b>1,560,046,746</b>	<b>1,257,267,482</b>
<b>Total equity and liabilities</b>		<b>12,862,069,619</b>	<b>11,792,772,352</b>

This a free translation from the Romanian version.

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

**S.N. Nuclearelectrica S.A.**

Individual Interim Statement of Profit and Loss for the three-month period ended on 31 March 2023

*(All amounts are expressed in RON, unless otherwise expressly provided for.)*

	Note	The 3-month period ended on 31 March 2023 (unaudited)	The 3-month period ended on 31 March 2022 (unaudited)
<b>Income</b>			
Income from the sale of electricity	17	2,093,433,460	1,844,367,692
Income from the transport of electricity		7,006,854	4,155,903
<b>Total income</b>		<b>2,100,440,314</b>	<b>1,848,523,595</b>
Other income		19,252,979	18,844,745
<b>Operating expenses</b>			
Depreciation and impairment		(156,159,585)	(150,903,929)
Personnel costs	18	(139,769,691)	(119,554,402)
Cost of electricity purchased		(2,243,515)	(8,113,761)
Repairs and maintenance		(14,755,039)	(14,625,515)
Expenses with the transmission of electricity		(7,006,854)	(4,155,903)
Expenses with spare parts		(2,625,679)	(3,533,092)
Costs of nuclear fuel		(44,796,349)	(43,956,669)
Additional income tax expenses	19	(840,842,238)	(459,176,701)
Other operating expenditure	20	(111,520,344)	(107,221,612)
<b>Operating expenditure - Total</b>		<b>(1,319,719,294)</b>	<b>(911,241,584)</b>
<b>Operating profit</b>		<b>799,973,999</b>	<b>956,126,756</b>
Financial expenses		(5,649,984)	(6,411,672)
Financial income		113,380,877	25,108,221
<b>Net financial income/(expense)</b>	21	<b>107,730,893</b>	<b>18,696,549</b>
<b>Profit before corporate tax</b>		<b>907,704,892</b>	<b>974,823,305</b>
Net corporate income tax expenses	22	(141,186,889)	(155,921,917)
<b>Profit of the period</b>		<b>766,518,003</b>	<b>818,901,388</b>

The Individual Interim Financial Statements presented from page 1 to 32 were signed on 9 May 2023 by:

**Chief Executive Officer**  
Cosmin Ghita

**Chief Financial Officer**  
Dan Niculaie - Faranga

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**S.N. Nuclearelectrica S.A.**

Individual Interim Statement of Profit and Loss for the three-month period ended on 31 March 2023

*(All amounts are expressed in RON, unless otherwise expressly provided for.)*

	<b>Note</b>	<b>The 3-month period ended on 31 March 2023 (unaudited)</b>	<b>The 3-month period ended on 31 March 2022 (unaudited)</b>
<b>Profit of the period</b>		<b>766,518,003</b>	<b>818,901,388</b>
<b>Other elements of the overall result</b>			
<b>Items that cannot be reclassified to profit or loss</b>			
Retained earnings from other adjustments			
<b>Total other elements of the overall result</b>		<b>-</b>	<b>-</b>
<b>Total overall result related to the period</b>		<b>766,518,003</b>	<b>818,901,388</b>
<b>Earnings per share</b>			
Basic earnings per share (RON/share)	<b>22</b>	<b>2.54</b>	<b>2.71</b>
Diluted earnings per share (RON/share)	<b>22</b>	<b>2.54</b>	<b>2.71</b>

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**S.N. Nuclearelectrica S.A.**

The Individual Interim Statement of Changes in Equity for the three-month period ended on 31 March 2023

*(All amounts are expressed in RON, unless otherwise expressly provided for.)*

	<b>Share capital</b>	<b>Share premium</b>	<b>Reserve paid in advance</b>	<b>Revaluation reserve</b>	<b>Retained earnings</b>	<b>Total equity</b>
<b>Balance as at 1 January 2023 (audited)</b>	<b>3,211,941,683</b>	<b>31,474,149</b>	<b>21,553,537</b>	<b>394,369,643</b>	<b>6,876,165,858</b>	<b>10,535,504,870</b>
<b>Overall result</b>						
<i>Profit of the period</i>					<i>766,518,003</i>	<i>766,518,003</i>
<i>Other elements of the overall result</i>						
Retained earnings from other adjustments						
<b>Total other elements of the overall result</b>	-	-	-	-	-	-
<b>Total overall result related to the financial year</b>	-	-	-		<b>766,518,003</b>	<b>766,518,003</b>
<b>Transactions with shareholders, only recognized in equity</b>						
Distributed dividends	-	-	-	-	-	-
<b>Total transactions with shareholders, only recognized in equity</b>	-	-	-	-	-	-
<b>Other changes in equity</b>						
Transfer of revaluation reserves into retained earnings due to amortization				(14,343,214)	14,343,214	-
<b>Other changes in equity - total</b>				<b>(14,343,214)</b>	<b>14,343,214</b>	-
<b>Balance as at 31 March 2023 (unaudited)</b>	<b>3,211,941,683</b>	<b>31,474,149</b>	<b>21,553,537</b>	<b>380,026,429</b>	<b>7,657,027,075</b>	<b>11,302,022,873</b>

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**S.N. Nuclearelectrica S.A.**

The Individual Interim Statement of Changes in Equity for the three-month period ended on 31 March 2022

*(All amounts are expressed in RON, unless otherwise expressly provided for.)*

	Share capital	Share premium	Reserve paid in advance	Revaluation reserve	Retained earnings	Total equity
<b>Balance as at 1 January 2022 (audited)</b>	<b>3,211,941,683</b>	<b>31,474,149</b>	<b>21,553,537</b>	<b>451,742,500</b>	<b>4,648,549,459</b>	<b>8,365,261,328</b>
<b>Overall result</b>						
<i>Profit of the period</i>					<i>818,901,388</i>	<i>818,901,388</i>
<i>Other elements of the overall result</i>						
Retained earnings from other adjustments						
<b>Total other elements of the overall result</b>	-	-	-	-	-	-
<b>Total overall result related to the financial year</b>	-	-	-		<b>818,901,388</b>	<b>818,901,388</b>
<b>Transactions with shareholders, only recognized in equity</b>						
Distributed dividends	-	-	-	-	-	-
<b>Total transactions with shareholders, only recognized in equity</b>	-	-	-	-	-	-
<b>Other changes in equity</b>						
Transfer of revaluation reserves into retained earnings due to amortization				(14,343,214)	14,343,214	-
<b>Other changes in equity - total</b>				<b>(14,343,214)</b>	<b>14,343,214</b>	-
<b>Balance as at 31 March 2022 (unaudited)</b>	<b>3,211,941,683</b>	<b>31,474,149</b>	<b>21,553,537</b>	<b>437,399,286</b>	<b>5,481,794,061</b>	<b>9,184,162,716</b>

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**S.N. Nuclearelectrica S.A.**

The Individual Interim Statement of Cash-Flows for the three-month period ended on 31 March 2023

*(All amounts are expressed in RON, unless otherwise expressly provided for.)*

	<b>The 3-month period ended on 31 March 2023 (unaudited)</b>	<b>The 3-month period ended on 31 March 2022 (unaudited)</b>
<b>Cash flows from operating activities</b>		
Profit before corporate tax	<b>907,704,892</b>	<b>974,823,305</b>
<b>Adjustments for:</b>		
Depreciation and impairment	156,159,585	150,903,929
Value adjustments of trade receivables	(555)	(555)
Value adjustments of inventories	(72,551)	(146,912)
Provisions related to liabilities, risks and operating expenditure	13,842,053	23,300,781
(Gains)/Losses from disposal of assets	(16,857)	(290)
Net financial expenditure/(income)	(107,819,249)	(18,568,559)
<b>Changes in:</b>		
(Increase) / Decrease of trade receivables	(163,864,820)	(205,430,942)
(Increase) in other financial assets measured at amortized cost	(36,583,479)	16,843,701
(Increase)/decrease in inventories	(111,468,097)	(4,861,218)
(Decrease) in deferred income	(80,137,692)	(46,880,946)
(Decrease) in trade and other payables	185,314,270	92,858,309
<b>Cash flows from operating activity</b>	<b>763,057,501</b>	<b>982,840,604</b>
Interest received	123,400,190	13,925,990
Interest paid	(196,595)	(45,491)
<b>Net cash related to the operating activity</b>	<b>886,261,096</b>	<b>996,721,103</b>
<b>Cash flows from investment activity</b>		
Purchases of intangible non-current assets	(487,471)	(4,920,291)
Purchases of tangible non-current assets	(61,684,099)	(23,356,945)
Proceeds from sale of tangible non-current assets	211,779	2,554
(Increase)/Decrease in bank deposits and financial assets measured at amortized cost	(490,641,343)	(7,897,000)
Purchases of other financial assets (see Note 6)	(221,635,001)	-
<b>Net cash related to the investment activity</b>	<b>(774,236,135)</b>	<b>(36,171,682)</b>
<b>Cash flow related to financing activity</b>		
Loans payments	(10,336,410)	(35,128,780)
Dividend payments	(36,095)	(48,750)
Payments related to liabilities from leasing agreements, including interest	(424,627)	(124,769)
<b>Net cash related to the financing activity</b>	<b>(10,797,132)</b>	<b>(35,302,299)</b>
<b>Net increase of cash and cash equivalents</b>	<b>101,227,828</b>	<b>925,247,122</b>
<b>Cash and cash equivalents as at 1 January (see Note 12)</b>	<b>2,681,002,427</b>	<b>1,317,399,999</b>
<b>Cash and cash equivalents as at 31 March (see Note 12)</b>	<b>2,782,230,255</b>	<b>2,242,647,121</b>

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## **S.N. Nuclearelectrica S.A.**

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023

*(All amounts are expressed in RON, unless otherwise expressly provided for.)*

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### **1. REPORTING ENTITY**

National Company Nuclearelectrica S.A. (“Company” or “SNN”) is national joint-stock company, managed under single-tier system, having a head office and two branches without legal personality, Cernavodă NPP (Nuclear Power Plant) – headquartered in Constanta County, Cernavodă City, str. Medgidiei, nr. 2, registered with the Trade Register under number J13/3442/2007, respectively NFP Pitești (Nuclear Fuel Plant) – headquartered in Arges County, Mioveni City, str. Campului, nr. 1, registered with the Trade Register under number J03/457/1998. The address of the registered office is in Bucharest Municipality, Sector 1, Bld. Iancu de Hunedoara, nr. 48, Crystal Tower Buildingx.

The main object of activity of the company is “Electricity generation” – CAEN Code 3511 and is registered with the Trade Register under number J40/7403/1998, Unique Registration Code 10874881, tax attribute RO.

The main activity of the Company consists in the electricity and heat generation by means of nuclear methods. The main place of business is within Cernavoda NPP Branch, where the Company owns and operates two functional nuclear reactors (Unit 1 and Unit 2). Those two operational nuclear reactors are based on CANDU technology (Canada Deuterium Uranium, of PHWR type).

The Company owns another two nuclear reactors at Cernavodă , which are in the early stage of construction (Unit 3 and Unit 4). The project on the Production Capacity Increase is planned to be completed by Energonuclear S.A. subsidiary (for more information see Note 7).

During 2020-2021, there were completed stages in order to carry out this Project, with the sustained effort of the Company and the Romanian State. Under Decision of the Romania’s Prime Minister no. 281/14.07.2020 published in the Official Gazette of Romania, Part I, no. 618/14.VII.2020, the Strategic Coordination Committee for the Implementation of the Project of Units 3 and 4 within Cernavoda NPP was established. Also, in October 2020, US Exim Bank expressed, through a Memorandum of Understanding concluded with the Ministry of Energy, its interest in financing large investment projects in Romania, including nuclear ones, with a total value of USD 7 billion.

In November 2021, Energonuclear S.A. subsidiary signed the first agreement with Candu Energy, Member of SNC-Lavalin Group and the Design Authority of Units 3&4 and OEM Candu (the original manufacturer of CANDU Technology).

By Decision of the Ordinary General Meeting of Shareholders of SNN no. 6/10.08.2022 a series of measures related to the continuation of the Project were adopted and approved:

- it was approved the Preliminary Investment Decision and entering Phase 2 – Preliminary Works
- it was approved the initiation of the steps for awarding and concluding the agreements necessary for the completion of the Project, within the limits of powers provided for in the articles of incorporation of SNN and Energonuclear, and without exceeding the amount of EUR 185 million.
- it was approved the financing by SNN of Energonuclear, by increasing the share capital of EN and/or granting related loans, with a total amount of EUR 185 million, adjusted to the Project development requirements and necessary for the implementation of Phase 2 of the Project of Units 3 and 4 within Cernavodă NPP.

In 31 March 2023, it was approved Law no. 74 for the approval of the signing of the Support Agreement between the Romanian State and the Company regarding the Project of Units 3 and 4 CNE Cernavoda. The Company continues to carry out the activities necessary to complete the stages of the project.

*Notes 1 to 25 are an integral part of these individual interim financial statements.*

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## **S.N. Nuclearelectrica S.A.**

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023  
(All amounts are expressed in RON, unless otherwise expressly provided for.)

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### **1. REPORTING ENTITY (CONTINUATION)**

Moreover, the Company owns a reactor (Unit 5), for which the Company's shareholders had approved the change in the original destination since March 2014, namely, the use of Unit 5 for carrying out the activities related to the operation of Units 1 and 2. At the beginning of 2020 the International Atomic Energy Agency ("IAEA") performed a benchmark assessment of the design requirements for the investment objective On-Site Emergency Control Center ("OSECC") – Unit 5 and an assessment of the technical requirements relating to the rating of equipment for hazards/ external events (especially the seismic rating). Presentations submitted by the international experts of IAEA within the benchmarking brought to the forefront a new method/strategy of rating, namely the demonstration of the seismic margin by using the seismic experience as an alternative method for rating the critical systems in the Building of Facilities for Emergency Cases ("BFEC"). In June 2020, NCNAC expressed its consent to use the seismic experience as an alternative method for demonstrating the seismic rating of the critical equipment, in which sense, in July 2020 the seismic rating guide was updated, as well as the list of systems/equipment rated from the seismic point of view for BFEC. In the context of the above-mentioned data, a revised chart of the relaunching strategy was prepared. The revised chart for the implementation of the project comprises the completion of the construction and assembly works (purchase of seismically rated equipment and construction and assembly works) and the operationalization of the objective during 2024.

The manufacture of CANDU nuclear fuel bundles needed for the operation of the two functional nuclear reactors within Cernavodă NPP Branch, is carried out by the Company, within NFP Pitești Branch.

The Romanian energy sector is regulated by the Romanian Energy Regulatory Authority ("ANRE"), an independent public institution. Starting with 1 January 2023, the Company is a seller within the Centralized Electricity Purchase Mechanism ("MACEE"), established by GEO no. 153/2022 for the period January 1, 2023 - March 31, 2025. In the first three months of 2023, the Company participated both in the competitive segment and in the MACEE mechanism, and in 2022 it participated only in the competitive segment (for more information see Note 17).

As at 31 March 2023, the Company owns 100% of the subsidiaries Energonuclear, Fabrica de Prelucrare a Concentratelor de Uraniu – Feldioara and Nuclearelectrica Serv. It also owns 50% of the company RoPower S.A.

As at 31 March 2023, the Company's shareholders are: The Romanian State by the Ministry of Energy, which held 248,850,476 shares, representing 82.4981% of the share capital and other natural persons shareholders and other natural persons and legal entities shareholders holding together 52,793,418 shares representing 17.5019% of the share capital.

Company's shares were traded on Bucharest Stock Exchange of 4 November 2013, having the issuing symbol SNN.

*Notes 1 to 25 are an integral part of these individual interim financial statements.*

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**S.N. Nuclearelectrica S.A.**

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023

*(All amounts are expressed in RON, unless otherwise expressly provided for.)*

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**2. BASIS OF PREPARATION****a) Declaration of conformity**

The Individual Interim Financial Statements as at and for the three-month period ended on 31 March 2023 were prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016 for approval of Accounting Regulations compliant with the International Financial Reporting Standards (“IFRS”), as subsequently amended (“OMPF 2844/2016”). For the purposes of the Order of the Minister of Public Finance no. 2.844/2016, the International Financial Reporting Standards are adopted according to the procedure provided under the Regulation (EC) no. 1.606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards (“IFRS adopted by the European Union”).

Individual Interim Financial Statements as at, and for the three-month period ended on, 31 September 2023 were neither audited, nor revised by an independent auditor.

These Individual Interim Financial Statements were authorized for issue and were signed on 9 May 2023 by the Company’s management.

**b) Going concern**

These Individual Interim Financial Statements were drafted according to the going concern principle supposing that the Company will continue its activity, without any significant reduction, as well as in the foreseeable future.

**c) Presentation of the financial statements**

These Individual Interim Financial Statements were prepared in accordance with IAS 34 *Interim Financial Reporting*, as adopted by the European Union. These do not include all information needed for a complete set of financial statements in accordance with the International Financial Reporting Standard (“IFRS”) and should be read in conjunction with Individual Financial Statements of the Company, drafted as at, and for the financial year ended on 31 December 2022. Nevertheless, certain selected explanatory notes are included to explain the events and transactions which are significant for understanding the changes occurred in the financial position and performance of the Company since the last Individual Financial Statements prepared as at, and for the financial year ended on 31 December 2022.

**d) Basis of assessment**

The Individual Interim Financial Statements were prepared at historical cost, save for some categories of tangible non-current assets that are measured at fair value, as presented in the accounting policies applied to the Individual Financial Statements as at, and for the financial year ended on 31 December 2022. Other financial assets and liabilities, such as non-financial assets and liabilities are presented at amortized cost, revalued value or historical cost.

**e) Functional and presentation currency**

The Individual Interim Financial Statements are presented in Romanian LEI (“RON” or “LEU”), as this is also the functional currency of the Company. All financial information is presented in RON, unless otherwise indicated.

*Notes 1 to 25 are an integral part of these individual interim financial statements.*

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**S.N. Nuclearelectrica S.A.**

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023  
(All amounts are expressed in RON, unless otherwise expressly provided for.)

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**2. BASIS OF PREPARATION (CONTINUATION)****f) Use of professional estimates and judgments**

The preparation of the Individual Interim Financial Statements in accordance with IFRS adopted by the European Union involves the management use of some estimates, judgments and assumptions which affect the application of accounting policies, as well as the reported value of assets, liabilities, revenues and expenses. Judgments and assumptions related to such estimates are based on the historical experience as well as other factors considered to be reasonable in the context of such estimates. Results of such estimates form the basis of judgments relating to the carrying amounts of assets and liabilities which cannot be obtained from other information sources. Results obtained could be different from the estimates values. Judgements and assumptions underpinning them are revised on a regular basis. Revisions of the accounting estimates are recognized during the period in which the estimate was revised and in the future period if revision affects both the current period, and the future periods.

Significant judgments used by the management for applying the Company's accounting policies and the main sources of uncertainty relating to estimates were similar to those applied to the Individual Financial Statements as at and for the financial year ended on 31 December 2022.

**3. SIGNIFICANT ACCOUNTING POLICIES**

Accounting policies applied in these Individual Interim Financial Statements are similar to those policies applied in the Individual Financial Statements of the Company as at and for the financial year ended on 31 December 2022.

*Impact of accounting standards due to be applied in future periods*

There is number of standards and interpretations that have been issued by the International Accounting Standards Committee, which are valid for periods starting after 31 December 2022, and which the Company has decided not to adopt in advance. The Company does not consider that these standards and interpretations will have a material impact on the adopted financial statements.

*Notes 1 to 25 are an integral part of these individual interim financial statements.*

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**S.N. Nuclearelectrica S.A.**

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023

*(All amounts are expressed in RON, unless otherwise expressly provided for.)***4. TANGIBLE NON-CURRENT ASSETS**

	<b>Lands</b>	<b>Nuclear plants</b>	<b>Plant, machinery and other assets</b>	<b>Non-current assets in progress</b>	<b>TOTAL</b>
<b>Cost</b>					
<b>Balance as at 1 January 2022 (audited)</b>	<b>36,975,047</b>	<b>4,645,307,994</b>	<b>1,196,053,357</b>	<b>1,123,153,126</b>	<b>7,001,489,524</b>
Inflows	-	-	23,542,835	471,336,664	494,879,499
Transfers	-	71,116,529	80,209,850	(151,326,379)	-
Heavy water-related inflows	-	27,816,605	-	-	27,816,605
Transfer of inventories	-	-	-	(40,632,444)	(40,632,444)
Transfer from reclassified spare parts	-	-	27,324,482	(15,598,170)	11,726,312
Derecognition of inspections	-	(132,769,584)	-	-	(132,769,584)
Derecognition of heavy water	-	(1,217,175)	-	-	(1,217,175)
Outflows	-	(487,267)	(18,111,407)	-	(18,598,674)
<b>Balance as at 31 December 2022 (audited)</b>	<b>36,975,047</b>	<b>4,609,767,102</b>	<b>1,309,019,117</b>	<b>1,386,932,797</b>	<b>7,342,694,063</b>
<b>Balance as at 1 January 2023 (audited)</b>	<b>36,975,047</b>	<b>4,609,767,102</b>	<b>1,309,019,117</b>	<b>1,386,932,797</b>	<b>7,342,694,063</b>
Inflows	-	-	32,224,301	83,541,770	115,751,852
Transfers	-	11,945,633	1,317,616	(13,263,249)	-
Transfer of inventories	-	-	-	259,205	259,205
Transfer from reclassified spare parts	-	-	(104,594)	-	(104,594)
Derecognition of inspections	-	(1,559,375)	-	-	(1,559,375)
Derecognition of heavy water	-	(262,778)	-	-	(262,778)
Outflows	-	-	(722,094)	-	(722,094)
<b>Balance as at 31 March 2023 (unaudited)</b>	<b>36,975,047</b>	<b>4,619,890,582</b>	<b>1,341,734,346</b>	<b>1,457,470,523</b>	<b>7,456,070,498</b>
<b>Balance as at 1 January 2022 (audited)</b>	<b>550,782</b>	<b>380,863,168</b>	<b>616,750,302</b>	<b>149,987,368</b>	<b>1,148,151,620</b>
Depreciation expense	-	507,383,343	80,275,699	-	587,659,042
Accumulated depreciation of inspections	-	(119,247,275)	-	-	(119,247,275)
Accumulated depreciation of outflows	-	(1,454,046)	(14,770,722)	-	(16,224,768)
Impairment adjustments	-	-	8,912,944	(3,852,553)	5,060,391
<b>Balance as at 31 December 2022 (audited)</b>	<b>550,782</b>	<b>767,545,190</b>	<b>691,168,223</b>	<b>146,134,815</b>	<b>1,605,399,010</b>
<b>Balance as at 1 January 2023 (audited)</b>	<b>550,782</b>	<b>767,545,190</b>	<b>691,168,223</b>	<b>146,134,815</b>	<b>1,605,399,010</b>
Depreciation expense	-	128,128,006	22,853,795	-	150,981,801
Accumulated depreciation of outflows	-	(1,627,231)	(66,432)	-	(1,693,663)
Impairment adjustments	-	-	894,980	-	894,980
<b>Balance as at 31 March 2023 (unaudited)</b>	<b>550,782</b>	<b>894,045,965</b>	<b>714,850,566</b>	<b>146,134,815</b>	<b>1,755,582,128</b>
<b>Net book value</b>					
<b>Balance as at 01 January 2022 (audited)</b>	<b>36,424,265</b>	<b>4,264,444,826</b>	<b>579,303,055</b>	<b>973,165,758</b>	<b>5,853,337,904</b>
<b>Balance as at 31 December 2022 (audited)</b>	<b>36,424,265</b>	<b>3,842,221,912</b>	<b>617,850,894</b>	<b>1,240,797,982</b>	<b>5,737,295,053</b>
<b>Balance as at 31 March 2023 (unaudited)</b>	<b>36,424,265</b>	<b>3,725,844,617</b>	<b>626,883,780</b>	<b>1,311,335,708</b>	<b>5,700,488,370</b>

*Notes 1 to 25 are an integral part of these individual interim financial statements.*

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## S.N. Nuclearelectrica S.A.

