



Current Report in compliance with the provisions of Law no. 24/2017 and ASF Regulation no. 5/2018 regarding issuers of financial instruments and market operations
Report date: August 14th, 2023

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

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 Supervisory Authority (ASF)**

Important event to be reported : Availability of the Half Year Report on the economic and financial activity for the 1st Half of the financial year 2023

Societatea Nationala Nuclearelectrica S.A. (“SNN”) informs the shareholders and investors on the availability of the Half Year Report on the economic and financial activity for the 1st Half of the financial year 2023, prepared in accordance with the provisions of art. 67 of Law no. 24/2017 regarding issuers of financial instruments and market operations, republished and with Appendix 14 to the ASF Regulation no. 5/2018 regarding issuers of financial instruments and market operations, starting with **August 14, 2023, 08:00 HRS**, as follows:

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

The Half Year Report on the economic and financial activity for the 1st Half of the financial year 2023 comprises:

- The main events of the company's activity during the reporting period;
- The Individual Interim Financial Statements as at and for the six-month period ended on June 30, 2023, prepared according to OMFP [Order of the Ministry of Public Finance] no. 2844/2016 for approving the Accounting Regulations according to the International Financial

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, www.nuclearelectrica.ro

Reporting Standards, passed by the European Union, based on Accounting Standard 34 - “Interim financial reporting”

- The Consolidated Interim Financial Statements as at and for the six-month period ended on June 30, 2023, prepared according to the OMFP no. 2844/2016 for approving the Accounting Regulations according to the International Financial Reporting Standards, passed by the European Union, based on Accounting Standard 34 - “Interim financial reporting”

- The Half Year report of the Board of Directors on the administration activity for the period January 1 – June 30, 2023.

Main results

1. Individual financial results for the period

In the 6-month period ended on 30 June 2023, SNN obtained a net profit amounting to RON 1,288,781 thousand.

Ratio [Thousand RON]	The 6-month period ended 30 June 2023 (revised)	The 6-month period ended 30 June 2022 (revised)	Variation
Production (GWh)*	4,920	4,779	3.0%
Operating revenues, of which:	3,779,647	3,140,335	20.4%
Revenues from the sale of electricity**	3,669,194	3,089,082	19.8%
Operating expenses, less depreciation and impairment	(690,808)	(846,625)	(18.4%)
Cost of contribution to the Energy Transition Fund/tax on additional income	(1,461,691)	(585,811)	149.5%
EBITDA	1,627,147	1,707,899	(4.7%)
Depreciation and impairment	(316,003)	(302,619)	4.4%
EBIT	1,311,144	1,405,280	(6.7%)
Financial income	222,801	65,232	241.6%
Financial expenses	(13,253)	(14,939)	(11.3%)
Net financial result	209,548	50,293	316.7%
Net corporate income tax expenses	(231,911)	(234,781)	(1.2%)
Net profit	1,288,781	1,220,792	5.6%

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

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

Operating profit (EBITDA) decreased by 4.7% compared to the same period of the previous year, significantly influenced by the increase in the cost of the contribution to the Energy Transition Fund for the period 1 January - 30 June 2023, which was 149.5% higher than the tax on additional income due for the similar period of the previous year. The main reasons of the increase of this tax are the changes made to the calculation methodology detailed below, as well as the increase in the basis for computation, represented by the revenues from the sale of electricity which, in the first half of 2023, are higher than in the first half of 2022.

Operating revenues increased by 20.4% supported by the 19.8% increase in electricity sales revenues. This increase is determined by the 21.5% increase in the weighted average price, including Tg, of the electricity sold in the first half of 2023 compared to the weighted average price of the same period of 2022, considering that a similar total quantity of electricity was sold (-1.3%).

Compared to the same period of last 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 the first half of 2023, the Company sold via MACEE a quantity of 2,107,985 MWh at the price of RON 450/MWh, which accounts for 42.52% of the total electricity sold during the period.

The amount of electricity sold on the competitive market of bilateral contracts decreased by 48.7%, accounting for 43.32% of the total sold quantity, and the average sale price on this market increased by 108.5% (price without Tg).