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023  
(All amounts are expressed in RON, unless otherwise expressly provided for.)

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### 4. TANGIBLE NON-CURRENT ASSETS (CONTINUATION)

#### (i) Nuclear plants, machinery and other assets

In the first 3 months of 2023 the Company did not purchase any heavy water. In 2022, the Company purchased 11.9 tons of heavy water from the National Administration of the State Reserves and Special Problems (“ANRSPS”), needed for Units 1 and 2 in amount of RON 27,816,605.

#### (ii) Non-current assets in progress

As at 31 March 2023, the net carrying amount of assets in progress, of RON 1,311,335,708, included the following items:

- Investment relating to the increase in the production capacity with a net carrying amount of RON 469,386,964 (31 December 2022: RON 469,495,874);
- Investments related to units 1 and 2, in total amount of RON 841,704,147 (31 December 2022: RON 771,302,109), the most outstanding being:
  - ✓ Refurbishment of U1 in amount of RON 302,616,654 (31 December 2022: RON 270,871,781);
  - ✓ Detrition Facility for D2O in amount of RON 88,886,132 (31 December 2022: RON 86,878,248);
  - ✓ Improving the reliability of the electric generator in amount of RON 98,614,087 (31 December 2022: RON 98,614,087).
  - ✓ Building storage and loading premises for the nuclear fuel used (DICA) in amount of RON 35,661,201 (31 December 2022: RON 31,853,382);
  - ✓ Improving the nuclear security systems after Fukushima in amount of RON 38,944,185 (31 December 2022: RON 38,924,333);
  - ✓ Equipment and materials for investments in amount of RON 24,376,777 (31 December 2022: RON 27,361,693).

The gross investment value relating to the increase in the production capacity amounts to RON 471,085,531, of which the book value of Units 3 and 4, amounts to RON 273,960,000 (31 December 2022: RON 273,960,000), the remaining amount representing the heavy water especially purchased for Units 3 and 4, respectively approximately 75 tons, with a carrying amount as at 31 March 2023 of RON 159,253,825 (31 December 2022: 159,253,825), as well as equipment and other assets for Units 3 and 4 in amount of RON 37,871,706 (31 December 2022: RON 37,980,616). Prior to the year 1991, Units 1, 2, 3, 4 and 5 were considered as a single project and, consequently, the construction costs incurred were not allocated at the level of each unit. Subsequently, the Company performed the allocation of the construction costs for Units 3 and 4 of the nuclear plant, as well as for Unit 5.

As at 31 March 2023, the gross carrying amount of **Unit 5** amounted to RON 137 million (31 December 2022: RON 137 million). As at 31 December 2013 the Company recognized an impairment adjustment of 100% of the amount of Unit 5 since there were no plans to resume its construction as a nuclear unit. In March 2014, the Company’s shareholders approved the change in the destination and use of Unit 5 for other activities of the Company, which was a project in progress following which an asset would result with a different use compared to the initial use of Unit 5.

The main **investments commissioned** by the Company in the first 3 months of the year 2023 from the projects in progress related to Units 1 and 2 were represented by: fitting of spare parts to the equipment in operation, of RON 11,114,793, and management of fuel canal extension, of RON 9,548,417.

#### (iii) Impairment adjustments

As at 31 March 2023, the Company entered into accounts movements in the adjustments for impairment of assets of RON 894, 980 (31 December 2022: RON 5,060,391).

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**S.N. Nuclearelectrica S.A.**

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023

*(All amounts are expressed in RON, unless otherwise expressly provided for.)***4. TANGIBLE NON-CURRENT ASSETS (CONTINUATION)****(iv) Revaluation, depreciation method and lifetime**

Buildings and lands are recognized at their fair value, based on periodical assessments carried out by external independent valuers. The revaluation surplus included in the revaluation reserve is capitalized by the transfer into the result carried forward, upon deregistration of the asset or to the extent of its use. All other tangible assets are recognized at historical cost less amortization.

The last **revaluation** of lands and buildings was made on 31 December 2021 by the independent valuer (Primoval S.R.L., a member of the National Association of Authorized Romanian Valuers - ANEVAR). Prior to such revaluation, lands and buildings were revalued as at 31 December 2018.

The valuation report, related to the year 2021 for tangible non-current assets of **lands** and **buildings** classes, prepared by the independent valuer Primoval S.R.L. is based on the Asset Valuation Standards, edition of 2022, valid as at 31 December 2021, drafted by the National Association of Authorized Romanian Valuers (ANEVAR) :

- General standards: SEV 100 – General framework (IVS General framework) ; SEV 101 – Valuation reference terms (IVS 101); SEV 102 – Implementation (IVS 102); SEV 103 – Reporting (IVS 103); SEV 104 – Types of value;
- Asset standards: SEV 300 – Machinery, equipment and plants (IVS 300) ; GEV 630 – Valuation of immovable assets;
- Specific use standards: SEV 430 – Valuations for financial reporting.

The estimate of fair value was made in compliance with the IFRS provisions and of the above-mentioned valuation standards. For the valuation of the administrative buildings the income method was used, with a capitalization rate between 7% - 9%, depending on the specific nature of the building. For the valuation of units 1 and 2 the depreciated replacement cost method was applied. For the valuation of lands, they opted for using the market approach, the direct comparison method.

**Depreciation** is calculated using the straight-line method of cost allocation or of the revalued value of assets, net of their residual values, during the estimated useful lifetime, as follows:

<b>Asset</b>	<b>Number of years</b>
Nuclear plant - Units 1 and 2	30
Heavy water (loading for Units 1 and 2)	30
Buildings	45 – 50
Inspections and overhauls	2
Other plants, equipment and machinery	3 - 20

See Note 3 (c) of the significant Accounting policies related to these Individual Financial Statements of the Company prepared as at and for the financial year ended on 31 December 2022 for the other relevant accounting policies for tangible assets.

**(v) Significance of estimates – valuation of lands and buildings**

Information relating to the valuation of lands and buildings is presented in Note 4 (v) of the significant Accounting policies related to the Individual Financial Statements of the Company prepared as at and for the financial year ended on 31 December 2022.

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**S.N. Nuclearelectrica S.A.**

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023

*(All amounts are expressed in RON, unless otherwise expressly provided for.)***4. TANGIBLE NON-CURRENT ASSETS (CONTINUATION)***(vi) The carrying amount that would have been recognized had land and buildings been measured at cost, according to the provisions of IAS 16.77 (e)*

If land and buildings had been valued at historical cost, the amounts would have been:

	<b>31 March 2023</b> <b>(unaudited)</b>	<b>31 December 2022</b> <b>(audited)</b>
<b>Lands</b>		
Cost	22,350,799	22,350,779
Accumulated depreciation		
<b>Net book value</b>	<b>22,350,779</b>	<b>22,350,779</b>
	<b>31 March 2023</b> <b>(unaudited)</b>	<b>31 December 2022</b> <b>(audited)</b>
<b>Buildings</b>		
Cost	6,971,808,938	7,056,923,302
Accumulated depreciation	(4,332,677,299)	(4,523,041,183)
<b>Net book value</b>	<b>2,639,131,639</b>	<b>2,533,882,118</b>

*(vii) Decommissioning of nuclear units*

Unit 1 is designed to operate until 2026, and Unit 2 until 2037. Company did not account for any provision for decommissioning of those two units since it was not responsible for the decommissioning works. According to the Government Decision no. 1080/ 2007, Nuclear and Radioactive Waste Agency („NRWA”) is responsible for collecting the contributions paid by the Company during the remaining useful lifetime of units and accept any liability for the management of the decommissioning process at the end of the lifetime of those two units, as well as for the final storage of the nuclear waste at the end of the useful lifetime of those two units and for the permanent storage of the resulting residue (see Note 26). The cost of the Company’s contributions to ANDR in the first three months of 2023 amounts to RON 24,984,087 (31 September 2022: RON 25,307,231).

*(viii) Pledged assets*

As at 31 March 2023, respectively 31 December 2022, the Company had no pledged or mortgaged assets.

*(ix) Supplier credit*

As at 31 March 2023, the Company owned fixed assets purchased with credit from suppliers (trade credit) of RON 100,344,397 (31 December 2022: RON 46,767,931).

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**S.N. Nuclearelectrica S.A.**

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023  
(All amounts are expressed in RON, unless otherwise expressly provided for.)

## 5. ASSETS REPRESENTING RIGHTS TO USE UNDERLYING ASSETS WITHIN A LEASING CONTRACT

The Company adopted IFRS 16, and for this reason it recognized in the statement of financial position also assets and liabilities related to the restatement of lease agreements concluded in its capacity as lessee.

The Company concluded lease agreements for assets and liabilities and concession contracts for lands, for which it was estimated the initial value of the asset related to the right to use at a value equal to the debt discounted upon transaction, arising from such agreements, amounting to RON 16,565,495 (31 December 2022: RON 16,031,241).

### (i) Amounts recognized in the Statement of financial position

Assets representing rights to use underlying assets within a leasing contract	31 March 2023 (unaudited)	31 December 2022 (audited)
Lands	1,422,211	1,422,211
Office spaces	15,143,283	14,609,030
Depreciation of assets representing rights to use	(784,789)	(465,410)
<b>Total net assets representing rights to use</b>	<b>15,780,705</b>	<b>15,565,831</b>
	<b>31 March 2023</b>	<b>31 December 2022</b>
	<b>(unaudited)</b>	<b>(audited)</b>
<b>Liabilities under leasing agreements</b>		
Short-term	2,805,245	2,734,403
Long-term	13,115,935	12,831,121
	<b>15,921,180</b>	<b>15,565,524</b>

### (ii) Amounts recognized in the Statement of profit or loss account

	Note	31 March 2023 (unaudited)	31 December 2022 (audited)
Depreciation of assets representing rights to use		319,379	271,886
Interest expense	26	121,333	32,097

### (iii) Amounts recognized in the Statement of cash flows

	31 March 2023 (unaudited)	31 December 2022 (audited)
Total cash outflows related to leasing agreements	424,627	337,356

### (iv) Recognition of leasing agreements

Information relating to the recognition of leasing contracts according to IFRS 16 are presented in Note 3 (e) of the significant Accounting policies related to the Individual Financial Statements of the Company prepared as at and for the financial year ended on 31 December 2022.

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Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023

*(All amounts are expressed in RON, unless otherwise expressly provided for.)***6. FINANCIAL ASSETS MEASURED AT AMORTIZED COST**

As at 31 March 2023, the Company accounted for in position “Financial assets measured at amortized cost” its contributions as member of the European Mutual Association for Nuclear Insurance (“ELINI”), of the Romanian Commodities Exchange (“BRM”), of the Romanian Atomic Forum - Romatom (“ROMATOM”) and of HENRO Association, governmental bonds, bonds and long-term loans granted to subsidiaries.

	<b>31 March 2023</b>	<b>31 December 2022</b>
	<b>(unaudited)</b>	<b>(audited)</b>
ELINI contribution	5,032,931	5,032,931
Romanian Commodities Exchange contribution	24,000	24,000
Romatom contribution	100	100
HENRO contribution	250,000	250,000
Government bonds (i)	30,464,577	30,260,661
Bonds (ii)	225,128,978	-
Loans granted to subsidiaries	6,808,434	5,695,250
<b>Total</b>	<b>267,709,020</b>	<b>41,262,942</b>

**(i) Government bonds**

As at 31 March 2023, and respectively 31 December 2022, the Company held governmental bonds issued by the Ministry of Public Finance, with their due date on 24 June 2026, a fixed annual interest rate of 3.25% p.a. and a tendering return of 3.51% p.a.

Movement of financial assets representing governmental bonds:

	<b>31 March 2023</b>	<b>31 December 2022</b>
	<b>(unaudited)</b>	<b>(audited)</b>
<b>Balance as at 1 January</b>	<b>29,751,132</b>	<b>29,680,203</b>
Purchases	-	-
Maturity dates	-	-
Discount depreciation	17,637	70,929
<b>Balance at the end of the reporting period</b>	<b>29,768,769</b>	<b>29,751,132</b>
<b>Accumulated interest</b>	<b>749,808</b>	<b>509,529</b>
<b>Government bonds - total</b>	<b>30,464,577</b>	<b>30,260,661</b>

According to the issue prospectus, on 24 June 2022 the Company received the annual coupon in the amount of RON 975,000.

**(ii) Bonds**

La 31 Martie 2023, the Company holds 450 non-preferential non-guaranteed senior bonds issued by CEC Bank, with 5 years maturity (in February 2028), and with a fixed annual interest rate of 7.5% p.a.

Movement of financial assets representing bonds:

	<b>31 March 2023</b>	<b>31 December 2022</b>
	<b>(unaudited)</b>	<b>(audited)</b>
<b>Balance as at 1 January</b>	<b>-</b>	<b>-</b>
Purchases	222,709,500	-
Maturity dates	-	-
<b>Balance at the end of the reporting period</b>	<b>222,709,500</b>	<b>-</b>
<b>Accumulated interest</b>	<b>2,419,478</b>	<b>-</b>
<b>Total bonds</b>	<b>225,128,978</b>	<b>-</b>

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## S.N. Nuclearelectrica S.A.

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023  
(All amounts are expressed in RON, unless otherwise expressly provided for.)

### 7. FINANCIAL INVESTMENTS IN SUBSIDIARIES

As at 31 March 2023, and respectively 31 December 2022, the investments in subsidiaries are as follows:

	<b>31 March 2023</b> <b>(unaudited)</b>	<b>31 December 2022</b> <b>(audited)</b>
Energonuclear S.A.	199,438,105	199,438,105
F.P.C.U Feldioara	200	200
Nuclearelectrica Serv	200	200
<b>Total</b>	<b>199,438,505</b>	<b>199,438,505</b>

#### Energonuclear S.A.

Energonuclear S.A. branch (“Energonuclear”) has its registered office located in Bucharest, sector 2, Bd. Lacul Tei, nr. 1 - 3, Lacul Tei Offices Building, 8th floor and is registered with the Trade register under number J40/3999/25.03.2009, with Unique Registration Code 25344972, tax attribute RO. The main activity of Energonuclear consists in “Engineering activities and related technical consultancy” - CAEN Code 7112.

As at 31 March 2023 and 31 December 2022, the Company holds 100% of the share capital of Energonuclear. The value of the shareholding, as at 31 December 2023, is RON 199,438,105 (31 December 2022: RON 199,438,105).

By Decision of the Extraordinary General Meeting of Shareholders no. 4/11.07.2017, the Company’s shareholders approved to grant a **loan convertible into shares** in amount of maximum RON 5,500,000 to Energonuclear S.A. branch for the purpose of financing the activities of maintenance and preservation of the site of Units 3 and 4 of Cernavoda NPP. Until 31 December 2021, Energonuclear had accessed the entire approved amount, namely RON 5,500,000, for which it had an accumulated interest rate of RON 272,005. The loan was converted into shares according to the Decision of the Extraordinary General Meeting of Shareholders no. 5/30.06.2021, registered with the Trade Register under application for amendments no. 485731/10.09.2021. As at 31 March 2023, the Company did not register any loans granted to the subsidiary Energonuclear S.A.

During 2021, the share capital of Energonuclear S.A. branch was increased two times, as follows: according to the Decision of the Extraordinary General Meeting of Shareholders no. 3/21.04.2021 by issue of new shares amounting to RON 25,000,001.36, and according to the Resolution of the Extraordinary General Meeting of Shareholders no. 5/30.06.2021 in amount of RON 5,772,005.22, representing the conversion of the shareholding loan into shares.

During 2022, the share capital of Energonuclear S.A. branch was increased by the amount of RON 26,999,997.52, under Decision of the Extraordinary General Meeting of Shareholders no. 7/05.05.2022 by issue of new shares. No changes were recorded in the first 3 months of 2023.

#### Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L.

Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L. Branch (“F.P.C.U Feldioara”) has its registered office located in Brasov County, Feldioara Locality, Str. Dumbravii nr. 1, the administrative building, ground floor and is registered with the Trade Register under number J8/2729/23.09.2021, with Unique Registration Code 44958790, tax attribute RO. The main activity of FPCU Feldioara consists in “Processing of nuclear fuel” – CAEN Code 2446.

As at 31 March 2023, and respectively 31 December 2022, the Company held 100% of the share capital of F.P.C.U Feldioara. The value of the shareholding, as at 31 December 2023, is RON 200 (31 December 2022: RON 200).

In 2021, the Company’s shareholders approved the granting of a loan of RON 2,300,000, increase in 2022 up to RON 3,600,000, for the purpose of financing the activities and expenses of the branch upon its establishment, in compliance with the provisions of the activity programs and of the income and expenditure budget for the years 2021 and 2022. In 2023, a loan of RON 11,000,000 was approved by the Company’s shareholders, for the purpose of financing the activities, in compliance with the provisions of the activity programs and of the income and expenditure budget for 2023. As at 31 March 2023, the Company had a principal of RON 4,600,000 (31 December 2022: RON 3,600,000) and an accrued interest of RON 205,066 (31 December 2022: RON 130,772).

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## **S.N. Nuclearelectrica S.A.**

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023  
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### **7. FINANCIAL INVESTMENTS IN SUBSIDIARIES (CONTINUATION)**

#### **Nuclearelectrica Serv S.R.L.**

Nuclearelectrica Serv S.A. branch has its registered office located in Constanta County, Cernavodă Locality, Str. Energiei nr. 21, Hotel nr. 2, Building B, 1st floor and is registered with the Trade Register under number J13/4108/17.12.2021, with Unique Registration Code 45374854, tax attribute RO. The main activity of Nuclearelectrica Serv consists in “Other human resources provision” - CAEN Code 7830.

As at 31 March 2023, and respectively 31 December 2022, the Company held 100% of the share capital of Nuclearelectrica Serv. The value of the shareholding, as at 31 December 2023, and respectively 31 December 2022, is RON 200.

In 2022, the Company’s shareholders approved the granting of a loan in amount of RON 3,500,000, for the purpose of financing the activities and expenses of the branch upon its establishment, in compliance with the provisions of the activity programs and of the income and expenditure budget for 2022. In 2023, the amount of the loan was increased up to RON 18,600,000, for the purpose of financing the activities, in compliance with the provisions of the activity programs and of the income and expenditure budget for 2023. As at 31 March 2023, the subsidiary accessed the amount of RON 1,920,000 (31 December 2022: RON 1,920,000), for which it booked an accrued interest of RON 83,368 (31 December 2022: RON 44,478).

### **8. FINANCIAL INVESTMENTS IN RELATED ENTITIES**

#### **Ropower Nuclear S.A.**

In September 2022, the special purpose vehicle Ropower Nuclear S.A. was established, owned in equal shares by the shareholders S.N. Nuclearelectrica S.A. and Nova Power&Gas S.R.L. Its registered office is located in Romania, Dambovita County, Doicesti Locality, Strada Aleea Sinaia nr. 18, the Administrative Building, 1st floor, being registered with the Trade Register under number J15/1604/26.09.2022, Unique Registration Code 46901014, tax attribute RO. The main activity of the Company consists in the “Production of electricity” - CAEN Code 3511.

As at 31 March 2023, the Company held 50% of the share capital of Ropower Nuclear S.A., the shareholding value amounting to **RON 4,943,000**.

Ropower Nuclear S.A. Company is established to develop, raise financing, design, build and operate a facility for production of electricity from nuclear energy based on the small modular reactors in Doicesti, County of Dambovita, based on the NuScale technology, consisting of 6 NuScale modules of 77MWe each, totaling 462MWe, as well as to operate a facility for production of electricity from solar energy, with a capacity of at least 80-100MWe, in the commune of Sotanga, County of Dambovita.

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**S.N. Nuclearelectrica S.A.**

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023  
(All amounts are expressed in RON, unless otherwise expressly provided for.)

**9. INVENTORIES**

As at 31 March 2023 and 31 December 2022, inventories are as follows:

	<b>31 March 2023</b>	<b>31 December 2022</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Spare parts	255,360,025	240,796,144
Other raw materials and materials	509,380,313	412,403,547
<b>Total</b>	<b>764,740,338</b>	<b>653,199,691</b>

**(i) Valuation of inventories**

Costs are valued at weighted average cost (WAC) according to IAS 2. See Note 3 (k) of the significant Accounting policies related to these Individual Financial Statements of the Company prepared as at and for the financial year ended on 31 December 2022 for the other relevant accounting policies for inventories.

**(ii) Amounts recognized in the Income Statement**

The value of inventories expensed in the first three months of 2023 is found under the items Cost of spare parts and Cost of nuclear fuel from the Statement of profit or loss and other comprehensive income, amounting to RON 47,422,028 (31 December 2022: RON 47,489,761).

The value of inventories expensed during the first three months of 2023, in accordance with the provisions of IAS 2.34, representing inventories scrapped, damaged and written off, amounts to RON 0 (31 December 2022: RON 1,042,623). The Company examines the evolution of inventories on a periodical basis, providing in time impairment adjustments for inventories deemed to be impaired. Therefore, for inventories scrapped the Company provided impairment adjustments, which it wrote back on revenue upon their writing off. The effect on the statement of profit or loss is insignificant.

The value of adjustments for impairment of inventories, as at 31 March 2023, amounted to RON 50,009,230 RON (31 December 2022: RON 50,081,781). In the first three months of 2023, impairment adjustments of RON 0 were set up (31 December 2022: RON 218,305) and impairment adjustments were written back on revenue, in amount of RON 72,550 (31 December 2022: RON 1,953,198).

During the first three months of 2023, no resettlements of inventories written off were accounted for.

**(iii) Pledged inventories**

As at 31 March 2023, the Company did not recorded any pledged or mortgaged inventories.

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(All amounts are expressed in RON, unless otherwise expressly provided for.)

**10. TRADE RECEIVABLES**

As at 31 March 2023 and 31 December 2022 trade receivables were presented as follows:

	<b>31 March 2023</b>	<b>31 December 2022</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Trade receivables	614,295,983	450,541,410
Impairment adjustments for trade receivables	(11,896,236)	(12,001,436)
<b>Total</b>	<b>602,399,747</b>	<b>438,539,974</b>

As at 31 March 2023, the main trade receivables in balance were towards: Operatorul Pietei de Energie Electrica si de Gaze Naturale OPCOM S.A. – RON 191,772,784 (31 December 2022: RON 1,049,663), Electrica Furnizare S.A. – RON 95,275,499 (31 December 2022: RON 40,721,750) Enel Energie Muntenia S.A. – RON 69,364,961 (31 December 2022: RON 43,660,872), OMV Petrom S.A.– RON 61,595,258 (31 December 2022: RON 14,558,699), and Alro S.A. – RON 49,226,512 (31 December 2022: RON 10,645,053).

**11. OTHER FINANCIAL ASSETS MEASURED AT AMORTIZED COST**

	<b>31 March 2023</b>	<b>31 December 2022</b>
	<b>(unaudited)</b>	<b>(audited)</b>
Other receivables	100,450,862	120,242,180
Impairment adjustments for other receivables	(583,180)	(583,180)
Taxes and duties	20,579,970	300,947
Advance payments	36,160,755	20,994,645
<b>Total</b>	<b>156,608,407</b>	<b>140,954,592</b>

As at 31 March 2023, the position of “Taxes and Duties” represented recoverable VAT of RON 20.579.970 RON (31 December 2022: RON 300.947).

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**12. CASH AND CASH EQUIVALENTS, BANK DEPOSITS**

As at 31 March 2023 and 31 December 2022, the **cash and cash equivalents** were as follows:

	<b>31 March 2023</b> <b>(unaudited)</b>	<b>31 December 2022</b> <b>(audited)</b>
Cash in hand	120,310	81,936
Cash at bank in RON	320,131,871	259,300,485
Cash at bank in foreign currencies	48,747,947	25,057,497
Bank deposits less than 3 months	2,413,073,500	2,396,122,000
Other cash equivalents	156,627	440,509
<b>Cash and cash equivalents - Total</b>	<b>2,782,230,255</b>	<b>2,681,002,427</b>

As at 31 March 2023 and 31 December 2022, **bank deposits** having their original maturity of more than 3 months and less than one year were as follows:

	<b>31 March 2023</b> <b>(unaudited)</b>	<b>31 December 2022</b> <b>(audited)</b>
Bank deposits	<b>2,320,437,843</b>	<b>1,829,796,500</b>

**(i) Reconciliation with the Statement of cash flows**

The above items are reconciled with the amount of cash presented in the Statement of cash flows at the end of the financial year, as follows:

	<b>31 March 2023</b> <b>(unaudited)</b>	<b>31 December 2022</b> <b>(audited)</b>
Cash in hand	120,310	81,936
Cash at bank	368,879,818	284,357,982
Bank deposits having their original due date less than 3 months	2,413,073,500	2,396,122,000
Other cash equivalents	156,627	440,509
	<b>2,782,230,255</b>	<b>2,681,002,427</b>

**(ii) Classification as cash equivalents**

Term deposits are presented as cash equivalents if their due date is of 3 months or less from their set up.

**(iii) Restricted cash**

Current accounts opened with banks are permanently at the disposal of the Company and are not restricted or encumbered.

Bank deposits are permanently at the disposal of the Company and are not restricted or encumbered.

As at 31 March 2023, the Company held letters of bank guarantee under certain credit facilities, without any collateral deposits, of RON 134,257,843 RON (31 December 2022: RON 124,714,365).

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**13. LOANS**

The loans taken by the Company as at 31 March 2023, and respectively 31 December 2022, were as follows:

	<b>31 March 2023 (unaudited)</b>	< 1 year	> 1 year	<b>31 December 2022 (audited)</b>	< 1 year	> 1 year
Bank loans	<b>119,768,220</b>	65,328,120	54,440,100	<b>130,116,620</b>	65,305,680	64,810,940
Interest	<b>855,352</b>	855,352		<b>219,753</b>	219,753	
<b>Total</b>	<b>120,623,572</b>	66,183,472	54,440,100	<b>130,336,373</b>	65,525,433	64,810,940

**Bank loans**

The loans repayments during the financial period ended as at 31 March 2023 were:

	<b>Currency</b>	<b>Interest rate</b>	<b>Amount</b>	<b>Final maturity year</b>
<b>Balance as at 1 January 2023 (audited)</b>			<b>130,116,620</b>	
New drawdowns				
<b>Repayments, of which</b>			<b>(10,336,410)</b>	
EURATOM	EUR	EURIBOR 6M + 0.08%	(10,336,410)	2024
<b>Foreign exchange differences</b>			<b>(11,990)</b>	
<b>Commitment fees</b>			-	
<b>Balance as at 31 March 2023 (unaudited)</b>			<b>119,768,220</b>	

**(i) Long-term loans**

As at 31 March 2023 and 31 December 2022, the **long-term** loans from the credit institutions were as follows:

	<b>31 March 2023 (unaudited)</b>	<b>31 December 2022 (audited)</b>
EURATOM	119,768,220	130,116,620
<b>Total loans</b>	<b>119,768,220</b>	<b>130,116,620</b>
Less: current part of the long-term loans	(65,328,120)	(65,305,680)
<b>Total long-term loans net of the short-term portion</b>	<b>54,440,100</b>	<b>64,810,940</b>

**(ii) Short-term loans**

As at 31 March 2023 and 31 December 2022, the **short-term** loans were as follows:

	<b>31 March 2023 (unaudited)</b>	<b>31 December 2022 (audited)</b>
Current part of the long-term loans	65,328,120	65,305,680
Long-term loans interest	855,352	219,753
<b>Short-term loans - Total</b>	<b>66,183,472</b>	<b>65,525,433</b>

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**14. LIABILITIES FOR EMPLOYEE BENEFITS**

As at 31 March 2023 and 31 December 2022, the liabilities for employee benefits were as follows:

	<b>31 March 2023</b> <b>(unaudited)</b>	<b>31 December 2022</b> <b>(audited)</b>
Retirement benefits	25,011,151	25,011,151
Anniversary bonuses	11,878,616	11,878,616
Decease benefits	894,429	894,429
Retirement benefits in electricity	7,773,395	7,773,395
<b>Total</b>	<b>45,557,591</b>	<b>45,557,591</b>

As at 31 March 2023 and 31 December 2022, the Company has the following obligations:

- to pay the retiring employees the retirement pension which varies between 2 and 3 base pays, depending on the number of years of service in the field of electricity, heat and nuclear energy;
- to pay the employees anniversary bonuses depending on the number of years of service in the field of electricity, heat and nuclear energy;
- to pay an aid to the employee's family, in case of their decease;
- to pay the retiring employees an energy benefit, representing the equivalent of the electricity quota of 1,200 KWh/year. The criterion for granting this benefit is 15 years of service in the energy field, of which at least the last 10 years with the Company. This benefit is granted starting from 1 April 2017.

The following **macroeconomic and Company-specific assumptions** were considered for application of IAS 19 "Employee Benefits" as at 31 December 2022 and 31 December 2021.

<b>Measurement date</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
Number of employees	2,344	2,205
Salary increase rate	The management of the Company estimated an increase in line with the annual increase rate of consumer prices communicated by the National Prognosis Committee for 2022-2026. The weighted average rate of salary increases is 5.7% p.a.  The inflation rate was estimated based on the statistics issued by INSSE and the BRD forecast of August 2022, as follows: 13.9% in 2022, 7.5% in 2023, 4.9% in 2024, 3.0% in 2015 and 2.5% p.a. in years 2026-2031, and will follow a downward trend in the following years. The average weighted inflation rate is 3.7% p.a.	The management of the Company estimated an increase in line with the annual increase rate of consumer prices communicated by the National Prognosis Committee for The weighted average rate of salary increases is 2.8% p.a.  The inflation rate was estimated based on the 2021-2025 Autumn Forecast issued by the National Strategy and Prognosis Committee, as follows: 4.7% in 2022, 3.4% in 2023, 2.7% in 2024 and 2.5% p.a. in years 2025-2031, and will follow a downward trend in the following years.
Raise rate in kWh price	The kWh price as updated on 31 December 2022 was RON 1.2961. For years 2023-2030, the estimates provided by the Company and a similar trend for the following years were used. The weighted average rate of the kW price rise is 0.8% p.a.	The kWh price as updated on 31 December 2021 was RON 0.7567. For years 2022-2030, the estimates provided by the Company and a similar trend for the following years were used.
Weighted average discounting rate	7.8%	4.9%
Mortality tables	2018 Mortality Table of the Romanian population issued by the National Institute of Statistics.	2018 Mortality Table of the Romanian population issued by the National Institute of Statistics.
Gross average salary	10,895	9,337

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**14. LIABILITIES FOR EMPLOYEE BENEFITS (CONTINUATION)**

The above assumptions were taken into considering:

- bond yields on the active market at the end of December 2022. The residual times to maturity available were 1-10 years and 13-14 years. For the other time periods, the discount rate was estimated using the Smith-Wilson extrapolation method;
- estimated long-term inflation rate of 2.0% p.a.;
- estimated long-term real yield on governmental bonds of 1.45% p.a.;
- liquidity premium for Romania of 0%;
- weighted average discounting rate of 7.8%.

**Sensitivity analysis**

The significant actuarial assumptions considered for calculation of the employee benefit liability are: discounting rate, salary increase and retirement age.

Assumptions	Retirement benefits	Aids for employee decease	Anniversary bonuses	Retirement benefits in electricity	Total liabilities with defined benefits
<b>PVDBO as at 31 December 2022 (RON)</b>	<b>25,011,151</b>	<b>894,429</b>	<b>11,878,616</b>	<b>7,773,395</b>	<b>45,557,591</b>
Discounting rate +1%	23,771,840	840,859	11,204,837	6,825,570	42,643,105
Discounting rate -1%	26,379,315	954,298	12,627,262	8,926,409	48,887,284
Salary increase rate/kW price +1%	26,501,421	963,695	12,739,570	9,016,634	49,221,320
Salary increase rate/kW price -1%	23,648,485	832,279	11,100,479	6,747,378	42,328,622
Increase in longevity by 1 year	25,117,367	812,688	11,917,866	7,960,759	45,808,679

In the sensitivity analysis above, the updated amount of the benefit liability was calculated using the projected unit credit method, according to the provisions of IAS 19, at the end of the reporting period, which is the same as that applied for calculation of the benefit liabilities recognized in the statement of the financial position.

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*(All amounts are expressed in RON, unless otherwise expressly provided for.)***15. TRADE AND OTHER PAYABLES**

As at 31 March 2023 and 31 December 2022, trade and other payables were as follows:

	<b>31 March 2023</b> <b>(unaudited)</b>	<b>31 December 2022</b> <b>(audited)</b>
Suppliers of non-current assets	100,344,397	46,767,931
Suppliers	224,978,502	110,396,300
Liabilities for employee benefits	20,560,851	37,461,202
Liabilities to the state	314,096,289	239,212,576
Payable dividends	727,710	763,805
Other liabilities	15,681,882	10,713,845
<b>Total</b>	<b>676,389,631</b>	<b>445,315,659</b>

As at 31 March 2022, the main suppliers in the balance, under “Suppliers of non-current assets” and “Suppliers”, were: NAC Kazatomprom JSC – RON 125,198,377 (31 December 2022: RON 0), Candu Energy INC. – RON 57,709,274 (31 December 2022: RON 26,956,168), General Electric Global Services GMBH Baden, Romania Branch – RON 21,629,425 (31 December 2022: RON 23,264,335), Apele Romane Bucuresti – RON 13,130,526 (31 December 2022: RON 12,302,495).

**16. PROVISIONS FOR RISKS AND CHARGES**

As at 31 March 2023, and respectively 31 December 2022, the Company recognized the following provisions, included under position of “Provisions for risks and charges” and under position of “Current part of provisions for risks and charges”:

	<b>31 March 2023</b> <b>(unaudited)</b>	<b>31 December 2022</b> <b>(audited)</b>
Liabilities relating to the Intermediate Dry Storage Spent Fuel Facility (DICA)	71,843,800	70,294,835
Liabilities relating to other low and medium level radioactive and non-radioactive waste	65,343,758	64,737,442
Provision for litigations related to salary bonus	92,280,859	89,288,704
Employee participation in profit	41,923,641	27,000,000
Other provisions for risks and charges	166,470	224,307
<b>Total</b>	<b>271,558,528</b>	<b>251,545,288</b>

As at 31 March 2023, provisions in a total amount of RON 271,558,528 represented long and short-terms liabilities, as follows:

	<b>Current part</b> <b>(&lt; 1 year)</b>	<b>Long-term part</b> <b>(&gt; 1 year)</b>
Liabilities relating to the Intermediate Dry Storage Spent Fuel Facility (DICA)	35,477,092	36,366,708
Liabilities relating to other low and medium level radioactive and non-radioactive waste	13,241,818	52,101,940
Provision for litigations related to salary bonus	-	92,280,859
Employee participation in profit	41,923,641	-
Other provisions for risks and charges	166,470	-
<b>Total</b>	<b>90,809,021</b>	<b>80,749,507</b>

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*(All amounts are expressed in RON, unless otherwise expressly provided for.)***17. INCOME FROM THE SALE OF ELECTRICITY**

<b>(i) Income from the sale of electricity</b>	<b>The 3-month period ended on 31 March 2023 (unaudited)</b>	<b>The 3-month period ended on 31 March 2022 (unaudited)</b>
Sales of energy via MACEE	552,337,893	-
Sales of energy on the free market	1,538,141,854	1,841,023,962
Sales of thermal energy	2,944,258	3,333,975
Income from the sale of green certificates	9,455	9,755
<b>Total</b>	<b>2,093,433,460</b>	<b>1,844,367,692</b>

<b>(ii) Quantity of sold electricity*)</b>	<b>The 3-month period ended on 31 March 2023 (unaudited)</b>	<b>The 3-month period ended on 31 March 2022 (unaudited)</b>
Quantity of electricity sold via MACEE (MWh)	1,234,350	-
Quantity of sold electricity on the free market (MWh)	1,538,222	2,789,825
<b>Total</b>	<b>2,772,572</b>	<b>2,789,825</b>

\*) The disclosed quantity of electricity sold does not include the quantity of electricity related to the revenues from positive imbalances capitalized on the Balancing Market, of 6,588 MWh for the 3-month period ended on 31 March 2023 (6,950 MWh during the 3-month period ended on 31 March 2022).

Starting 1<sup>st</sup> January 2023, the Company is a seller under the Centralized Electricity Acquisition Mechanism (“MACEE”), set up under the Government Emergency Ordinance no. 153/2022, for the period 1 January 2023 – 31 March 2025. OPCOM S.A., as sole purchaser, according to Article 2 and Article 3 (2) of the Government Emergency Ordinance no. 153/2022, buys electricity from producers at the price of RON 450/MWh and sells it to buyers with the same price. In the first quarter of 2023, the Company sold via MACEE a quantity of 1,234,350 MWh at the price of RON 450/MWh (with Tg included, respectively RON 447.47/MWh without Tg), which accounts for 44.4% of the total electricity sold during the period.

On the competitive market, in the first quarter of 2023, the Company delivered 55.35% of the energy sold (first quarter of 2022: 99.75%). The average sale price of electricity sold by the Company on this market in Q1 2023 was RON 998.36/MWh (Q1 2022: 657.88 RON/MWh), amount net of Tg.

The Company is a participant in the balancing market according to the balancing market participation agreement concluded with C.N. Transelectrica S.A. and set up a guarantee in amount of RON 50,000, valid until 11 June 2023 and is a member of PRE Ciga Energy SA, according to the agreement concluded with Ciga Energy S.A. for the provision of the representation service as a party responsible for balancing.

The Company carries out the activity of generation of heat energy by operation of the energy facilities related to the electricity and heat energy production units in two heat exchangers with a total heat power of 40 Gcal/h and 46.51 MW. The Company delivers heat energy to the heat energy local distribution company S.C. Utilitati Publice S.A. Cernavodă, as well as to certain end consumers in Cernavodă Locality– economic operators, social and cultural institutions. The sales of heat in Q1 2023 amount to RON 2,944,258 (Q1 2022: RON 3,333,975).

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**18. PERSONNEL COSTS**

As at 31 March 2023 and 31 March 2022, the payroll costs included:

	<b>The 3-month period ended on 31 March 2023 (unaudited)</b>	<b>The 3-month period ended on 31 March 2022 (unaudited)</b>
Salaries and wages	126,892,420	110,161,367
Costs of social insurance and similar	12,877,271	9,393,035
<b>Total</b>	<b>139,769,691</b>	<b>119,554,402</b>

**19. WINDFALL TAX EXPENSES FOR ELECTRICITY PRODUCERS / CONTRIBUTION TO THE ENERGY TRANSITION FUND**

	<b>The 3-month period ended on 31 March 2023 (unaudited)</b>	<b>The 3-month period ended on 31 March 2022 (unaudited)</b>
Windfall tax expenses for electricity producers / Contribution to the Energy Transition Fund	840,842,238	459,176,701
<b>Total</b>	<b>840,842,238</b>	<b>459,176,701</b>

In the first three months of 2023, the Company recorded Contribution to the Energy Transition Fund in amount of RON 840,842,238 (31 March 2022: RON 459,176,701, *i.e.* windfall tax expense). As at 31 March 2023, the payable balance to the Energy Transition Fund amounts to RON 279,712,627 (31 December 2022: RON 73,261,115).

In the first 3 months of 2022, the Company recorded windfall tax expense. The windfall tax expense was established and computed on the basis of art. II (1) of Law no. 259/2021 for the approval of GEO no. 118/2021, as subsequently amended and supplemented, and results from the difference between the average monthly selling price of electricity and the price of 450 RON/MWh, to which a percentage of 80% was applied for the quantity of electricity physically delivered on a monthly basis from own production. The computation method is established by GEO no. 27/2022 (Annex 6) and applies, according to art. 4 of the GEO no. 27/2022 for the period 1 November 2021 - 31 August 2022.

According to GEO no. 119/01.09.2022 for amendment and supplement of GEO no. 27/2022, starting with 1 September 2022, for the period 1 September 2022 - 31 August 2023, electricity producers must pay a contribution to the Energy Transition Fund which replaced the windfall tax. The computation method is provided for in Annex 6 of this ordinance and is determined as a difference between the monthly sale price and the reference price (RON 450/MWh) multiplied by the monthly quantity physically delivered, therefore a percentage of 100%.

Starting 16 December 2022, entered into force the Law no. 357/2022, regarding the approval the GEO no. 119/01.09.2022, which set forth a number of amendments to the provisions of the Government Emergency Ordinance no. 119/2022 on the contribution to the Energy Transition Fund. The application period has been extended until 31 March 2025, and the calculation methodology was amended so that the amount of the contribution would be further determined as the product between the difference between the monthly sale price and the amount of RON 450/MWh and the monthly quantity physically delivered from own production. During the time period when Law no. 357/2022 applies, only expenses with imbalances are deducted from the computation base for determining the monthly sales price (until the entry into force of Law no. 357/2022, respectively in the first quarter of 2022, other types of expenses were also deducted from the calculation base expenses, for example expenses with purchased electricity).

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**20. OTHER OPERATING EXPENDITURE**

	<b>The 3-month period ended on 31 March 2023 (unaudited)</b>	<b>The 3-month period ended on 31 March 2022 (unaudited)</b>
Other expenses with services executed by third parties	26,064,059	23,925,424
NRWA costs	24,984,087	25,307,231
Expenses with energy and water	26,207,967	23,720,207
Expenses with fuel and other consumables	15,273,711	13,466,272
Expenditure related to ANRE contribution	1,570,326	769,685
Expenses with insurance premiums	4,019,467	3,317,225
Expenses with the transport and telecommunications	2,953,013	1,850,921
Net expenses related to provisions and value adjustments	4,560,586	8,092,474
Other operating expenditure	5,887,128	6,772,173
<b>Total</b>	<b>111,520,344</b>	<b>107,221,612</b>

***ANDR costs***

As of 2007, following the Government Decision no. 1080/2007 regarding the safe management of radioactive waste and decommissioning of the nuclear plants, the Company is required to pay two types of contributions to ANDR:

- contribution for decommissioning each nuclear unit in amount of EUR 0.6/MWh net electricity produced and delivered in the system;
- contribution for the permanent storage of radioactive waste of EUR 1.4/MWh of net electricity produced and delivered in the system.