The amount of electricity sold by SNN on the spot market (DAM and IDM) in the first half of 2023 decreased by 16.4%, accounting for 13.81% of the total sold quantity, and the average sale price on this market decreased by 48.5% (price without Tg).

Contribution to the Energy Transition Fund/tax on additional income, of RON 1,461,691 thousand, due for the period 1 January - 30 June 2023, increased by 149.5% (first half of 2022: RON 585,811 thousand), 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 the first half of 2023, are higher than in the first half of 2022.

In the first half of 2022, the tax on additional income was determined as 80%, 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 Article II(1) of Law no. 259/2021 for approving the Government Emergency Ordinance no. 118/2021, as subsequently amended and supplemented. The calculation method is set out under the Government Emergency Ordinance no. 27/2022 (Appendix 6).

In the first half of 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 the first half of 2023 did not allow deduction, from the reference amount, 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 the first half of 2022 used to allow. During the period 1 January 2023 - 30 June 2023, the monthly expenses only included the cost of unbalances.

Operating expenses, less depreciation and amortization and expenses with the contribution to the Energy Transition Fund / additional income tax, decreased by 18.4% during the first half of 2023, compared to the same period of 2022. This decrease is determined by the decrease in expenses regarding the purchased electricity, the amount of electricity purchased in the first half of 2023 decreased by 94.4% compared to the similar period of the previous year.

Financial result positively influenced the net result, so that, in the first half of 2023, net financial income increasing by 241.6% 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.

Net income tax expense decreased by 1.2% as a result of the decrease in the taxable profit calculated for H1 2023 compared to that calculated for H1 2022, also influenced by the impact of deferred income tax expenses and revenues recognized during the reporting period.

2. Sales of electricity (quantities, price and values) in the first half of 2023

The gross electricity production of the two operational units of Cernavodă NPP was 5,344,882 MWh in the first half of 2023 (of which 2,346,037 MWh in the second quarter of 2023); from this gross production, the own technological consumption of the Units during operation, as well as during shutdowns ensured, from own production, was 424 thousand MWh during the first half of 2023 (of which 195 thousand MWh in the second quarter of 2023).

Thus, the electricity generated and delivered in the National Energy System ("SEN") was 4,920,140 MWh in the first half of 2023, compared to the same period of 2022 (4,779,204 MWh), representing an increase by 2.9%. In the second quarter of 2023, the amount of electricity produced and delivered in the SEN was 2,150,500 MWh, increase by 8.1% compared to the level recorded in the second quarter of 2022 of 1,989,873 MWh.

The net electricity production program approved by the Board of Directors for the year 2023 (March 2023 revision) considered a quantity of 10,218,912 MWh, and for the first half of 2023, considered a quantity of 4,829,947 MWh, being achieved in proportion of 101.9% and for the second quarter of 2023, it considered a quantity of 2,087,527 MWh, being achieved in proportion of 103%.

The installed power utilization factor, recorded by each operational unit within Cernavodă NPP in the second quarter of 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 30 June 2023, was as follows:

Cernavodă NPP unit	Cumulative first quarter 2023	April 2023	May 2023	June 2023	Aggregate 2023	Aggregate since the first date of commercial operation
Unit 1	98.14%	98.44%	97.37%	95.81%	97.67%	90.54%
Unit 2	99.68%	99.33%	20.42%	47.28%	77.50%	93.70%

The lower value of the installed power utilization factor at Cernavodă NPP Unit 2 reflects the influence of the planned shutdown with an effective duration of 934 hours, recorded starting on 7 May 2023 at 11:00 a.m. The unplanned extension of the planned shutdown of Cernavodă NPP Unit 2 was 6.7 hours, and lasted until 15 June 2023 at 15:41.

Sales of electricity (quantities, prices and values) in the first half of 2023:

Sales by type	Quantities in MWh	% of total sales	Average price [RON/MWh including T _g]	Sale revenues [RON]
Sales via MACEE	2,107,985	42.52%	450.00	948,593,160
Sales on the competitive market (bilateral agreements and sales on DAM and IDM), of which:	2,832,703	57.14%	973.11	2,756,536,665
- Sales under CMBC-EA Flex, CMBC-CN, CM-OTC contracts, directly negotiated contract and supply contracts	2,148,018	43.33%	1,113.51	2,391,842,354
- Sales on DAM and IDM	684,685	13.81%	532.65	364,694,311
Positive imbalances on PE*	17,084	0.34%	323.86	5,532,772
Total sales in the first half of 2023	4,957,772	100%	748.45	3,710,662,597

* Note: the values also include RON 753,979 of additional system balancing income, according to ANRE Order 213/2020. The value of the positive imbalances related to June 2023 is estimated.