According to this legislative act, the annual contribution for decommissioning is paid during the designed lifetime of nuclear units, and the direct annual contribution for the final storage is paid during the operating period of nuclear units, and, therefore, ANDR is held responsible for the management of the entire decommissioning process, at the end of the useful lifetime of nuclear plant and storage of the resulting waste.

***Expenditure related to ANRE contribution***

ANRE contribution for the year 2023 is calculated according to the ANRE Order no. 140/2022, representing 0.1% of the turnover realized in 2022, from activities carried out under the licenses held. As at 31 March 2023, it amounts to RON 1,570,326 (31 March 2022: RON 769,685). For 2022, the contribution was calculated according to the ANRE Order no. 143/2021, representing 0.1% of the turnover realized in 2021, from activities carried out under the licenses held.

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**S.N. Nuclearelectrica S.A.**

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023  
*(All amounts are expressed in RON, unless otherwise expressly provided for.)*

**21. FINANCIAL INCOME AND EXPENSES**

	<b>The 3-month period ended on 31 March 2023 (unaudited)</b>	<b>The 3-month period ended on 31 March 2022 (unaudited)</b>
Interest income	102,710,805	22,419,036
Income from exchange rate differences	8,232,958	2,672,144
Financial income regarding the amortization of governmental bonds differences	17,636	17,041
Other financial income	2,419,479	-
<b>Financial income - Total</b>	<b>113,380,878</b>	<b>25,108,221</b>
Expenses from exchange rate differences	(4,339,046)	(4,189,538)
Interest expense	(1,310,939)	(2,222,134)
<b>Financial expenses - Total</b>	<b>(5,649,985)</b>	<b>(6,411,672)</b>
<b>Net financial (expenditure)/income</b>	<b>107,730,893</b>	<b>18,696,549</b>

**22. CORPORATE INCOME TAX**

Corporate income tax recognized in the profit and loss account is presented as follows:

	<b>The 3-month period ended on 31 March 2023 (unaudited)</b>	<b>The 3-month period ended on 31 March 2022 (unaudited)</b>
Expense with current corporate tax	144,589,438	161,058,744
Net income from deferred tax	(3,402,549)	(5,136,827)
<b>Total</b>	<b>141,186,889</b>	<b>155,921,917</b>

*Notes 1 to 25 are an integral part of these individual interim financial statements.*

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**S.N. Nuclearelectrica S.A.**

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023  
(All amounts are expressed in RON, unless otherwise expressly provided for.)

**23. EARNINGS PER SHARE**

As at 31 March 2023 and 31 March 2022, the earnings per share were:

**(i) Earnings based on share**

	<b>The 3-month period ended on 31 March 2023 (unaudited)</b>	<b>The 3-month period ended on 31 March 2022 (unaudited)</b>
<b>Net profit of the period</b>	<b>766,518,003</b>	<b>818,901,388</b>
Number of ordinary shares at the beginning of the financial year	301,643,894	301,643,894
Number of ordinary shares issued during the financial year	-	-
Weighted average number of ordinary shares at the end of the financial year	<b>301,643,894</b>	<b>301,643,894</b>
<b>Earnings based on share (RON/share)</b>	<b>2.54</b>	<b>2.71</b>

**(ii) Diluted earnings per share**

	<b>The 3-month period ended on 31 March 2023 (unaudited)</b>	<b>The 3-month period ended on 31 March 2022 (unaudited)</b>
<b>Net profit of the period</b>	<b>766,518,003</b>	<b>818,901,388</b>
Number of ordinary shares at the beginning of the financial year	301,643,894	301,643,894
Number of ordinary shares issued during the financial year	-	-
Number of ordinary shares at the end of the financial year (a)	301,643,894	301,643,894
Number of shares corresponding to the reserve paid in advance (b)	-	-
<b>Weighted average number of ordinary shares (diluted) as at 31 March (a) + (b)</b>	<b>301,643,894</b>	<b>301,643,894</b>
<b>Diluted earnings per share (RON/share)</b>	<b>2.54</b>	<b>2.71</b>

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## **24. CONTINGENCIES AND COMMITMENTS**

### ***(i) Other controls***

Based on the FMC Tax Inspection Notice no. 163/23.07.2018, starting on 23 August 2018, a inspection team was presented at the Company's headquarters to check the corporate tax for years 2012 - 2017, tax on the income obtained in Romania by non-residents, the tax on income from dividends obtained in Romania by non-residents, and the tax on income from royalties obtained in Romania by non-residents in years 2015 - 2017, the VAT for years 2013 - 2017, the tax on interest income obtained in Romania by non-residents in years 2015 - 2017. The tax inspection was concluded by the Tax Inspection Report (TIR) no. FMC 27/18.02.2020, registered with SNN under no. 2621/21.02.2020, and under the Assessment Decision on main tax liabilities related to the taxable amount differences determined by the fiscal inspection no. FMC 111/18.02.2020, debits of RON 2,453,799 were assessed. For the ancillary liabilities related to these debits, SNN filed a Request for writing off the ancillary liabilities with ANAF, registered with SNN under no. 3164/03.03.2020 and with ANAF under no. 11264/03.03.2020, whereby it asked for their writing off according to Article 27 of the Government Ordinance no. 6/2019 on institution of tax facilities. Consequently, ANAF issued the Decision writing off ancillary payment liabilities no. 559/06.03.2020.

Through the letter no. IV/40.786/06.10.2020, registered by SNN under no. 11.644/06/10/2020, the Romanian Court of Accounts announced that, as of 26 October 2020, it will carry out a documentation action concerning implementation of the measures ordered under the Decisions no. 5/2018, no. 16/2015 and no. 14/2012. This action concluded with the Follow-up Report no. 13552/25.11.2020 on implementation of out the measures ordered under the Decision no. 5/2018.

With the letter no. 10136/30.08.2021, the Romanian Court of Accounts informed that during the period 6 September 2021 - 17 December 2021 it would perform the Verification of the statement, evolution and manner of administration of the State public and private assets, as well as the lawfulness of obtaining revenues and making expenses.

As at 17 December 2021, it was issued the Verification Report regarding the "Verification of the statement, evolution and manner of administration of the State public and private assets, as well as the lawfulness of obtaining revenues and making expenses", registered by the company under no. 14343/17.12.2021. Based on the Verification Report, CCR issued Decision no. 1/20.01.2022 through which 5 actions were established, having as achievement deadline 31 August 2022. Company filed Appeal no. 1683/10.02.2022 against this Decision, respectively against action no. 1. By this Appeal, the Company requests the cancelation of the infringement and of the action no. 1 regarding "Non-compliance with the legal provisions regarding the recovery of damages established by the courts of law, for which payments had been made in amount of RON 142,699". The Appeal is under examination by CCR. Regarding the other actions, an internal analysis has been ordered, which is in progress.

### ***(i) Litigations in progress***

In the 3-month period ended on 31 March 2023, the Company is involved in a number of legal proceedings pertaining to its normal course of business. The Company's management examine the situation of litigations in progress on a regular basis, and following consultation with its legal advisors or external lawyers, decide on the need to set up provisions for the amounts involved or to disclose them in the financial statements.

In the Company's management opinion, at present there are no legal proceedings or claims likely to have any significant impact on the financial result and financial position of the Company, which was not presented in these Individual Interim Financial Statements.

### ***(ii) COMMITMENTS***

As at 31 March 2023, the Company committed itself to bear operational and investment expenses in compliance with the agreements in progress for current investments and operations, normal during the performance of the basic activity. As at 31 March 2023, the total value of commitments was fully reflected in position of "Trade and other payables".

*Notes 1 to 25 are an integral part of these individual interim financial statements.*

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**S.N. Nuclearelectrica S.A.**

Notes to the Individual Interim Financial Statements prepared as at and for the three-month period ended on 31 March 2023  
(All amounts are expressed in RON, unless otherwise expressly provided for.)

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**24. CONTINGENCIES AND COMMITMENTS (CONTINUATION)****(iii) Guarantees**

Trade of electricity produced on the platforms managed by OPCOM, supposes that for certain transactions, the Company should provide bank guarantee letters for participation in certain markets such as DAM (Day-Ahead Market) and IDM (Intra-Day Market), bids (PCSU – Centralized Market for Universal Service, CM-OTC – Centralized Market with double continuous negotiation of bilateral electricity agreements) or in favor of the clients CMBC-CN– Centralized Market of Bilateral Agreements with Continuous Negotiation, CMBC-EA – Centralized Market of Bilateral Agreements by Extended Auction, PCCB-Le-flex LE – Centralized Market of Bilateral Agreements by Extended Auction and the use of products ensuring flexibility of trading and CMUS – Centralized Market for Universal Service).

As at 31 March 2023, the total amount of the letters of bank guarantee issued in favor of OPCOM, for participation in DAM and IDM, is RON 130.1 million.

Moreover, as at 31 March 2023, the Company issued up letters of bank guarantee in favor of Transelectrica S.A. (of RON 50,000), for the purpose of ensuring the liquidity on the Balancing Market, by each Party Responsible for Balancing setting up a financial guarantee in favor of Transelectrica S.A., on account of the Agreement of Party Responsible for Balancing concluded between the Company as a license holder, and Transelectrica S.A. For all such bank guarantee letters, the Company set up collateral deposits with banks issuing guarantee letters. The Company also holds a letter of bank guarantee of RON 2.8 million in favor of Transelectrica, for provision of the transmission service.

As at 31 March 2023, the Company had set up with the Treasury, a deposit in amount of RON 1,436,176, representing the establishment of precautionary measures according to NAFA (National Agency for Fiscal Administration) Decision – General Directorate for Fiscal Antifraud.

As at 31 March 2023, the total value of the letters of bank guarantee issued by clients in favor of the Company for the contracts concluded on CMBC-CN, CMBC-EA and CM-OTC amounted to RON 739.0 million. Such guarantees cover the risk for non-performance of the contractual obligations assumed by clients under the electricity sales agreements.

**25. SUBSEQUENT EVENTS****Fabrica de Prelucrare a Concentratelor de Uraniu (“FPCU”) – SNN subsidiary**

By Resolution no. 4/26.04.2023 of the Extraordinary General Meeting of Shareholders itw as approved the transfer of the concession license for the exploitation activity Tulghes - Grinties (Operation license no. 479/1999) from SNN-S.A. to Fabrica de Prelucrare a Concentratelor de Uraniu – Feldioara S.R.L.

**Changes in the management of the company - Directors**

Under the Current Report dated 3 May 2023, the Company informs the shareholders and investors about the appointment, under a Decision of the Board of Directors, of Mr. Dan Niculaie-Faranga to the position of Chief Financial Officer, with a 4-month term of office, starting on 3 May 2023.

**Chief Executive Officer**  
**Cosmin Ghita**

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

*Notes 1 to 25 are an integral part of these individual interim financial statements.*  
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**QUARTERLY REPORT**  
**OF**  
**THE BOARD OF DIRECTORS OF**  
**S.N. NUCLEARELECTRICA S.A.**  
**(“SNN”)**  
**Q1 2023**

**Date of report: May 2023**

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## 1. BASIS OF THE REPORT

The quarterly report of the Board of Directors for the period 1 January - 31 March 2023 is drawn up based on the provisions of art. 69 of Law no. 24/2017 regarding the issuers of financial instruments and market operations, republished on 10 August 2021.

## 2. ANALYSIS OF THE FINANCIAL SITUATION

The Information and the Individual Interim Financial Statements as at and for the 3-month period ended on 31 March 2023 disclosed in this report are not audited and have prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations compliant with the International Financial Reporting Standards (“IFRS-EU”) adopted by the European Union, based on International Accounting Standard 34 - “Interim Financial Reporting”, adopted by the European Union.

The ratios presented are in thousands of lei (RON), unless otherwise specified.

### 2.1. Statement of the financial position as of 31 March 2023

The financial position as of 31 March 2023 is presented in **Appendix 1**.

<b>Ratio</b> <b>[Thousand RON]</b>	<b>31 March 2023</b> <b>(unaudited)</b>	<b>31 December 2022</b> <b>(audited)</b>	<b>Variation</b>
Fixed assets	6,235,653	6,049,279	3.1%
Current assets	6,626,417	5,743,493	15.4%
<b>Total assets</b>	<b>12,862,070</b>	<b>11,792,772</b>	<b>9.1%</b>
Long-term liabilities	445,818	456,762	(2.4%)
Current liabilities	1,114,229	800,505	39.2%
<b>Total liabilities</b>	<b>1,560,047</b>	<b>1,257,267</b>	<b>24.1%</b>
<b>Equity</b>	<b>11,302,023</b>	<b>10,535,505</b>	<b>7.3%</b>
<b>Total equity and liabilities</b>	<b>12,862,070</b>	<b>11,792,772</b>	<b>9.1%</b>

**Long-term assets** increased by 3.1% compared to the values recorded as at 31 December 2022. This increase is mainly driven by the increase in the financial assets valued at amortized cost, and by the purchase of long-term bonds, as well as by the increase in the loans granted to subsidiaries, and accrual of the related interest. The increase was diminished due to reduction in the net value of tangible and intangible assets, by recognizing the depreciation related to the period 1 January - 31 March 2023.

**Current assets** registered a 15.4% increase compared to 31 December 2022, mainly due to the 13% increase in cash available (cash, cash equivalents and bank deposits), as well as to the increase in trade receivables and inventory value.

**Long-term liabilities** decreased by 2.4% compared to the values recorded as at 31 December 2022. The decrease is mainly determined by the reduction of the long-term portion of the foreign loans contracted from EURATOM for the construction and commissioning of Unit 2 of Cernavodă NPP, as a result of

the reclassification of the installments due from the long-term portion to the short-term portion, as the loans mature.

**Current liabilities** registered an increase of 39.2% compared to the values recorded as at 31 December 2022, due to the increase in trade and other payables, mainly as a result of the recognition of the liability to the Energy Transition Fund as at 31 March 2023, as well as the increase in the corporate tax payable, to be paid in the month following the reporting period.

## 2.2. Statement of profit and loss for the 3-month period ended on 31 March 2023

In the 3-month period ended on 31 March 2023, SNN obtained a net profit of RON 766,518 thousand.

Ratio [Thousand RON]	The 3-month period ended on 31 March 2023 (unaudited)	The 3-month period ended on 31 March 2022 (unaudited)	Variation
<b>Production (GWh)*</b>	2,770	2,789	(0.7%)
Operating revenues, of which:	2,119,693	1,867,368	13.5%
<i>Revenues from the sale of electricity**</i>	2,093,433	1,844,368	13.5%
Operating expenses, less depreciation and impairment	(322,717)	(301,160)	7.2%
Cost of contribution to the Energy Transition Fund/tax on additional income	(840,842)	(459,177)	83.1%
<b>EBITDA</b>	<b>956,134</b>	<b>1,107,031</b>	<b>(13.6%)</b>
Depreciation and impairment	(156,160)	(150,904)	3.5%
<b>EBIT</b>	<b>799,974</b>	<b>956,127</b>	<b>(16.3%)</b>
Financial income	113,381	25,108	351.6%
Financial expenses	(5,650)	(6,412)	(11.9%)
<b>Net financial result</b>	<b>107,731</b>	<b>18,697</b>	<b>476.2%</b>
Net corporate income tax expenses	(141,187)	(155,922)	(9.5%)
<b>Net profit</b>	<b>766,518</b>	<b>818,901</b>	<b>(6.4%)</b>

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

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

The **operating profit** (EBITDA) decreased by 13.6% compared to the same period of the previous year, under the significant influence of the increase in the cost of the contribution to the Energy Transition Fund for the period 1 January - 31 March 2023, which was 83.1% higher than the tax on additional income due for the similar period of the previous year. The main causes of the increase in this tax are the changes made to the calculation methodology detailed below, as well as the increase in the reference amount, represented by the revenues from the sale of electricity which, in Q1 2023, are higher than in Q1 2022.

**Operating income** increased by 13.5%. This increase is determined by the 14% increase in the weighted average price of the electricity sold in Q1 2023 compared to the weighted average price of the same period of 2022, given that a similar total quantity of electricity was sold (-0.6%).

Compared to the same period of the previous year, the key change occurred in the sale mix is represented by the introduction of the Centralized Electricity Acquisition Mechanism (“MACEE”), set up under the Government Emergency Ordinance no. 153/2022, for the period 1 January 2023 – 31 March 2025, in which SNN participates as producer. OPCOM S.A., as sole purchaser, according to Article 2 and Article 3(2) of the Government Emergency Ordinance no. 153/2022, buys electricity from producers at a price

of RON 450/MWh, and sells it to buyers at the same price. In Q1 2023, the Company sold via MACEE a quantity of 1,234,350 MWh at the price of RON 450/MWh, which accounts for 44.4% of the total electricity sold during the period.

The amount of electricity sold on the competitive market of bilateral contracts decreased by 46.3%, accounting for 43.7% of the total sold quantity, and the average sale price on this market increased by 96.1% (price without Tg).

The amount of electricity sold by SNN on the spot market (DAM and IDM) in Q1 2023 decreased by 38.9%, accounting for 11.7% of the total sold quantity, and the average sale price on this market decreased by 42.5% (price without Tg).

**The cost of the contribution to the Energy Transition Fund/tax on additional income**, of RON 840,842 thousand, due for the period 1 January 2023 - 31 March 2023, increased by 83.1% (Q1 2022: RON 459,177), due to the changes made to the calculation methodology and as the increase in the reference amount, represented by the revenues from the sale of electricity which, in Q1 2023, are higher than in Q1 2022.

In Q1 2022, the tax on additional income was determined as 80%, applied to the difference between the monthly average sale price of electricity, computed according to the calculation methodology, and the price of RON 450/MWh, pursuant to Article II(1) of Law no. 259/2021 for approving the Government Emergency Ordinance no. 118/2021, as amended and supplemented. The calculation method is set out under the Government Emergency Ordinance no. 27/2022 (Appendix 6).

In Q1 2023, the contribution to the Energy Transition Fund was determined as 100%, applied to the difference between the monthly average sale price of electricity, calculated according to the calculation methodology, and the price of RON 450/MWh, pursuant to Law no. 357/2022 approving the Government Emergency Ordinance no. 119/2022. The calculation methodology applicable for Q1 2023 did not allow deduction, from the basis of computation, of the cost of the purchase of electricity and the cost related to accessing the energy markets (Tg and market management costs), as the methodology applicable in Q1 2022 used to allow. During the period 1 January 2023 - 31 March 2023, the monthly expenditures only included the cost of unbalances.

**Operating expenses, less depreciation and impairment**, increased by 7.2% in Q1 2023 compared to the same period from 2022. This increase is caused by the increase in payroll costs, the cost of electricity transmission (Tg) and of other operating expenses, partially offset by the decrease in cost of the purchased electricity.

**The financial result** positively influenced the net result, so that, in Q1 2023, net financial income increasing by 476.2% compared to the similar period of the previous year was reported, fed by the interest income obtained. The main currencies with exposures are EUR and CAD.

**The net income tax expense** decreased by 9.5% as a result of the decrease in the taxable profit calculated for Q1 2023 compared to the one calculated for Q1 2022.

The statement of profit and loss for the 3-month period ended on 31 March 2023 is presented in **Appendix 2**.

### 2.3. Execution of the Income and Expenditure Budget as at 31 March 2023

The 2023 Income and Expenditure Budget ("BVC") of SNN was approved by Resolution of the General Meeting of Shareholders no. 1/15.02.2023.

The company is monitored in terms of meeting the ratios, objectives and performance criteria, i.e. in terms of compliance with the salary fund, the level of revenues and expenses, the program for reducing arrears and debts that are past due.

The BVC execution, as at 31 March 2023, is presented in **Appendix 3** to this report.

Reviewing the performance of the Rectified Income and Expenditure Budget as at 31 March 2023 (presented in **Appendix 3**), it results that total income has been achieved in a proportion of 103.5%, and total expenses have been achieved in a proportion of 88.2%, therefore gross profit has been achieved in a proportion of 138.0%.

## 3. OPERATING ACTIVITIES

### 3.1. Production of electricity

The gross electricity production of the two operational units of Cernavodă NPP was 2,998,845 MWh in Q1 2023; of this gross production, the own technological consumption of the Units, during operation, was 229 thousand MWh in Q1 2023.

Thus, the electricity generated and delivered in the National Energy System ("SEN") was 2,769,639 MWh in Q1 2023, compared to the same period of 2022 (2,789,331 MWh), representing a decrease by 0.7%.

The net electricity production programme approved for 2023 (September 2022 revision) under Cernavoda NPP 22-500/27.09.2022, considered a quantity of 10,114,692 MWh, and for Q1 2023, it considered the quantity of 2,703,013 MWh, and was achieved in proportion of 102.5%.

The installed power utilization factor, recorded by each operational unit within Cernavodă NPP in Q1 2023, as well as in aggregate from the start of commercial operation (Unit 1 on 2 December 1996, Unit 2 on 1 November 2007) until 31 March 2023, was as follows:

Cernavodă NPP unit	January 2023	February 2023	March 2023	Aggregate 2023	Aggregate since the first date of commercial operation
Unit 1	98.21%	97.76%	98.42%	98.14%	90.48%
Unit 2	99.66%	99.62%	99.77%	99.68%	94.32%

During 1 January - 31 March 2023, there were no planned or unplanned outages.

### 3.2. Sales of electricity

As part of the electricity trading activity, the Company has the obligation to submit bank guarantee letters to certain contractual partners, in accordance with the provisions stipulated in the electricity sale

- purchase contracts. These mainly refer to: the contract concluded with C.N. Transelectrica SA for transmission of electricity; the agreement concluded with OPCOM S.A. for electricity trading on DAM (Day-Ahead Market) and IDM (Intra-Day Market); contracts concluded on the CMBC-CN (Centralized Market of Bilateral Electric Energy Contracts - the transaction modality according to which contracts are awarded through Continuous Negotiation) platform; the BM (Balancing Market) participation agreement 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 party responsible for balancing (PRE).

For the purpose of this activity, in 1 January - 31 March 2023:

- 7 bank letters of guarantee (issued in 2021 and 2022) amounting to RON 123,333,979 were liquidated; and

- 3 letters of bank guarantee, amounting to RON 132,877,000, were issued

As at 31 March 2023, there were 4 letters of bank guarantee in balance, amounting to RON 132,927,000.

The electricity sold in Q1 2023 and the corresponding revenues, distributed per types of sales contracts are presented in the table below:

#### **Electricity sales (quantities, prices and values) in the Q1 2023**

<b>Sales by type</b>	<b>Quantities in MWh</b>	<b>% of total sales</b>	<b>Average price [RON/MWh including Tg]</b>	<b>Sale revenues [lei]</b>
Sales via MACEE	1,234,350	44.41%	450.00	555,457,500
Sales on the competitive market (bilateral agreements and sales on DAM), of which:	1,538,222	55.35%	1,000.89	1,539,593,383
- Sales under CMBC-EA Flex, CMBC- CN, CM-OTC contracts, directly negotiated contract and supply contracts	1,213,129	43.65%	1,104.04	1,339,337,979
- Sales on DAM	325,093	11.70%	615.99	200,255,404
Positive imbalances on PE	6,588	0.24%	369.72	2,435,718
<b>Total sales in Q1 2023</b>	<b>2,779,160</b>	<b>100%</b>	<b>754.72</b>	<b>2,097,486,601</b>

<sup>7</sup> Note: the values also include RON 293,653 of additional system balancing income, according to ANRE Order 213/2020

The amount of electricity sold under contracts on the spot market (DAM and IDM) as well as on the PE market is 2,779,160 MWh, 1.1% above the sales schedule, of 2,748,405 MWh (measured according to the production forecast, without estimating unplanned outages) and 0.6% lower than the amount of electricity sold in Q1 2022.

The difference between the electricity sold by the Company and the electricity generated and delivered by Cernavodă NPP (9.5 thousand MWh) is represented by the electricity purchased in order to fully cover contractual obligations, 5% of which was purchased on the spot market and 95% on the PE market.

The revenues gained on the electricity market related to electricity deliveries in Q1 2023 amount to RON 2,097,486,601, 2.8% higher than the revenues budgeted for Q1 2023, and 13.7% higher compared to the amounts recorded in Q1 2022.

The weighted average sales price for the electricity sold (without MACEE and PE) achieved in Q1 2023 is RON 1,000.89/MWh (including Tg). For comparison, the weighted average price of all transactions concluded on the markets in which SNN was active in Q1 2023 (CMBC-EA, CMBC-EA-flex, CMBC-

CN, CM-OTC, DAM and IDM), calculated based on the values published by OPCOM in the monthly market reports, is RON 797.21/MWh. In Q1 2022, the weighted average sales price for the energy sold (without PE) was RON 659.38/MWh (including T<sub>g</sub>).

SNN is the seller under the Centralized Electricity Acquisition Mechanism (“MACEE”), set up under the Government Emergency Ordinance no. 153/2022, for the period 1 January 2023 – 31 March 2025. OPCOM S.A., as sole purchaser, according to Article 2 and Article 3(2) of the Government Emergency Ordinance no. 153/2022, buys electricity from producers and sells it to buyers at the price of RON 450/MWh, via the Electricity Centralized Acquisition Mechanism. In Q1 2023, the Company sold via MACEE, to OPCOM, 1,234,350 MWh.

The quantities of electricity sold on the competitive market of bilateral contracts represented a percentage of 43.65% of the total volume of electricity sold in Q1 2023, compared to a percentage of 80.72% reported in Q1 2022. The average sales price on bilateral contracts during this period was RON 1,104.04/MWh (T<sub>g</sub> included), registering an increase of 96.1% compared to the average price recorded in the Q1 2022, of RON 563.09/MWh (T<sub>g</sub> included); provided that the value of the transmission tariff for the introduction of electricity into the network T<sub>g</sub> amounted to RON 1.30/MWh starting from January 2020 (according to ANRE Order no. 218/11.12.2019), RON 1.49/MWh starting with 1 January 2022 (according to ANRE Order no. 124/25.11.2021) and RON 2.53/MWh starting with April 1, 2022 (according to ANRE Order no. 33/23.03.2022).

In Q1 2023, electricity accounting for 11.7% of the total sales volume was sold on the spot market (DAM and IDM), as compared to 19.04% in Q1 2022. The average sale price of energy on the spot market (DAM and IDM) achieved by SNN in Q1 2023 was RON 615.99/MWh (T<sub>g</sub> included), as compared to RON 1,067.66/MWh (T<sub>g</sub> included) in Q1 2022.

In Q1 2023, SNN performed 212 energy sales contracts, as follows:

- 64 contracts concluded on CMBC-EA-Flex;
- 2 contracts concluded on CMBC-CN;
- 113 transactions concluded on CM-OTC;
- 4 transactions concluded on LCM-RCE;
- 27 transactions negotiated directly based on the provisions of law no. 123/2012 of electricity and natural gas, as amended and supplemented, the provisions of article 23 paragraph (2) letter a) and the provisions of the Government Emergency Ordinance no. 27/2022, article 14 para. (6);
- 2 supply agreements for 2 end consumers.

No contracts were terminated and no significant delays occurred in terms of payment deadlines provided in contracts in Q1 2023. In all cases where there were delays, the Company sent notifications and charged penalties according to the provisions of the contract.

### **3.3. Expenditures made on the electricity market**

In Q1 2023, the total expenses made on the electricity market SNN amount to RON 9,823,249, of which RON 2,239,680 are expenses on the balancing market (BM), RON 7,006,854 represent T<sub>g</sub> (regulated tariff paid to C.N. Transelectrica SA for the injection of electricity produced by Cernavodă NPP into the electricity transmission network), RON 9,134 represents expenses with green certificates required to be purchased for the electricity supplied, and RON 547,490 represents the tariffs paid to OPCOM SA for sale and purchase transactions carried out on the platforms managed by OPCOM SA.

In Q1 2023, the expenditure made with the purchase of electricity on the spot market (DAM) were of RON 8.473 (Q1 2022: RON 162.825), with the aim of ensuring the full fulfillment of contractual energy delivery obligations. The quantity of electricity purchased in Q1 2023 was 468 MWh (Q1 2022: 140 MWh), with an average price of RON 18.09/MWh (Q1 2022: RON 1.163,03/MWh).

Expenses on the PE in Q1 2023 amounted to RON 2,239,680, the quantity of electricity purchased being 9,053 MWh (the Q1 2022: RON 7,950,936, the quantity of electricity purchased being 7,304 MWh). This amount represents the value of the energy received from the BM to compensate for negative imbalances, which arose due to differences between the quantities of energy actually delivered and the quantities notified to the market according to the daily forecast for each settlement interval.

The expenses with purchases of electricity and negative imbalances were lower in Q1 2023 compared to Q1 2022, influenced by the significant decrease in price for the purchased quantities, from RON 1,089.97/MWh in Q1 2022, down to RON 236.13/MWh in Q1 2023. In the two periods under review, there were no unplanned outages of the two units.

By applying Article II of Law no. 259/29.10.2021 and the Government Emergency Ordinance no. 27/18.03.2022, as updated under Law no. 357/2022, Nuclearelectrica booked a cost with the contribution to the Energy Transition Fund of RON 840,842,238 during 1 January - 31 March 2023.

### **3.4. Investment programme as at 31 March 2023**

The total amount of SNN's 2023 investment programme is RON 1,345,406 thousand (without the component allocated to payment of debt service for long-term loans), which is significantly higher than the amount of the 2022 investment programme (RON 702,795 according to the 2022 BVC approved by the OGMS Resolution no. 3/23.02.2022, and RON 609,220 according to the 2022 BVC approved by the OGMS Resolution no. 10/19.10.2022). The 2023 investment programme was approved by the Resolution no. 1/15.02.2023 of the Ordinary General Meeting of SNN Shareholders, as part of the 2023 Income and Expenditure Budget ("BVC") of SNN.

The 2023 investment programme of SNN includes the necessary investments within the Cernavodă NPP Branch, the NFP Pitești Branch and the Central Headquarters estimated to be completed by the end of 2023, as well as investment objectives to be completed in the following years.

When sizing the investment development program, S.N. Nuclearelectrica S.A. took into account the need of the branches (Cernavodă NPP and NFP Pitești) regarding production continuity, respectively reaching the highest possible level of production capacity utilization (EAF – Energy Availability Factor) in compliance with the nuclear safety regulations and with the long-term maintenance of the level of excellence in the operation of the plant, as well as the contribution to the share capital of EnergoNuclear S.A. At the same time, the development program also responds to the need to modernize/upgrade some of the plant's systems, which for economic reasons (reductions in specific consumption, improvement of certain characteristic parameters of the processes served, with a positive impact on efficiency), and for legal reasons, require the implementation of certain improvements associated with nuclear safety, environmental protection and work safety, these representing imperative requirements, coming from the regulatory authorities in the field.

The investment program of SNN for 2023 was dimensioned in terms of value, taking into account ongoing contractual commitments, estimates regarding the investment objectives to be achieved by the end of 2023, including amounts allocated to certain investment projects for which the fulfillment of

certain requirements beyond SNN's control was anticipated (for example: prior approvals of certain regulatory authorities, legal deadlines regarding the completion of public procurement procedures including appeals, obtaining the necessary approvals from the SNN corporate bodies, etc.), to allow the implementation of these projects within the approved budget values.

The comparative statement of the investments made (value-wise and as percentages), for Q1 2023 compared to the same period of 2022, is presented in the table below. In Q1 2023, investments of RON 73,552 thousand were made (5.5% of the total 2023 investment programme), according to the internal planning.

Year	Amount investment programme [thousand RON]	Actual (01.01 - 31.03) [thousand RON]	Degree of completion (01.01 - 31.03) (%)
2023	1,345,406	73,552	5.5%
2022	702,795*	99,759	14.2%

\*) BVC 2022 approved by OGMS Resolution no. 3/23.02.2022

### Analysis of the degree of completion of the investment programme, as at 31 March 2023

Some of the major projects or the projects that had an important share in the investment program (approved by the BVC 2023) and the way they will be carried out during the year 2023 are briefly presented here:

- **Extension of the service lifetime of Unit 1 by retubing the reactor and retrofitting the main systems**”: budgeted RON 721,048 thousand - 4.4% completed in terms of value as at 31 March 2023;
- **“Detrition facility Cernavodă NPP”**”: budgeted RON 145,871 thousand - 1.4% completed in terms of value as at 31 March 2023;
- **“Replacing the rotor related to the main generator of 2-4121-G02 from U2 with a new rotor”**”: budgeted RON 97,586 thousand - the investment is due to made in the next quarter;
- **“Planned outage of Unit 2 within Cernavodă NPP (regular general inspection and major repair works)”**”: budgeted RON 96,150 thousand - 6.6% completed in terms of value as at 31 March 2023;
- **“Improving the response of Cernavodă NPP, namely the nuclear safety functions in case of events outside the design basis due to the nuclear accident occurred at the Fukushima 1 nuclear power plant, Japan (U5 fitting out) + SPSI 029 (Procurement engineering activities)”**”: budgeted RON 72,558 thousand - the investment is due to made in the next period;
- **“Intermediate Dry Storage Spent Fuel Facility”**”: budgeted RON 25,494 thousand - 20.4% completed in terms of value as at 31 March 2023;
- **”EDMS replacement and integration with AS 9.X”**”: budgeted RON 5,280 thousand - 28.6% completed in terms of value as at 31 March 2023;



- **“Software programs for the integrated management of the plant - upgrade Asset suite 6.0.4 to version 9.X”**: budgeted RON 3,757 thousand - 32.1% completed in terms of value as at 31 March 2023;
- **"Facilities"**, representing purchases of goods and other investment expenses: budgeted RON 86,238 thousand - 19.5% completed in terms of value as at 31 March 2023.

### **3.5. Financial investments in subsidiaries and related entities**

#### **Energonuclear S.A.**

As at 31 March 2023 and 31 December 2022, the Company holds 100% of the share capital of Energonuclear. The value of the shareholding, as at 31 March 2023, is RON 199,438,105 (31 December 2022: RON 199,438,105).

#### **Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L.**

As at 31 March 2023, and respectively 31 December 2022, the Company held 100% of the share capital of F.P.C.U Feldioara. The value of the shareholding, as at 31 March 2023, is RON 200 (31 December 2022: RON 200).

The Company's shareholders approved the granting of loans to finance the activities and expenditure of the subsidiary. As at 31 March 2023, the total amount of the loan principal granted to the subsidiary is RON 4,600,000, with an accrued interest of 205,066 RON (as at 31 December 2022, the total amount of the loan principal was RON 3,600,000, with an accrued interest of RON 130,772).

#### **Nuclearelectrica Serv S.R.L.**

As at 31 March 2023, and respectively 31 December 2022, the Company held 100% of the share capital of Nuclearelectrica Serv. The value of the shareholding, as at 31 March 2023, and respectively 31 December 2022, is RON 200.

The Company's shareholders approved the granting of loans to finance the activities and expenditure of the subsidiary. As at 31 March 2023, the total amount of the loan principal granted to the subsidiary is RON 1,920,000, with an accrued interest of 83,368 RON (as at 31 December 2022, the total amount of the loan principal was RON 1,920,000, with an accrued interest of RON 44,478).

#### **RoPower Nuclear S.A.**

As at 31 March 2023, and respectively 31 December 2022, the Company held 50% of the share capital of RoPower Nuclear S.A., the shareholding value amounting to RON 4,943,000.

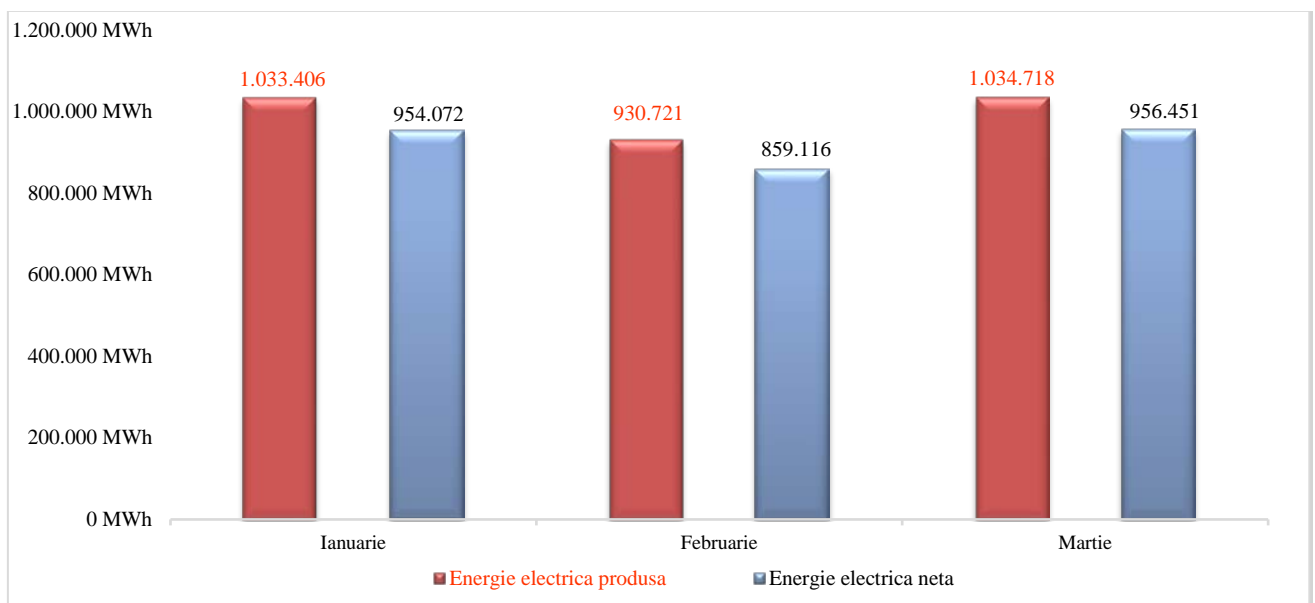
### 3.6. Activity of Cernavodă NPP Branch

The operating activity took place without events that could have an impact on nuclear security, on the own personnel, the population or the environment. The relationship with the regulatory authorities was carried out in compliance with the requirements and conditions of the operating authorizations.

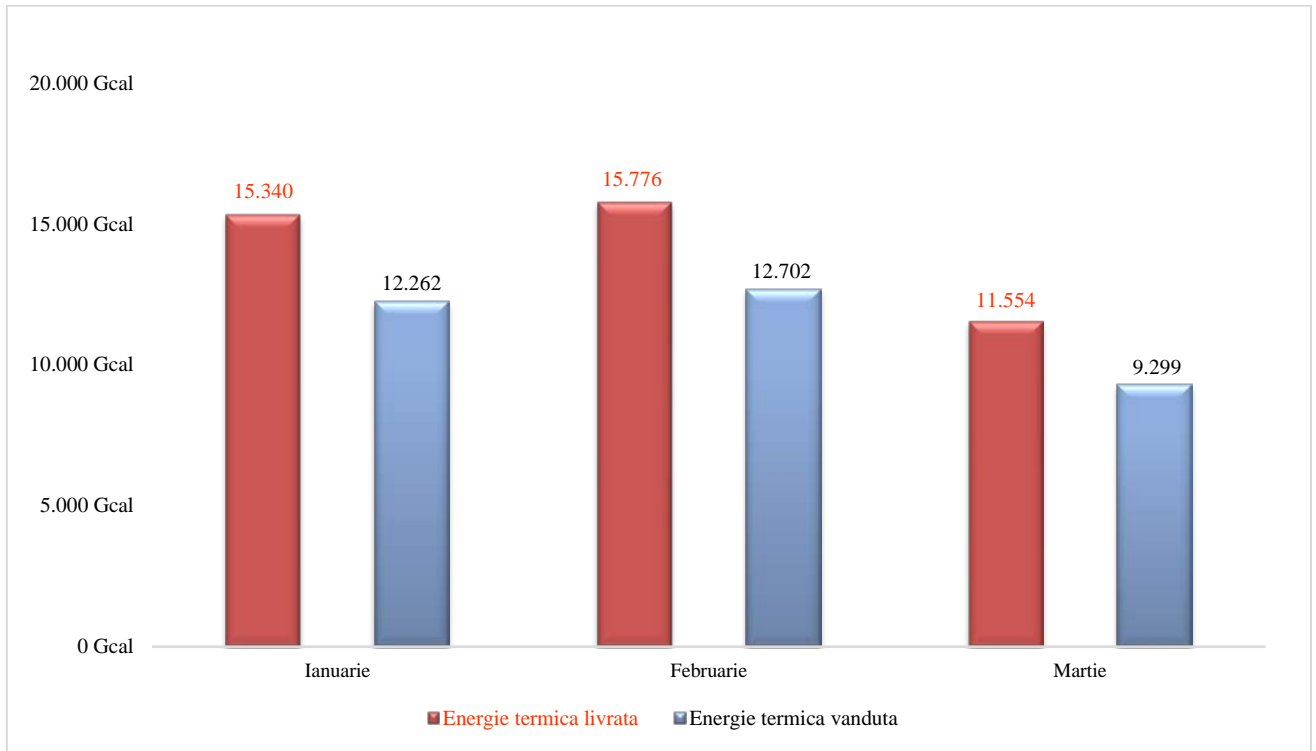
In the 3-month period ending on 31 March 2023, there was no operational event that exceeded level 1 on the international scale of nuclear events, regarding the degradation of defense barriers in depth, impact on the site or outside (RATIO 1).

The main ratios of the production activity are shown in the following diagrams.