The amount of electricity sold through the centralized electricity purchasing mechanism under contracts on the spot market (DAM and IDM) as well as on the PE market is 4,957,772 MWh, 1.3% above the sales schedule, of 4,893,203 MWh (measured according to the production forecast, without estimating unscheduled shutdowns) and 1.3% lower than the amount of electricity sold in H1 2022.

The difference between the electricity sold by the Company and the electricity generated and delivered by Cernavodă NPP (37.6 thousand MWh) is represented by the electricity purchased in order to fully cover contractual obligations, 49% of which was purchased on the spot market and 51% on the PE market.

The revenues gained on the electricity market related to electricity deliveries in the first half of 2023 amount to RON 3,710,662,597, 3.4% higher than the revenues budgeted for the first half of 2023, and 19.9% higher compared to the amounts gained in the first half of 2022.

The weighted average sales price for the electricity sold (without MACEE and PE) achieved in the first half of 2023 is RON 973.11/MWh (including T_g). For comparison, the weighted average price of all transactions concluded on the markets in which SNN was active in the first half of 2023 (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 748.45/MWh. In the first half of 2022, the weighted average sales price for the energy sold (without PE) was RON 615.40/MWh (including T_g).

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 the first half of 2023, **the Company sold via MACEE, to OPCOM, 2,107,985 MWh.**

The quantities of electricity sold on **the competitive market of bilateral contracts** represented a percentage share of **43.33%** of the total volume of electricity sold in the first half of 2023, compared to a percentage share of 83.40% reported in the first half of 2022. **The average sales price on bilateral contracts during this period was RON 1,113.51/MWh (T_g included),** registering an increase of 108.3%

compared to the average price recorded in the first half of 2022, of RON 534.46/MWh (T_g included); provided that the value of the transmission tariff for the introduction of electricity into the network T_g amounted to RON 1.49/MWh starting from 1 January 2022 (according to ANRE Order no. 124/25.11.2021), RON 2.53/MWh starting with 1 April 2022 (according to ANRE Order no. 33/23.03.2022) and RON 4.04/MWh starting with 1 April 2023 (according to ANRE Order no. 28/29.03.2023).

In the first half of 2023, electricity accounting for **13.81%** of the total sales value was sold **on the spot market (DAM and IDM)**, as compared to 16.30% in the first half of 2022. **The average sale price of energy on the spot market (DAM and IDM)** achieved by SNN in the first half of 2023 was RON **532.65/MWh (T_g included)**, as compared to RON 1,029.63/MWh (T_g included) in the first half of 2022.

3. The investment program as at June 30, 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 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 fulfilment 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 the first half of 2023 compared to the same period of 2022, is presented in the table below. In the first half of 2023, investments of RON 371,424 thousand were made (27.6% of the total 2023 investment programme), according to the internal planning.

Year	Investment program value [thousand RON]	Actual (01.01 - 30.06) [thousand RON]	Degree of completion (01.01 - 30.06) [%]
2023	1,345,406	371,424	27.6%
2022	609,220**	363,882	59.7%

** IEB 2022 rectified approved by the OGMS Resolution no. 10/19.10.2022

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

Cosmin Ghita
Chief Executive Officer



HALF-YEAR REPORT

**regarding the economic and financial activity of S.N. Nuclearelectrica S.A. according to the provisions of art. 67 of Law no. 24/2017 regarding the issuers of financial instruments and market operations, as republished on 10 August 2021 and Appendix no. 14 to ASF Regulation no. 5/2018 regarding the issuers of financial instruments and market operations for the 6-month period ended on 30 June 2023
(First half-year the financial year 2023)**