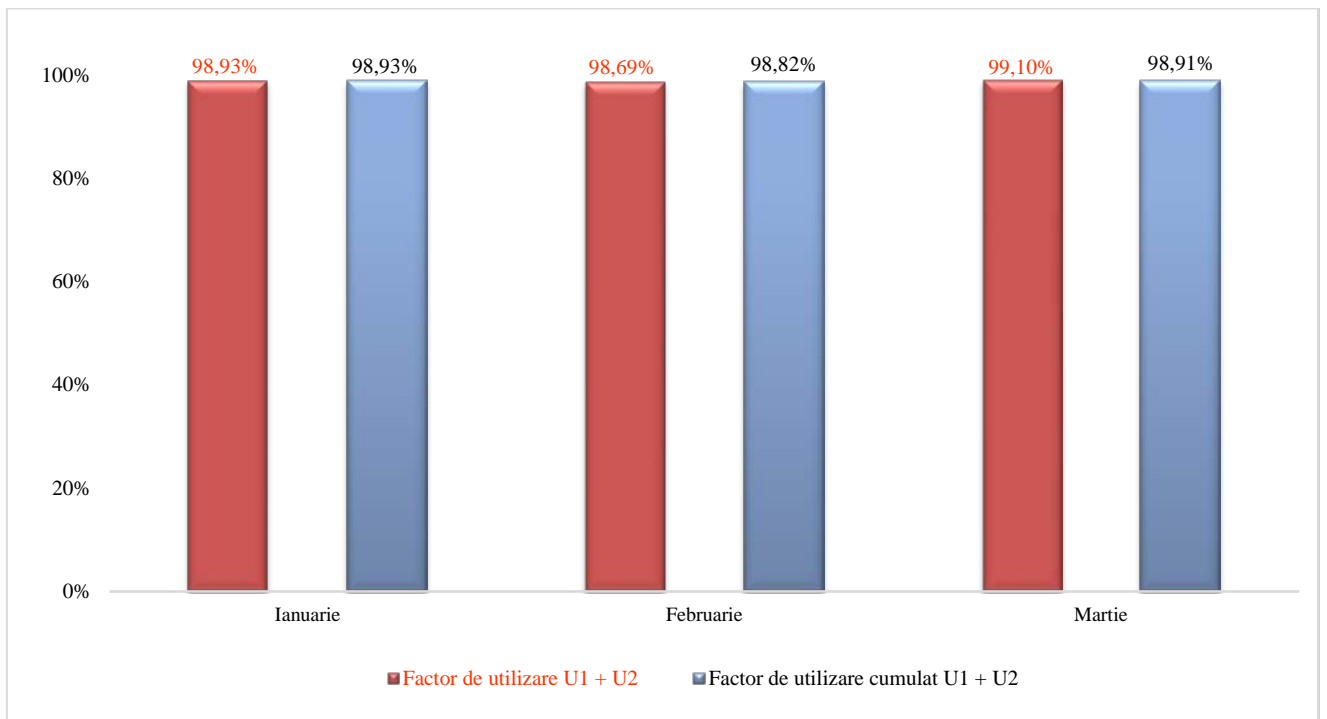
**Produced/net electricity U1+U2 (MWh)**  
**(Electricity produced: 2,998,845/Net electricity delivered: 2,769,639)**  
**(Aggregate own technological consumption 2023: 7.65%)**



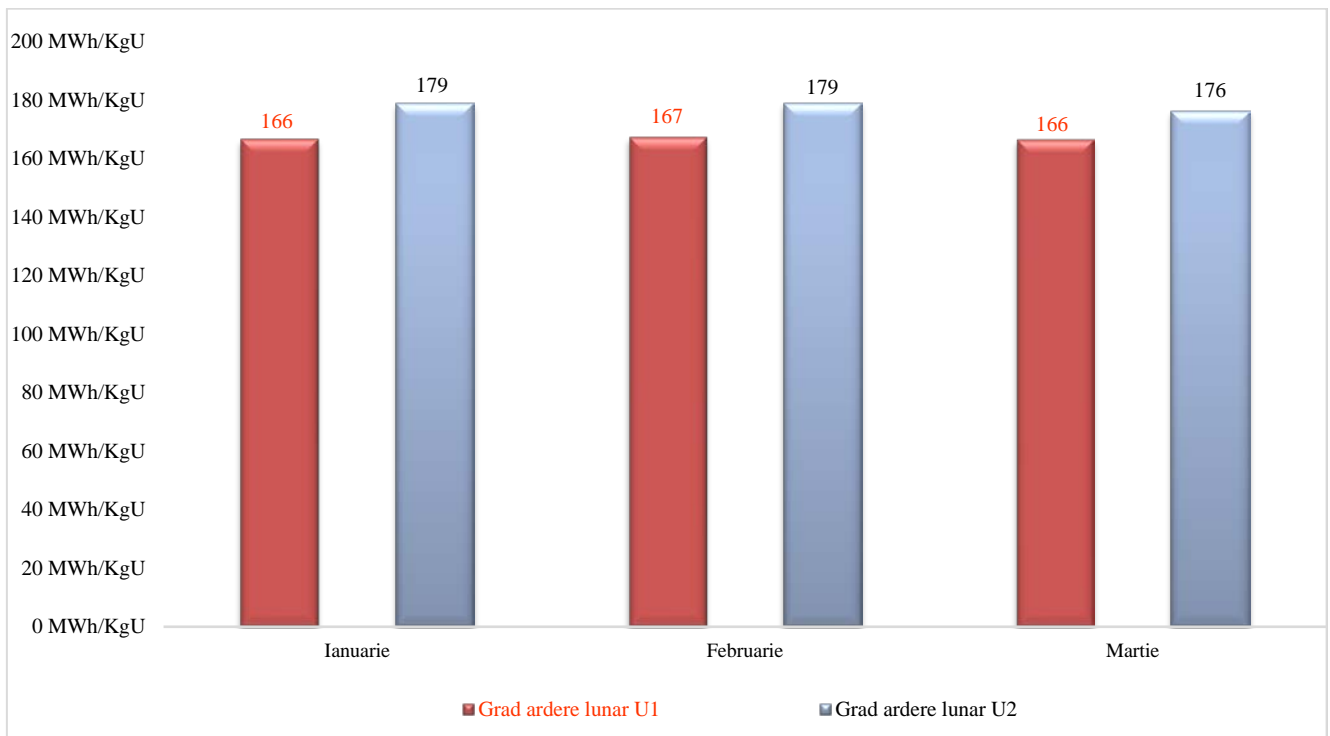
**Thermal energy delivered for heating/sold (Gcal)**  
**(Thermal energy delivered: 42,671/Heat sold: 34,263)**



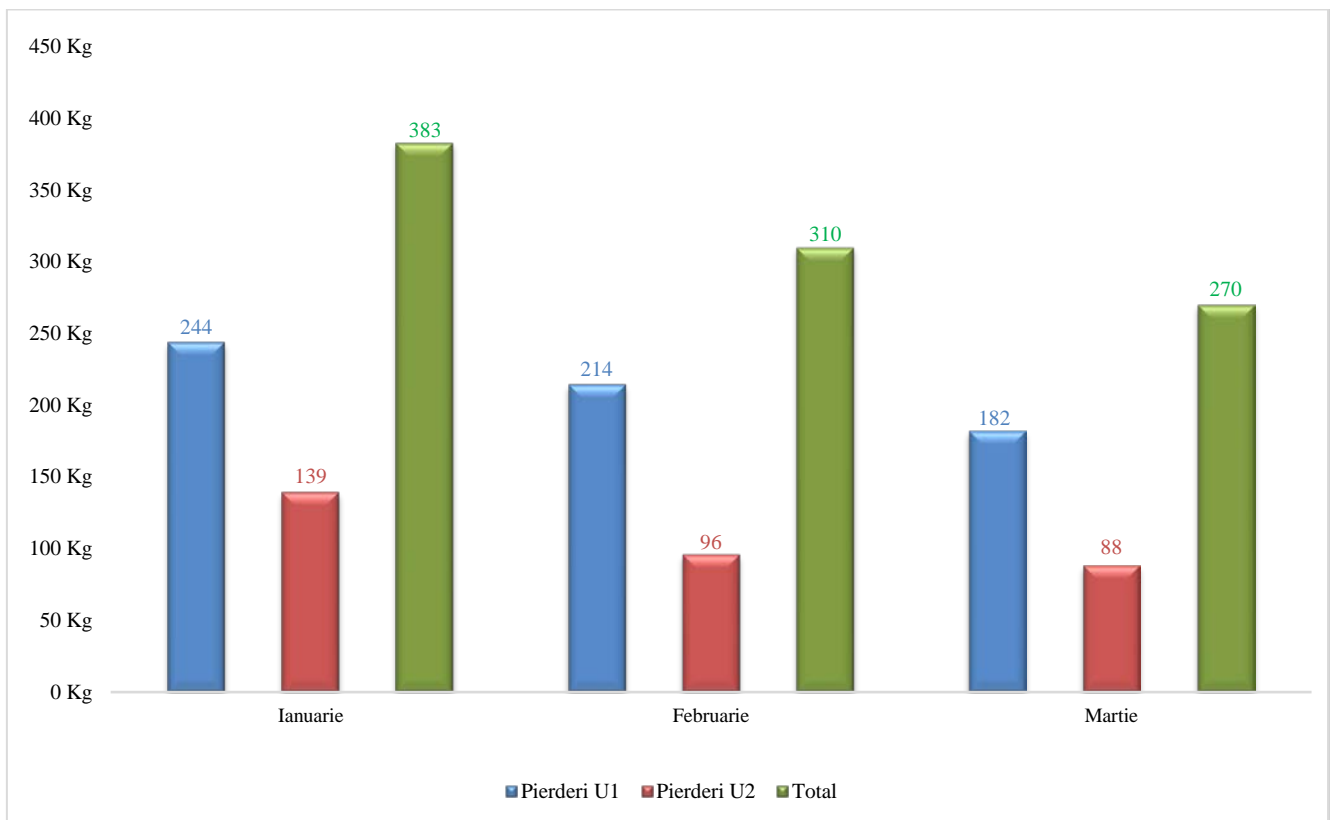
**Coefficient of use of the installed power U1+U2 (%)**  
**(Aggregate 2023: 98.91%)**



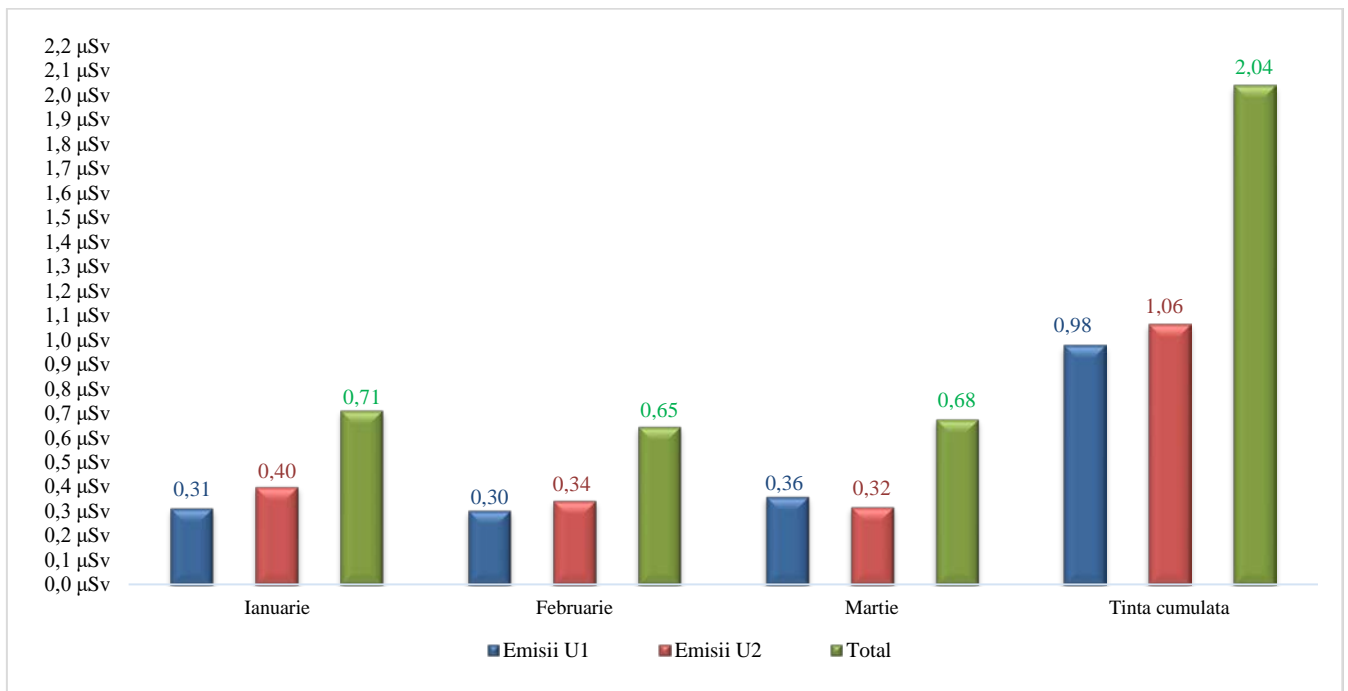
**Nuclear fuel burn-up rate (MWh/KgU)**  
**(Aggregate 2023: 172.3/Planned in the project: min. 156)**



**Heavy water losses U1+U2 (Kg)**  
**(Aggregate 2023: 963/Provided: max. 10,280)**



**Volume of radioactive emissions in the environment U1+U2 (μSv)**  
**(Total aggregate 2023: 2.04/Annual limit: 250)**



### 3.7. Activity of NFP Pitești Branch

Between 1 January and 31 March 2023, NFP Pitești Branch manufactured, controlled and accepted a number of 3,100 nuclear fuel bundles, in line with the manufacturing plan, all falling within the specifications, with the production of nuclear fuel bundles increasing by 23.02% compared to the same period of 2022, when 2,520 bundles were manufactured, controlled and accepted.

During 1 January - 31 March 2023, NFP Pitești Branch delivered to Cernavodă NPP 2,880 nuclear fuel bundles (1 January - 31 March 2022: 3,600 bundles), in compliance with the agreed delivery schedule.

In Q1 2023, the nuclear fuel was produced from the sinterable uranium dioxide powder, purchased for an average price of RON 600.55/kg coming from the inventories existing on 1 January 2023, and resulting from the processing of the technical uranium concentrate purchased from the supplier Kazatomprom of Kazakhstan.

## **4. OTHER SIGNIFICANT ASPECTS**

### **4.1. Key matters related to continuation of the Project to Increase the Production Capacity**

As at 31 March 2023, Law no. 74, approving the signing of the Support Agreement between the Romanian State and Societatea Națională Nuclearelectrica S.A. for Cernavodă NPP's Units 3 and 4 Project, was passed.

### **4.2. Refurbishment Project of Unit 1 Cernavodă NPP**

On 7 March 2023, Nuclearelectrica announced selection of Candu Energy Inc., a member of the SNC-Lavalin Group (TSX: SNC), to carry out additional pre-project works for the CANDU reactor of Unit 1 of Cernavoda. Under the two-year agreement, with an amount of approximately USD 65 million, SNC-Lavalin will perform long-term engineering and front-end engineering services, in order to prepare the future refurbishment project of Cernavoda NPP's Unit 1.

### **4.3. Development of the first small modular reactor (SMR) – RoPower Nuclear S.A.**

On 28 December 2022, the contract for the Front-End Engineering and Design (FEED) works was concluded, and marked an important step towards deployment of a NuScale VOYGR™ power plant with small modular reactors (SMR) in Romania.

By EGMS Resolution no. 2/15.02.2023 of the Ordinary General Meeting of SNN's Shareholders, the shareholders approved the revocation of the approval of point 3 of the SNN EGMS Resolution no. 7/10.08.2022 on the establishment of a SNN business unit in Commune of Doicesti, given that RoPower Nuclear SA had already established a business unit in that location. The establishment had been previously approved under the Decision no. 7/10.08.2022 of the Extraordinary General Meeting of Shareholders.

### **4.4. Fabrica de Prelucrare a Concentratelor de Uraniu ("FPCU") - SNN Subsidiary**

Between January and March 2023, Feldioara Subsidiary became fully operational with a view to developing the integrated nuclear fuel cycle; in this regard, all the necessary steps were taken to authorize the production process and prepare the plants to commence processing. As the same time with Feldioara Subsidiary becoming fully operational, a subsequent contract was signed with the qualified supplier Kazatomprom in order to ensure the necessary technological resources for production of uranium dioxide (UO<sub>2</sub>). During the same period, all the necessary steps were taken to transport the uranium technical concentrate and to deliver of the contracted quantities.

On 24 March 2023, a loan agreement was concluded with FPCU Feldioara, in the amount of RON 11,000,000, to finance for the subsidiary's investment activities. The first tranche of RON 1,000,000 was disbursed in Q1.

The Resolution no. 4/26.04.2023 of the Extraordinary General Meeting of Shareholders ("EGMS") approved the transfer of the license for concession of the Tulghes – Grinties exploitation activity (Exploitation License no. 479/1999) from SNN S.A. to Fabrica de Prelucrare a Concentratelor de Uraniu – Feldioara S.R.L.

#### **4.5. Litigation started by Cernavodă NPP Union and employees of Cernavodă NPP Branch**

File no. 5802/118/2017 was filed with Constanta Tribunal against CNN, claiming unpaid salary rights representing the equivalent value of the professional risk bonus (dangerous conditions), the claimant being Cernavodă NPP Union on behalf of 757 employees of Cernavodă NPP Branch.

The Company finds these claims unfounded, as all the due salary rights have been paid to employees, including the amounts covered by this litigation. The court rejected the plea of *res judicata* invoked by SNN as unfounded and admitted the documentary and accounting expert report evidence, temporarily extending the technical expert report for the classification into radiological risk areas pending submission of documents by SNN. The production of evidence, i.e. performance of a new accounting expert review. In order to carry out the accounting expert review, the court set a hearing on 26 May 2023.

#### **4.6. Litigations started by the S.N. Nuclearelectrica S.A. against the Romanian Energy Regulatory Authority “ANRE”**

1. Request for suspension and cancellation of the ANRE Order no. 216/11.12.2019 approving the pricing methodology for the electricity sold by producers under regulated contracts and the quantities of electricity under regulated contracts concluded by producers with suppliers of last resort, and setting out the maximum quantities of electricity that can be imposed as sale obligations under regulated contracts, published in the Official Gazette no. 1001/12.12.2019 (Order no. 216/11.12.2019).

SNN filed with the Bucharest Court of Appeal a request to have the Order no. 216/11.12.2019 set aside (this led to forming of the casefile no. 97/2/2020), claiming discrimination between energy producers to the detriment of the Company and leading to distortion of the electricity market mechanisms, as well as to infringements of the relevant domestic and European legislation. In the Case no. 97/2/2020, the court dismissed the higher appeal lodged by SNN, but in the adjoined case 97/2/2020/a1, it upheld the referral to the Constitutional Court concerning Article 5(7) of the Government Emergency Ordinance no. 33/2007, as introduced by Article I(2) of Law no. 160/2012. The case registered under no. 1658 D/2022 is in the report drafting stage.

2. The requests suspension and cancellation of the ANRE Order no. 88/2020 approving the methodology for setting the regulated tariffs and the prices applied by suppliers of last resort to end customers for the period 1 July - 31 December 2020, and amending and supplementing the Framework Electricity Sale and Purchase Agreement concluded between the electricity producers and the suppliers of last resort, published in the Official Gazette no. 501/12.06.2020.

SNN brought up a court action for the stay of execution and the setting aside of the ANRE Order no. 88/2020 and the documents subsequent thereto, whereby ANRE enforced the obligation to sell at the regulated price and the amount of electricity to be sold at the fixed regulated price during the period 1 July - 31 December 2020. The case was registered under no. 3570/2/2020 with the Bucharest Court of Appeal, which dismissed the action as unfounded; this judgment was appealed against. The appeals court dismissed SNN's appeal. Case finally settled. Completed.

#### **4.7. Litigation started by the S.N. Nuclearelectrica S.A. regarding certain measures to regulate the facilities granted to pensioners in the electricity sector**

S.N. Nuclearelectrica S.A. started the action to suspend enforcement, cancellation of Government Decision no. 1041/2003 regarding certain measures to regulate the facilities granted to pensioners in the electricity sector, as amended and of Government Decision no. 1461/2003 for the amendment and completion of Government Decision no. 1041/2003 regarding certain measures to regulate the facilities granted to pensioners in the electricity sector and the obligation to pay material damages in the amount of RON 820,422.44, resulting from the application in the past three years of Government Decision no. 1041/2003 and Government Decision no. 1461/2003 – File no. 4419/2/2021 registered with the Bucharest Court of Appeal, 8th Administrative and Fiscal Disputes Section.

The court dismissed the request for stay, and SNN lodged a higher appeal against this solution. The Case no. 4419/2/2021 was settled on 7 December 2022 by dismissing the higher appeal as unfounded.

The court dismissed the action as unfounded, and SNN lodged a higher appeal on the substance of the case against the Sentence no. 887/2022. The higher appeal case was registered under no. 1720/1/2022. The court dismissed the head of claims concerning the setting aside of the Government Decision no. 1041/2003 as devoid of object, and upheld SNN's appeal and referred the case back for retrial as to the head of claims concerning the ordering of the respondent, the Government of Romania, to grant indemnities. Judgment's drafting to follow.

#### **4.8. Dispute concerning the insolvency of Compania Nationala a Uraniului; application for registration of a claim of SNN**

On 3 February 2022, in the case no. 23089/3/2021, SNN filed for admission of its claim of RON 7,811,840.50, VAT included (RON 6,564,571.84 without the VAT), as a claim conditional upon the failure to perform, before 31 March 2022, the remaining deliveries under the contract no. 914/19.07.2018, and a claim secured with the obligation to refund a share of the advance of RON 10,000,000 paid by SNN for the delivery of U in sinterable powder of UO<sub>2</sub> at the price of RON 599.51/Kg, according to order no. 822/30.06.2020 issued under to framework agreement no. 914/19.07.2018.

On 8 November 2022, under the report of the court appointed administrator dated 4 November 2022 and the updated preliminary list submitted on 8 November 2022, the claim of SNN was entered as a plain secured claim, and not as a conditional claim, as it had been initially entered. During the hearing 14 March 2023, the involved judge set a new hearing on 13 June 2023, for continuation of the proceedings, completing the settlement of the challenges against the preliminary list, preparation of the final list, and submission of a reorganization plan.

#### **4.9. Dispute concerning the request for public information about the Doicesti Site Survey**

On 15 September 2022, the case no. **2873/120/2022** was registered with Dambovita Tribunal, whereby the claimant Ion Dragos Popescu asked, pursuant to Law no. 544/2001 on the free access to information of public interest, that SNN would be ordered to serve him the site survey for the small modular reactors (SMR) of Doicesti, County of Dambovita county, and to indicate the alternative sites surveys and the reasons for choosing the site of Doicesti.

SNN filed a statement of defence explaining the final site decision would be made based on the underlying surveys to be prepared, that there was no pending procedure for assessment and issue of the



environmental agreement, and that the survey contained no environmental information due to be disclosed under the Aarhus Convention, and further that the disclosure of the requested information could hinder the business and the business commercial interests of the Company, as this was technical information concerning the modular reactor technology received under a non-disclosure clause and the non-disclosure agreements concluded by SNN with the providers of this information.

The court which heard the substance of the case dismissed the statement of claims filed by the claimant Popescu Dragos Ion as unfounded. The sentence is subject to higher appeal.