Basis of the report:	Article 67 of Law no. 24/2017 regarding the issuers of financial instruments and market operations and Appendix no. 14 to ASF Regulation no. 5/2018 for the 6-month period ended on 30 June 2023 (H1 of the financial year 2023)
Date of report:	09 August 2023
Name of the issuer:	S.N. Nuclearelectrica S.A. ("SNN")
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:	10874881
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 6-month period ended on 30 June 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:	First half-year of the financial year 2023
Reporting period:	

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1. ECONOMIC AND FINANCIAL SITUATION

The Information and the Individual Interim Financial Statements and the Consolidated Interim Financial Statements as at and for the 6-month period ended on 30 June 2023 disclosed in this report have been reviewed by the financial auditor S.C. Mazars Romania S.R.L. and have been 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 review report of the financial auditor is published on the website of S.N. Nuclearelectrica S.A. (www.nuclearelectrica.ro), section Investor Relations.

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

1.1. ECONOMIC AND FINANCIAL INDIVIDUAL SITUATION

a) Statement of financial position as at 30 June 2023

Ratio [thousand RON]	30 June 2023 (reviewed)	31 December 2022 (audited)
Fixed assets	6,348,843	6,049,279
Current assets	5,456,059	5,743,493
Total assets	11,804,902	11,792,772
Equity	10,541,070	10,535,505
Total liabilities, of which:	1,263,832	1,257,267
Long-term liabilities	434,998	456,762
Current liabilities	828,834	800,505
Total equity and liabilities	11,804,902	11,792,772

b) Statement of profit and loss and other comprehensive income for the 6-month period ended on 30 June 2023

Ratio [thousand RON]	The 6-month period ended on 30 June 2023 (reviewed)	The 6-month period ended on 30 June 2022 (reviewed)
Operating income	3,779,647	3,140,335
Operating expenses	(2,468,503)	(1,735,055)
<i>of which contribution to the Energy Transition Fund</i>	<i>(1,461,691)</i>	<i>(585,811)</i>
Operating profit	1,311,144	1,405,280
Financial income	222,801	65,232
Financial expenses	(13,253)	(14,939)
Net financial (Expense)/income	209,548	50,293
Profit before corporate tax	1,520,692	1,455,573
Net corporate income tax expenses	(231,911)	(234,781)
Profit of the period	1,288,781	1,220,792
Other elements of the overall result	0	0
Overall result	1,288,781	1,220,792
Earnings based on share (RON/share)	4.27	4.05
Diluted earnings per share (RON/share)	4.27	4.05

c) Statement of cash flows for the 6-month period ended on 30 June 2023

Ratio [thousand RON]	The 6-month period ended on 30 June 2023 (reviewed)	The 6-month period ended on 30 June 2022 (reviewed)
Profit before corporate tax	1,520,692	1,455,573
Non-cash value adjustments and changes	(146,273)	178,423
Net cash flow related to the operating activity	1,398,653	1,465,399
Net cash flow related to the investment activity	(155,904)	(313,830)
Net cash flow related to the financing activity	(1,215,843)	(709,681)
Net increase/(decrease) of cash and cash equivalents	26,906	441,888
Cash and cash equivalents at the beginning of the period	2,681,002	1,317,400
Cash and cash equivalents at the end of the period	2,707,908	1,759,288

1.2.ECONOMIC AND FINANCIAL CONSOLIDATED SITUATION

As at 30 June 2023, the Company's subsidiaries are:

Subsidiary	Activity	Sole registration number	Registered Office	participating interest % as at 30 June 2023
Energionuclear S.A.	“Engineering activities and related technical consultancy” - CAEN code 7112	25344972	Bucharest, sector 2, Bd. Lacul Tei, nr. 1 - 3, Lacul Tei Offices Building, 8th floor	100%
Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L.	“Processing of nuclear fuel” - CAEN code 2446.	44958790	County of Brasov, Feldioara, Str. Dumbravii nr. 1, Administrative building, ground floor	100%
Nuclearelectrica Serv S.R.L.	“Repair of machinery” - CAEN code 3312	45374854	County of Constanta, Cernavodă, Str. Energiei nr. 21, Hotel nr. 2, Building B, 1st floor	100%

a) Statement of Financial Position as at 30 June 2023

Ratio [thousand RON]	30 June 2023 (reviewed)	31 December 2022 (audited)
Fixed assets	6,329,130	6,021,189
Current assets	5,475,094	5,771,493
Total assets	11,804,224	11,792,682
Equity	10,533,120	10,532,543
Total liabilities, of which:	1,271,104	1,260,139
Long-term liabilities	434,990	456,762
Short-term liabilities	836,113	803,377
Total equity and liabilities	11,804,224	11,792,682

b) Profit and loss account and other comprehensive income for the 6-month period ended on 30 June 2023