#### **4.10. Changes in the management of the company - Directors**

Under the Current Report published on 13 February 2023, the Company provided information about the decision of the SNN's Board of Directors of 13 February 2023, based on the recommendation of the Nomination and Remuneration Committee, to appoint Mr. Dan Niculaie - Faranga as temporary Chief Financial Officer for a 4-month term of office, effective 14 February 2023, however without exceeding the date when a Chief Financial Officer would be appointed for a 4-year term of office further to completion of the CFO selection procedure pursuant to the provisions of the Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented, provided that this selection comes to an end before the set term.

Under the Current Report published on 3 May 2023, the Company informed on the appointment, under a Decision of the Board of Directors, of Mr. Dan Niculaie-Faranga to the position of Financial Director, with a 4-month term of office, starting on 3 May 2023.

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

By OGMS Resolution no. 1/15.02.2023 of the Ordinary General Meeting of SNN's Shareholders, four non-executive members of the Board of Directors were appointed effective 15 February 2023, for a 4-year term of office, in keeping with the provisions of Article 29(1) of the Government Emergency Ordinance no. 109/2011. The form of the mandate contract and the fixed allowance of the new non-executive directors were also approved. As non-executive directors of the Board of Directors of SNN, Mr. Vulpescu Remus, Mr. Chirlesan Dumitru, Mr. Niculescu George Sergiu and Mrs. Grajdan Vasilica were appointed.

By Current Report dated 29 March 2023, the Company informed the shareholders and investors about the notice given to Mr. George-Sergiu Niculescu as to the termination *de jure* of his mandate as a member of the Board of Directors, effective 29 March 2023. Termination *de jure* of his office stems from the provisions of Article 13.1(g) of his contract of mandate concluded with SNN, stipulating that the contract comes to an end *de jure* when a case of incompatibility occurs or a prohibition provided by law becomes applicable.

#### **4.12. Relocation of SNN's registered office**

By EGMS Resolution no. 2/15.02.2023 of the Ordinary General Meeting of SNN's Shareholders, the shareholders approved relocation of the company's registered office to the address of Bucharest, sector 1, Bd. Iancu de Hunedoara nr. 48, ground floor and 4th, 5th and 13th floor, as well as the updating the Articles of Incorporation of SNN with the new registered office.

#### **4.13. Memorandum of Understanding with Emirates Nuclear Energy Corporation (ENEC)**

Under the Current Report published on 20 March 2023, the Company announced the signing of a Memorandum of Understanding (MoU) for bilateral cooperation in the nuclear energy sector, to support the development of this critical energy source in addressing the energy security and climate change challenges.

The objective of the Memorandum of Understanding is to provide both parties with a favorable framework for a potential collaboration in development and expansion of nuclear energy programme in the UAE and in Romania, as well as in Central and Eastern Europe.

#### **4.14. Approval of distribution of the net profit of financial year 2022**

The Resolution no. 3/26.04.2023 of the Ordinary General Meeting of Shareholders (“OGMS”) approved distribution of the net profit of the financial year 2022 by applications, the total gross amount of the dividends of RON 1,283,215,656, the amount of the gross dividend per share of RON 4.25407469, the dividend payment date, *i.e.* 23 June 2023, and the payment methods, in accordance with the note presented to the shareholders for this item on the agenda (item 5 of the OGMS agenda of 26 April 2023).

#### **4.15. Development of nuclear medicine in Europe under an innovative agreement with BWXT Medical Ltd, part of BWX Technologies**

The agreement between Nuclearelectrica and BWXT Medical Ltd. will explore the possibility of further cooperation in nuclear medicine in Europe, for production of medical isotopes. The initial purpose of the agreement is to conduct a specific market analysis, which is to inform the next collaboration phases. BWXT Medical Ltd., part of BWX Technologies, Inc., has more than 40 years of experience in nuclear medicine, *i.e.* in production of medical isotopes, pharmaceutical products and medical devices, strengthening cooperation to further develop new treatments in the field of nuclear medicine through the development, manufacture and supply of diagnostic imaging and radiotherapy treatment products.

#### **4.16. Major litigations**

The status of major litigations (in excess of RON 500 thousand) and of litigations whose value was not assessed, pending as at 31 March 2023 is presented in **Appendix 4**.

#### **4.17. Other information**

The quarterly report of the Board of Directors for the period 1 January - 31 March 2023 is accompanied by the Individual Interim Financial Statements as at, and for the 3-month period ended on, 31 March 2023, which are published on the internet page of S.N. Nuclearelectrica S.A. ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)), section Investor Relations.

## 5. MAIN ECONOMIC AND FINANCIAL RATIOS AS AT 31 March 2023

SNN performances are found as well, in the fulfilment of the main economic and financial ratios, as follows:

Name of ratio	Calculation method	M. U.	Amount 31 March 2023 <sup>*)</sup>
<b>1. Current ratio</b>	Current assets/ Current liabilities	x	5.95
<b>2. Indebtedness ratio</b>			
2.1. Indebtedness ratio (1)	Borrowed capital/ Equity x 100	%	0.5%
2.1. Indebtedness ratio (2)	Borrowed capital/ Capital employed x 100	%	0.5%
<b>3. Debt turnover ratio - customers</b>	Average customer balance/ Turnover x 90	days	22
<b>4. Assets turnover ratio <sup>**)</sup></b>	Turnover/ Fixed assets	x	1.35

<sup>\*)</sup> According to the Individual Interim Financial Statements as at, and for the 3-month period ended on, 31 March 2023.

<sup>\*\*)</sup> Assets turnover ratio is calculated by the annualization of the quarterly turnover (360 days/90 days).

## 6. DEGREE OF ACHIEVEMENT OF THE KEY PERFORMANCE RATIOS

As at 31 March 2023, the membership of the Board of Directors of SNN is as follows:

Item no.	First name and last name	Mandate expiry
1.	Teodor Minodor Chirica <sup>1)</sup>	29.09.2026
2.	Cosmin Ghita <sup>2)</sup>	29.09.2026
3.	Elena Popescu	29.09.2026
4.	Dumitru Remus Vulpescu	15.02.2027
5.	Chirlesan Dumitru	15.02.2027
6.	Grajdán Vasilica	15.02.2027

1) Chairman of the Board of Directors of SNN based on Decision no. 131/23.07.2020 of the Board of Directors;

2) Also acts as the Chief Executive Officer of SNN;

Currently, the Company is running the procedure to determine the performance indicators for this mandate contracts, so they will be supplemented by an addendum setting out the variable remuneration, the objectives and financial and non-financial performance indicators established by the general meeting of shareholders, as well as those in the letter of expectations.

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

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

**Appendix 1 - Statement of financial position as at 31 March 2023**

	<b>31 March 2023</b> <b>(unaudited)</b>	<b>31 December 2022</b> <b>(audited)</b>
<b>Assets</b>		
<b>Fixed assets</b>		
Tangible non-current assets	5,700,488,370	5,737,295,053
Assets representing rights to use underlying assets within a leasing contract	15,780,705	15,565,831
Intangible non-current assets	47,293,429	50,773,837
Financial assets measured at amortized cost	267,709,020	41,262,942
Financial investments in subsidiaries	199,438,505	199,438,505
Investments in related entities	4,943,000	4,943,000
<b>Total fixed assets</b>	<b>6,235,653,029</b>	<b>6,049,279,168</b>
<b>Current assets</b>		
Inventories	764,740,338	653,199,691
Trade receivables	602,399,747	438,539,974
Other financial assets measured at amortized cost	156,608,407	140,954,592
Bank deposits	2,320,437,843	1,829,796,500
Cash and cash equivalents	2,782,230,255	2,681,002,427
<b>Total current assets</b>	<b>6,626,416,590</b>	<b>5,743,493,184</b>
<b>Total assets</b>	<b>12,862,069,619</b>	<b>11,792,772,352</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital, of which:	3,211,941,683	3,211,941,683
<i>Share capital subscribed and paid up</i>	<i>3,016,438,940</i>	<i>3,016,438,940</i>
<i>Inflation adjustments of the share capital</i>	<i>195,502,743</i>	<i>195,502,743</i>
Share premium	31,474,149	31,474,149
Reserve paid in advance	21,553,537	21,553,537
Revaluation reserve	380,026,429	394,369,643
Retained earnings	7,657,027,075	6,876,165,858
<b>Total equity</b>	<b>11,302,022,873</b>	<b>10,535,504,870</b>
<b>Liabilities</b>		
<b>Long-term liabilities</b>		
Long-term loans	54,440,100	64,810,940
Liabilities under long-term leasing agreements	13,115,935	12,831,121
Provisions for risks and charges	180,749,507	174,504,703
Deferred income	59,910,956	63,611,498
Deferred tax liability	92,043,677	95,446,226
Liabilities for employee benefits	45,557,591	45,557,591
<b>Total long-term liabilities</b>	<b>445,817,766</b>	<b>456,762,079</b>
<b>Current liabilities</b>		
Trade and other payables	676,389,631	445,315,659
Current part of provisions for risks and charges	90,809,021	77,040,585
Corporate income tax due	197,391,235	52,801,797
Deferred income	80,650,376	157,087,526
Current part of the long-term loans	66,183,472	65,525,433
Liabilities under short-term leasing agreements	2,805,245	2,734,403
<b>Total current liabilities</b>	<b>1,114,228,980</b>	<b>800,505,403</b>
<b>Total liabilities</b>	<b>1,560,046,746</b>	<b>1,257,267,482</b>
<b>Total equity and liabilities</b>	<b>12,862,069,619</b>	<b>11,792,772,352</b>

**Appendix 2 - Statement of profit and loss for the 3-month period ended on 31 March 2023**

	<b>The 3-month period ended on 31 March 2023 (unaudited)</b>	<b>The 3-month period ended on 31 March 2022 (unaudited)</b>
<b>Income</b>		
Income from the sale of electricity	2,093,433,460	1,844,367,692
Income from the transport of electricity	7,006,854	4,155,903
<b>Total income</b>	<b>2,100,440,314</b>	<b>1,848,523,595</b>
Other income	19,252,979	18,844,745
<b>Operating expenses</b>		
Depreciation and impairment	(156,159,585)	(150,903,929)
Personnel costs	(139,769,691)	(119,554,402)
Cost of electricity purchased	(2,243,515)	(8,113,761)
Repairs and maintenance	(14,755,039)	(14,625,515)
Expenses with the transmission of electricity	(7,006,854)	(4,155,903)
Expenses with spare parts	(2,625,679)	(3,533,092)
Costs of nuclear fuel	(44,796,349)	(43,956,669)
Cost of contribution to the Energy Transition Fund/tax on additional income	(840,842,238)	(459,176,701)
Other operating expenditure	(111,520,344)	(107,221,612)
<b>Operating expenditure - Total</b>	<b>(1,319,719,294)</b>	<b>(911,241,584)</b>
<b>Operating profit</b>	<b>799,973,999</b>	<b>956,126,756</b>
Financial expenses	(5,649,984)	(6,411,672)
Financial income	113,380,877	25,108,221
<b>Net financial (Expense)/income</b>	<b>107,730,893</b>	<b>18,696,549</b>
<b>Pre-tax profit</b>	<b>907,704,892</b>	<b>974,823,305</b>
Net corporate income tax expenses	(141,186,889)	(155,921,917)
<b>Profit of the period</b>	<b>766,518,003</b>	<b>818,901,388</b>

**Appendix 3 - Execution of the Income and Expenditure Budget as at 31 March 2023**

Thousand RON

0	1	Ratios	Line no.	BVC 2023 Q 1 2023 (approved by the OGMS Resolution no. 1/15.02.2023)	Actual Q I 2023	% Actual v. Approved [Col.5/Col.4]	Variation (abs.) [Col.5-Col.4]	Variation (%) [Col.7/Col.4]
0	1	2	3	4	5	6	7	8
I.		<b>TOTAL INCOME (Line 2+Line 5)</b>	1	<b>2,150,784</b>	<b>2,225,382</b>	<b>103.5%</b>	<b>74,598</b>	<b>3.5%</b>
	1.	<b>Total operating income, of which:</b>	2	<b>2,070,196</b>	<b>2,112,001</b>	<b>102.0%</b>	<b>41,805</b>	<b>2.0%</b>
		c1 Subsidies, acc. to the legal provisions in force	-	-	-	-	-	-
		c2 Transfers, acc. to the legal provisions in force	-	-	-	-	-	-
	2.	<b>Financial income</b>	5	<b>80,588</b>	<b>113,381</b>	<b>140.7%</b>	<b>32,793</b>	<b>40.7%</b>
II.		<b>TOTAL EXPENSES (Line 7 + Line 21)</b>	6	<b>1,493,198</b>	<b>1,317,677</b>	<b>88.2%</b>	<b>175,521</b>	<b>-11.8%</b>
	1.	<b>Operating expenses (Line 8 + Line 9 + Line 10 + Line 20)</b>	7	<b>1,484,798</b>	<b>1,312,027</b>	<b>88.4%</b>	<b>172,771</b>	<b>-11.6%</b>
	A.	<b>Expenses with goods and services</b>	8	<b>321,125</b>	<b>137,704</b>	<b>42.9%</b>	<b>183,422</b>	<b>-57.1%</b>
	B.	<b>Expenses with taxes, duties and similar payments</b>	9	<b>803,509</b>	<b>869,938</b>	<b>108.3%</b>	<b>66,429</b>	<b>8.3%</b>
	C.	<b>Payroll costs (Line 11 + Line 14 + Row 18 + Row 19)</b>	10	<b>166,673</b>	<b>124,850</b>	<b>74.9%</b>	<b>41,823</b>	<b>-25.1%</b>
	C0	<b>Payroll expenses (Line 12 + Line 13)</b>	11	<b>148,565</b>	<b>109,410</b>	<b>73.6%</b>	<b>39,155</b>	<b>-26.4%</b>
	C1	<b>Expenses with salaries and wages</b>	12	<b>139,661</b>	<b>104,141</b>	<b>74.6%</b>	<b>35,520</b>	<b>-25.4%</b>
	C2	<b>Bonuses</b>	13	<b>8,904</b>	<b>5,269</b>	<b>59.2%</b>	<b>3,635</b>	<b>-40.8%</b>
	C3	<b>Other personnel cost, of which:</b>	14	-	<b>1,993</b>	-	<b>1,993</b>	-
		a) Expenses with severance payments for layoffs	15	-	-	-	-	-
		b) Expenses with salary entitlements due under court judgments	16	-	<b>1,993</b>	-	<b>1,993</b>	-
		c) Payroll expenses related to restructuring, privatization, special administration, other commissions and committees	17	-	-	-	-	-
	C4	<b>Expenses under the mandate contract and of other management and control bodies, commissions and committees</b>	18	<b>1,088</b>	<b>570</b>	<b>52.4%</b>	<b>518</b>	<b>-47.6%</b>
	C5	<b>Expenses with social insurance and security, special funds and other statutory obligations</b>	19	<b>17,020</b>	<b>12,877</b>	<b>75.7%</b>	<b>4,143</b>	<b>-24.3%</b>
	D.	<b>Other operating expenses</b>	20	<b>193,491</b>	<b>179,535</b>	<b>92.8%</b>	<b>13,956</b>	<b>-7.2%</b>
	2.	<b>Financial expenses</b>	21	<b>8,399</b>	<b>5,650</b>	<b>67.3%</b>	<b>2,749</b>	<b>-32.7%</b>
III.		<b>GROSS RESULT (profit/loss) (Line 1 - Line 6)</b>	22	<b>657,586</b>	<b>907,705</b>	<b>138.0%</b>	<b>250,119</b>	<b>38.0%</b>
IV.		<b>CORPORATE INCOME TAX</b>	23	<b>103,826</b>	<b>141,187</b>	<b>136.0%</b>	<b>37,361</b>	<b>36.0%</b>
V.		<b>BOOK PROFIT AFTER INCOME TAX (Line 22 - Line 23)</b>	24	<b>553,760</b>	<b>766,518</b>	<b>138.4%</b>	<b>212,758</b>	<b>38.4%</b>

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**Appendix 4 - Major litigations in progress as at 31 March 2023 (in excess of RON 500 thousand), including litigations whose value was not assessed**

Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
<b>SNN Executive</b>								
1.	9089/101/2013	Civil The Court, Mehedinti	Creditor	Autonomous Authority for Nuclear Activities (RAAN)	Insolvency. Bankruptcy, liquidator appointed. Receivable RON 7,828,405.48	merits	<b>Merits. Pending insolvency proceedings.</b>	15/06/2023
2.	873/1259/2008	Civil The Court, Arges	Creditor	Termoficare 2000 S.A.	Insolvency. Bankruptcy. Receivable RON 2,713,986.71	higher appeal	<b>Solution on substance:</b> Admits the request filed by the judicial liquidator to close the insolvency procedure of the debtor. Orders the closing of the insolvency procedure of debtor TERMOFICARE 2000 S.A. and its removal from the trade registry. Discharge the judicial liquidator from liability, to the extent provided by law, in relation to any duties or responsibilities regarding the procedure, the debtor and the debtor's estate, the creditors, holders of preferential rights, or shareholders. Orders the notification of the sentence to close the procedure: - TO THE REGIONAL GENERAL DIRECTORATE OF PUBLIC FINANCE PLOIESTI - THE COUNTY ADMINISTRATION OF PUBLIC FINANCE ARGES, - TO THE OFFICE OF THE COMMERCE REGISTRY, in order to make the mention, - TO THE OFFICE OF REGISTRATION AND REAL ESTATE ADVERTISING, in order to include, if necessary, notes on the closing of the procedure, - to all creditors, by publication in BPI. Enforceable. With appeal within 10 days from communication of the decision. Decision 481/2022 25 October 2022  <b>Higher appeal. Regularization procedure.</b> ANAF lodged a higher appeal.	02/05/2023
3.	1794/118/2016	Criminal The Court, Constanta Constanta Court of Appeal	Civil party	Bucur Ionel Negulici Elena Olteanu Madalina Encica Ionel Nicola Laurentiu Daramus Victor	Damage EUR 3,471,463.	appeal	<b>Solution on substance:</b> the act is not provided by the criminal law (article 10 letter b of the Criminal Procedure Code). Based on Article 396(5) of the Code of Criminal Proceedings, in relation to Article 17(2) of the Code of Criminal Proceedings and Article 16(b) of the Code of Criminal Proceedings, finds defendant Bucur Ionel not guilty on the charge of abuse of office, if the public servant obtained for himself or for the benefit of others undue benefits provided by Article 132 of Law no. 78/2000 in relation to Article 297(1) of the Criminal Code, with the application of	25/05/2023

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**S.N. Nuclearelectrica S.A.**

Quarterly report of the Board of Directors for Q1 2023

*(All amounts are expressed in RON, unless otherwise expressly provided for.)*

Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
				S.C. Davy Security S.R.L. party held liable for civil liability, by judicial administrator.			<p>Articles 309 and 183 of the Criminal Code, with the application of Article 5 of the Criminal Code (fraudulent award of the physical security and monitoring service to S.C. Davy Security S.R.L.; S.C. Davy Protect &amp; Security S.R.L., S.C. Davy Protect Comp S.R.L.) and for perpetration of the offence of conflict of interest provided at Article 301 of the Criminal Code, with application of Article 5 of the Criminal Code. (The conflict of interest related to the security of the FE5 block provided by S.C. Davy Security S.R.L./S.C. Davy Protect &amp; Security S.R.L., S.C. Davy Protect Comp, S.C. Energosecurent S.R.L.). Based on Article 396(5) of the Code of Criminal Proceedings in relation to Article 17(2) of the Code of Criminal Proceedings and Article 16(b) of the Code of Criminal Proceedings, finds the defendant Negulici Elena Marinela not guilty on the charge of abuse of office and on the charge of conflict of interests provided b Article 301 of the Criminal Code with the application of Article 5 of the Criminal Code, finds the defendant Encica Ionel not guilty on the charge of abuse of office, finds the defendant Nicola Laurentiu Theodor not guilty on the charge of abuse of office, finds the defendant Daramus Victor not guilty on the charge of aiding and abetting abuse of office, finds defendant Olteanu Madalina not guilty on the charge of abuse of office, based on Article 397 of the Code of Criminal Proceedings and Article 25 of the Code of Criminal Proceedings, Dismissed the civil action brought up by the civil party S.N. Nuclearelectrica S.A., as unfounded. Removes the distraint established by Ordinance no. 279/P/2015 of 06.01.2016 of DNA - ST Constanta, as amended by conclusion no. 9/19.01.2016 of Constanta Tribunal and by Ordinance no. 279/P/2015 of 11.02.2016 of DNA - ST Constanta, on the property of defendants Bucur Ionel, Negulici Elena - Marinela and Daramus Victor. Based on Article 275 para. 3 of the Criminal Procedure Code, the legal expenses advanced by the state remain in its charge. With appeal within 10 days from communication. Rendered in public session this day of 19 February 2021, Judgment no. 125/19.02.2021.</p> <p><b>Appeal. Pending try</b></p>	

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Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
4.	409/2/2016	Bucharest Court of Appeal	Civil party	Tudor Ion Criminal group Banat Insolvency House liquidator of CET Energoterm Resita.	Charges of tax evasion, forgery, giving and accepting bribes RON 580,974.21.	merits	<b>Merits. Procedure in progress.</b>	<b>05/05/2023</b>
5.	5802/118/2017	Labour Constanta Tribunal	Defendant	NPP Trade Union, on behalf of 757 employees.	Money rights dangerous conditions bonus.	merits	<b>Merits. Pending try</b> Submission of accounting expert report.	<b>26/05/2023</b>
6.	7036/118/2017	Labour Constanta Tribunal	Defendant	SLEN Union on behalf of 132 employees 159 claimants in their own name.	Money rights dangerous conditions bonus.	appeal	<p>Solution on substance: Rejects the claim as unfounded. Admits the request filed by the technical judicial expert LAZAROAIA REMULUS. Sets the final fee to be paid to the technical judicial expert LAZAROAIA REMULUS for the technical judicial expert report in the field of accounting at the amount of RON 12,000.00. It obliges the claimants to pay to Constanta Tribunal - Local Office of Technical Judicial Expert Reports the amount of RON 1000, as remaining expert fee, in favor of the judicial expert Lazaroaia Remulus. It obliges the defendant to pay to Constanta Tribunal - Local Office of Technical Judicial Expert Reports the amount of RON 1000, as remaining expert fee, in favor of the judicial expert Lazaroaia Remulus. Enforceable in what regards the obligation to pay the expert fee. Obliges the claimants to equally participate in the payment to the defendant of RON 59,221.94, as court expenses. With right of appeal within 10 days from communication. The appeal application shall be filed with Constanta Tribunal, under the penalty of nullity. Rendered this day of 17 June 2022, the judgment being made available to the parties through the court's registry. Decision 2205/2022 17 June 2022</p> <p>Appeal. Dismisses the main appeal as unfounded. Upholds the appeal lodged by the defendant-appellant S.N. Nuclearelectrica S.A. Reversed in part the Civil Sentence no. 2205/17.06.2022 of Constanta Tribunal to the effect of: Orders the claimants to pay to</p>	<b>Finally settled (completed)</b>

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Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
							Constanta Tribunal - Local Office of Technical Judicial Expert Reports the amount of RON 2000, as remaining expert fee, in favor of the judicial expert Lazaroaia Remulus. Removes the ruling of the first court, which ordered the defendant to pay to Constanta Tribunal - Local Office of Technical Court-Ordered Expert Reports the amount of RON 1,000, as remaining expert fee, in favor of the judicial expert Lazaroaia Remulus. Maintains the other provisions of the appealed sentence which are not contrary to this decision. Final. Document: Judgment 63/ 27 February 2023	
7.	35162/299/2018* /a1	Civil - Bucharest Sector 1 Court, 2nd Civil Section	Garnishee - SNN Appellant Debtor AAAS Respondent Ionita Stefan.	Ionita Stefan – enforcement file 959/2010 BEJ Draganescu, Ionescu, Crafcenco	Opposition to enforcement RON 2,089,042.69.	merits retrial	<p><b>Solution on substance:</b> Rejects the plea of lack of capacity to be sued of the garnishee as unfounded. Rejects the opposition to enforcement as ungrounded. With appeal within 15 days from communication. Judgment no. 1611/21.03.2019.</p> <p><b>Solution on the higher appeal:</b> Upholds the higher appeal. Admits the plea of lack of mandatory capacity to be sued, invoked <i>ex officio</i>. Quashes the sentence and submits the case for retrial to the same court. Irrevocable. Rendered in public session this day of 14 January 2020. Judgment no. 7/14.01.2020.</p> <p><b>Retrial of merits:</b> stayed on grounds of article 412 of the New Civil Procedure Code until the submission of the proof of capacity of heirs.</p> <p><b>Appeal of retrial of stay:</b> Rejects the higher appeal as unfounded. Irrevocable.</p>	postponed
8.	36200/3/2019	Civil Bucharest Tribunal	Claimant	Ministry of Economy, Energy and Business Environment.	RON 2,217,600 plus interest and inflation ratio - damage representing the difference of the variable allowance collected by the members of the Board of Directors and by directors for the period 2015 - 2017.	merits	<p><b>Merits.</b> Upholds the plea of lack of standing to stand trial. Dismisses the application as brought up against a person with no standing to stand trial. Subject to appeal within 30 days of service. Decision 534/2023 07 March 2023</p>	Settled on substance

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Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
9.	6026/109/2019	Labour Arges Tribunal	Defendant	Gheba Florin Ovidiu.	Challenge Decision no. 344/17.10.2019 termination of individual employment agreement and Decision no. 300/12.09.2019 disciplinary investigation committee.	merits	<p><b>Solution on substance:</b> Upholds in part the main claim. Sets aside the decision no. 300/12.09.2019 issued by the respondent. Dismisses the plea of lack of interest. Upholds in part the ancillary claim. Sets aside the decision no. 344/17.10.2019 on the termination de jure of the claimant's employment agreement contract, and orders his reemployment to the previously held job. Obliges the respondent to pay the claimant a compensation equal to the indexed, increased and updated salaries and the other rights that he would have benefited from as of the date of the termination de jure of the agreement and until his effective reemployment, plus the statutory penalty interest as of the due date and further on until effective payment of the debts. Dismisses the head of claim seeking to have the defendant ordered to pay the court expenses. Provisionally enforceable <i>de jure</i>. With right of appeal within 10 days from communication.</p> <p><b>Appeal:</b></p>	<b>Appeal. Hearing pending</b>
10.	5462/2/2019	Administrative dispute Bucharest Court of Appeal HCCJ	Claimant	Bucharest Regional General Directorate of Public Finance General Directorate for the Administration of Large Taxpayers.	Cancellation of tax documents	higher appeal	<p><b>Solution on substance:</b> Admits the plea of lack of capacity to be sued of defendant Bucharest Regional General Directorate of Public Finance. Dismisses the application filed by the claimant S.N. Nuclearelectrica S.A., against defendant Bucharest Regional General Directorate of Public Finance, as being filed against a person with no standing to stand trial. Admits the plea of limitation of the right to sue. Dismisses the statement of claims filed by the claimant S.N. Nuclearelectrica S.A. against defendant ANAF - General Directorate for the Settlement of Challenges, as being time barred. Admits the plea of inadmissibility. Rejects the introductory claim filed by claimant S.N. Nuclearelectrica S.A. against defendant General Directorate for the Administration of Large Taxpayers, as inadmissible. With right of appeal within 15 days of service. Judgment no. 985/22.06.2021</p> <p><b>Higher appeal. Regularization procedure</b></p>	<b>21/11/2023</b>
11.	97/2/2020	Civil Bucharest Tribunal. Bucharest Court of Appeal HCCJ	Claimant.	ANRE (Romanian Energy Regulatory Authority).	Cancellation of administrative act order no. 216/11.12.2019.	higher appeal	<p><b>Solution on substance:</b> Rejects the claim. Judgment in brief: admits the plea of time barring of additional claims, as invoked by the defendant. Rejects the action for cancellation of Decisions no. 2213/23.12.2019 and no. 2214/23.12.2019, i.e. notification no. 110703/23.12.2019, as being time barred. Rejects the remaining introductory claim, as ungrounded. With appeal within 15 days from communication, the request to be filed with Bucharest Court of Appeal - 8th Section Administrative and Fiscal Disputes. Rendered this day of 31 July 2020, the judgment being made</p>	

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**S.N. Nuclearelectrica S.A.**

Quarterly report of the Board of Directors for Q1 2023

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Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
							<p>available to the parties through the court's registry. Judgment no. 681/31.07.2020.</p> <p><b>Solution on the higher appeal:</b> Rejects the higher appeal filed by the claimant National Company Nuclearelectrica SA against civil sentence no. 681 of July 31, 2020 and of the conclusion of July 10, 2020, of the Bucharest Court of Appeal - 8th Section Administrative and Fiscal Disputes, as unfounded. Final. Rendered this day of 30 June 2022, the judgment being made available to the parties through the court's registry.</p> <p>Related file 97/2/2020/a1 of the High Court of Cassation and Justice, the court upheld the request to refer the matter to the Constitutional Court and the referral no. <b>1658D/2022</b> was filed with the Constitutional Court on 30 June 2022. The file is in the report stage.</p>	
12.	3083/3/2020	Civil Bucharest Tribunal. Bucharest Court of Appeal HCCJ	Claimant.	Transelectrica - National Company for the Transmission of Electricity.	RON 1,472,785	higher appeal	<p><b>Solution on substance:</b> Upholds the introductory claim. It obliges the defendant to pay to the claimant the amount of RON 1,290,533.156, as indemnification, to pay this amount adjusted for inflation from 27 September 2018 until the date of actual payment, to pay the amount of RON 182,251.94 representing the statutory penalty interest calculated from 27 September 2018 until 31 January 2020, as well as to further pay the statutory penalty interest, calculated from 1 February 2020 until the date of actual payment. Obliges the defendant to pay to the claimant the amount of RON 23,441.66, as court expenses, consisting in judicial stamp tax. Rejects the defendant's claim for court expenses as unfounded. With right of appeal within 30 days from communication. The appeal shall be filed with Bucharest Tribunal, 6th Civil Section. Rendered this day of 22 December 2020, the judgment being made available to the parties through the court's registry. Judgment no. 2698/22.12.2020</p> <p><b>Solution on appeal:</b> Upholds the appeal. Partly changes the appealed civil sentence, namely: Rejects the introductory claim as ungrounded. Maintains the first court judgment to reject the defendant's request to be paid court expenses as unfounded. Obliges the respondent-claimant to pay the appellant-defendant the amount of RON 20,591.66, as appeal court expenses. With appeal within 30 days from communication, the request to be filed with Bucharest Court of Appeal - 6th Civil Section. Rendered this day of 25 November 2021, the judgment being made available to</p>	Postponed

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**S.N. Nuclearelectrica S.A.**

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							<p>the parties through the court's registry. Document: Judgment 1927/2021 25 November 2021.</p> <p><b>Higher appeal:</b> Pursuant to Article 413 para. (1) point 1 of the Civil Procedure Code, stays the higher appeal declared by the appellant-claimant NATIONAL COMPANY NUCLEARELECTRICA SA against the civil decision no. 1927/A/25.11.2021, rendered by the Bucharest Court of Appeal - 6th Civil Section, until the final settlement of file no. 2659/2/2020, pending before the High Court of Cassation and Justice - Administrative and Fiscal Disputes Section. Final.</p>	
13.	1506/118/2020	Civil/ Constanta Tribunal	Claimant.	U.A.T. Seimeni commune, Romanian State through the Ministry of Public Finance, the Ministry of Economy, Energy and the Business Environment, Government of Romania.	Action to find the right of use, servitude, free use of publicly owned land.	merits	<p><b>Solution on substance:</b> Rejects the plea of inadmissibility of invoking the plea of unlawfulness of Local Council Decision no. 7/2009 of Seimeni UAT. Admits the plea of unlawfulness of Local Council Decision no. 7/2009 of Seimeni UAT. Orders the removal from the land book 101215 Seimeni of the right of private ownership of Seimeni UAT. Accepts the plea of inadmissibility of claims against the Romanian State through the Ministry of Public Finance. Rejects the claims against the Romanian State through the Ministry of Public Finance as inadmissible. It rejects the remaining portions of the claims against UAT Seimeni as unfounded. Orders the defendant UAT Seimeni to pay to the claimant RON 3,000 as court expenses. With right of appeal, to be submitted to Constanta Tribunal, within 30 days from communication. Judgment 1136/ 1 April 2022. Sentence on substance pending drafting</p>	<b>Solution on substance. Decision to be drafted decision</b>
14.	1663/118/2020*	Civil Constanta Tribunal	Claimant	Romanian state through the Ministry of Public Finance. Romanian Waters National Administration. Dobrogea Seaside Water Basin Administration.	Action to find the right of management of the land corresponding to the Valea Cismelei hydrographic basin, right of usage, servitude, free use of publicly owned land of 31,050 sqm and 73,428 sqm.	higher appeal	<p><b>Solution on substance:</b> Rejects the plea of lack of capacity to be sued of the Ministry of Environment, Waters and Forests, invoked by the latter in its statement of defense, as unfounded. Upholds the plea of inadmissibility of the statement of claims filed by the claimant S.N. Nuclearelectrica S.A. against defendants Romanian State, through the Ministry of Finance, Romanian Waters National Administration, Dobrogea Seaside Water Basin Administration and the Ministry of Environment, Waters and Forests, a plea raised <i>ex officio</i>. Dismisses the statement of claims filed by the claimant S.N. Nuclearelectrica S.A. against defendants Romanian State, through the Ministry of Finance, Romanian Waters National Administration, Dobrogea Seaside Water Basin Administration and the Ministry of Environment, Waters and Forests as</p>	<b>Ruling postponed: 26.04.2023</b>

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							<p>inadmissible. With right of appeal within 30 days from communication. Judgment no. 891/17.06.2021.</p> <p><b>Solution on appeal:</b> Upholds the appeal. Partly cancels both conclusion of 17 March 2021 on rejecting the topographic expert report evidence, and civil sentence no. 891/17.06.2021 on the judgment regarding the plea of inadmissibility and its relevance in the introductory claim. Maintains the other provisions of the conclusion and of the appealed sentence. With appeal within 30 days from communication; the appeal application shall be filed with Constanta Tribunal, under the penalty of nullity. Rendered this day of 11 March 2022, the judgment being made available to the parties through the court's registry. The minutes erroneously failed to mention "Resends the case for retrial to the court of first instance. Judgment 391/ 11 March 2022</p> <p><b>Higher appeal:</b> Pending delivery on <b>26 April 2023</b></p>	
15.	<b>2659/2/2020</b>	administrative disputes/ High Court of Cassation and Justice	Claimant	ANRE	Cancellation of Order no. 12/2016.	merits	<p><b>Solution on substance:</b> Rejects as unfounded the request to reinstate the material right to action outside the limitation term. Accepts the plea of time barring of the right to action. Rejects the request as time barred. The court upholds in part the request for referral to the Constitutional Court and orders its referral with the resolution of the plea of unconstitutionality of the provisions of Article 5 para. 7 of GEO no. 33/2017 for the amendment and supplementation of the Electricity Law no. 13/2007 and Gas Law no. 351/2004, approved by Law no. 160 of October 2, 2012. Rejects the remaining portion of the referral to the Constitutional Court as inadmissible. With appeal within 48 hours, regarding the rejection as inadmissible of the referral to the Constitutional Court. With appeal within 15 days from communication. Judgment no. 139/09.02.2021.</p> <p><b>Solution on the higher appeal:</b> Upholds the higher appeal lodged by the claimant National Company Nuclearelectrica S.A., against the civil sentence no. 139 of 9 February 2021 of Bucharest Court of Appeal - 8th Division for Administrative and Tax Disputes. Quashes the appealed sentence and refers the case back for retrial to the court which heard the substance of the case. Final.</p> <p><b>Case referred back for try to the first court</b></p>	<b>23.05.2023</b>

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							<b>Substance to be reheard after quashing:</b>	
16.	<b>16597/3/2020</b>	Civil/ Bucharest Tribunal	Claimant - Defendant	General Concrete Cernavodă S.R.L.	Enforcement of administrative act RON 2,760,296,490	merits	<b>Merits. Pending try</b> Administration of technical construction expert report evidence.	<b>25.09.2023</b>
17.	<b>3570/2/2020</b>	Administrative disputes/ High Court of Cassation and Justice	Claimant	ANRE	Cancellation of documents issued by regulatory authorities. Order no. 88/2020.	higher appeal	<b>Solution on substance:</b> Rejects the clarified claim, as unfounded. With appeal within 15 days from communication. Judgment no. 247/04.03.2021. <b>Solution on the higher appeal:</b> Dismisses the higher appeal lodged by the claimant Societatea Nationala Nuclearelectrica S.A. against the ruling dated 18 February 2021 and the Civil Sentence no. 247 of 4 March 2021, rendered by Bucharest Court of Appeal - 9th Division for Administrative and Tax Disputes, as unfounded. Final	<b>Finally settled (completed)</b>
18.	<b>544/109/2015</b>	Civil/ Arges Tribunal Pitești Court of Appeal	Appellant CNU	Goga Gheorghe	Patents.	appeal	<b>Solution on substance:</b> Partly upholds the claim. Obliges the defendant to pay RON 4,015,582 representing patrimonial rights deriving from the exploitation of the technical procedures which are the object of inventions during 2014 - 2018. With appeal. Judgment no. 343/26.09.2018. <b>Appeal</b> Pursuant to the provisions of article 75 paragraph 1 of Law no. 85 of 25 June 2014 on procedures for the prevention of insolvency and insolvency, stays the case. With right to appeal during the stay, to be filed with Pitești Court of Appeal. Rendered in public session this day of 4 May 2022. Document: Conclusion - Stay 4 May 2022:	<b>postponed</b>
19.	<b>4419/2/2021 and 1720/1/2022</b>	Administrative Disputes Bucharest Court of Appeal	Claimant	Romanian Government	Stay of enforcement and cancellation of Government Decision no. 1041/2003.	higher appeal	<b>Solution on substance</b> - stay of execution Rejects the request to stay the enforcement as unfounded. With appeal within 15 days from communication, filed with this court. Rendered this day of 13 April 2022, the judgment being made available to the parties through the court's registry. <b>Solution on higher appeal - stay of execution - Case no. 4419/2/2021.</b> Dismisses the higher appeal lodged the claimant National Company Nuclearelectrica S.A. against the Minutes of 13 April	<b>Case referred back for retry</b>

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							<p>2022 of Bucharest Court of Appeal - 8th Division for Administrative and Tax Disputes, as unfounded. Final</p> <p><b>Solution on substance - setting aside of the Government Decision no. 1041/2003</b> Rejects the claim as unfounded. With appeal within 15 days from communication, filed with this court. Document: Judgment 887/2022 11.05.2022.</p> <p><b>Solution on higher appeal - setting aside of the Government Decision no. 1041/2003</b> Upholds the higher appeal lodged by the claimant National Company Nuclearelectrica S.A., against the Civil Sentence no. 887 of 11 May 2022, rendered by Bucharest Court of Appeal - 8th Division for Administrative and Tax Disputes, in Case no. 4419/2/2021. Quashes the appealed sentence and, having reheard the case: Dismisses the head of claims concerning the setting aside of the Government Decision no. no. 1041 of 28 August 2003, as amended by the Government Decision no. 1461/2003, as devoid of object. Refers the case back for retrial to the same court as regards the head of claims concerning the ordering of the respondent, the Government of Romania, to grant indemnities. Final. Rendered this day of 8 March 2023, by making the solution available to the parties by care of the court's registry service.</p> <p><b>Substance to be reheard after quashing:</b></p>	
20.	25751/3/2021	Labour The Court, Bucharest	defendant	Botea Ceciliu Lucian	challenge against decision to terminate employment	merits	<p><b>Solution on substance:</b> Dismisses the action as unfounded. Subject appeal within 10 days of service. Judgment no. 3753/31.05.2022.</p> <p><b>Higher appeal. Pending try</b></p>	25/05/2023
21.	2873/120/2022	administrative disputes Dambovita Tribunal	defendant	Ion Dragos Poescu	access to public information, Law no. 544/2001 on the S&L Study regarding the SMR Site of Doicesti	merits	<p><b>Solution on substance:</b> Dismisses the statement of claims filed by the claimant Popescu Dragos Ion against S.C. Nuclearelectrica S.A., as unfounded. With right of appeal within 15 days from communication. Judgment no. 97/2023 15 February 2023</p>	Settled on substance
22.	23089/3/2022	insolvency Bucharest Tribunal	creditor	Compania Nationala a Uraniului	receivable 7,811,840.50	merits	<p><b>Merits.</b> Procedure pending</p>	13.06.2023

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23.	35670/3/2022	administrative disputes Bucharest Tribunal	claimant	Dat Constructive SRL	claims 1,021,148.48	merits	Merits. Procedure pending	Hearing pending
24.	25192/3/2022	civil Bucharest Tribunal	defendant	SSG Fire & Rescue SRL	715,747.50	merits	Merits. Procedure pending	Hearing pending
<b>Cernavodă NPP Branch</b>								
1.	28330/3/2021	Civil/Bucharest Court of Appeal	Defendant	UNICOMP	Civil dispute - cancellation of finding document/works contract 487/2020 Claims to return penalties charged without justification amounting to RON 77,760 and indemnifications for unrealized benefits amounting to RON 804,425.64	appeal	<p><b>Solution on substance:</b> Upholds the introductory claim, as clarified, filed by claimant SC UNICOMP SA against defendant NUCLEARELECTRICA SA. Cancels the Termination Notice no. CNE/624/02.03.2021 issued by defendant NUCLEARELECTRICA SA in what regards the Sectoral Works Contract no. 487/13.04.2020. Cancels the Findings Document no. 697/11.03.2021 corresponding to Sectoral Works Contract no. 487/13.04.2020. Obliges the defendant NUCLEARELECTRICA SA to repay to the claimant UNICOMP SA the amount of RON 77,760 representing delay penalties. Obliges defendant NUCLEARELECTRICA SA to pay to the claimant UNICOMP SA the amount of RON 804,425.64 representing indemnifications corresponding to the unrealized benefit. Obliges defendant NUCLEARELECTRICA SA to pay to the claimant UNICOMP SA the amount of RON 41,000 as court expenses. On grounds of article 44 paragraph 4 in correlation with article 41 of Government Emergency Ordinance no. 80/2013 on judicial stamp taxes, obliges defendant NUCLEARELECTRICA SA to pay the amount of RON 46,548.80 as judicial stamp tax for which the amount of the tax was reduced. Rejects the defendant's claim to be paid court expenses, as unfounded. With right of appeal within 10 days from communication. Document: Judgment 1857/2022 17 August 2022</p> <p><b>Solution on appeal:</b> Dismisses the main appeal as unfounded. Orders the appellant-defendant to pay the respondent-claimant the amount of RON 7,140 as court expenses. Dismisses the incidental appeal as unfounded. Document: Judgment 1811/2022, 16.11.2022. Final.</p>	Completed
<b>NFP PITEȘTI Branch</b>								
1.	2588/109/2020	Labour Arges Tribunal	Defendant	FCN pensioners	obligation to do - Government	Merits	Merits: Under the Ruling dated 31 May 2022, it was found the ground for stay under Article 413(1)(1) of the Code of Civil Proceedings was still applicable pending the final settlement of the	Postponed

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					Decision no. 1041/2003		case no. 3781/2/2020 by Bucharest Court of Appeal, 9th Division for Administrative and Tax Disputes.	
2.	<b>8116/280/2021</b>	Labour Arges Tribunal	Defendant	RATEN-ICN Pitesti	declaratory action - issue of employment certificates to employees, before the date of 1 February 1992	Merits	<b>Merits:</b> Dismisses the plea of lack of interest raised by the defendant in the statement of defence. Dismisses the action as unfounded. With appeal within 10 days from communication. Judgment no. 1430/2023 9 March 2023	<b>Decision to be drafted Judgment on substance</b>