Ratio [thousand RON]	The 6-month period ended on 30 June 2023 (reviewed)	The 6-month period ended on 30 June 2022 (reviewed)
Operating income	3,792,832	3,140,326
Operating expenses	(2,485,682)	(1,736,449)
Operating profit	1,307,150	1,403,877
Financial income	223,335	65,487
Financial expenses	(13,650)	(14,953)
Net financial income	209,685	50,534
Profit before corporate tax	1,516,835	1,454,411
Net corporate income tax expenses	(233,130)	(234,838)
Share of profit or loss of related entities and joint ventures, accounted by the equity method;	88	0
Profit of the period	1,283,793	1,219,573
Other elements of the overall result	0	0
Overall result	1,283,793	1,219,573
Earnings based on share (RON/share)	4.26	4.04
Diluted earnings per share (RON/share)	4.26	4.04

c) Statement of cash flows for the 6-month period ended on 30 June 2023

Ratio [thousand RON]	The 6-month period ended on 30 June 2023 (reviewed)	The 6-month period ended on 30 June 2022 (reviewed)
Profit before corporate tax	1,516,836	1,454,411
Non-cash value adjustments and changes	(134,967)	176,855
Net cash flow related to the operating activity	1,406,310	1,462,900
Net cash flow related to the investment activity	(163,523)	(294,904)
Net cash flow related to the financing activity	(1,215,843)	(709,681)
Net increase/(decrease) of cash and cash equivalents	26,944	458,315
Cash and cash equivalents at the beginning of the period	2,707,724	1,343,172
Cash and cash equivalents at the end of the period	2,734,668	1,801,487

2. ANALYSIS OF THE ISSUER'S ACTIVITY

2.1. Factors liable to influence the issuer's liquidity

Among the factors that can influence the company's liquid assets in the future, we list:

- The energy sales prices on the competitive market or prices regulated through the centralised acquisition mechanism of electrical energy;
- The price of the key raw materials and materials and the price of services used by the Company in its current activity;
- The fluctuations in interest rates and exchange rates;
- The volume of maintenance investments;
- The taxation rates, including introduction of new taxes and levies or changes in existing ones.

There are many internal and external factors that can influence the company's liquid assets, but the company enjoys very good liquidity in the short- and even medium-run.

2.2. Current or expected capital expenses

The investment program for the last two years is presented as follows:

Investments [Thousand RON]	2023	2022
Investment program value	1,345,406	609,220
Actuals from the investment program as at June 30	371,424	363,882

The degree of completion of the investment program as at 30 June 2023 is 27.6%, compared to 30 June 2022, when the performance of the investment program was 59.7% (relative to the value of RON 609,220 thousand according to the rectified IEB 2022 approved by the OGMS Resolution no. 10/19.10.2022).

2.3. Events, transactions and economic changes that significantly affect the core business revenues

Main activity revenue flows are affected by:

- The electricity output of Cernavodă NPP, closely dependent on the operating performance of the two nuclear units;
- The evolution of the conditions established by the Mechanism for the centralized purchase of electricity established by Government Emergency Ordinance no. 153/2022;
- The developments of prices on the competitive market and the company's ability to successfully compete under the said price conditions;
- The evolution of demand and supply on the domestic and regional electricity market, the degree of integration of the markets in the region.

2.4. Other significant events during the first half of 2023

Other significant events during the first half of 2023, which have not already been presented within the quarterly report related to the 1st quarter of the year 2023 are as follows:

Key matters related to continuation of the Project to Increase the Production Capacity

On June 9, 2023, the Support Agreement was signed between the Romanian State - the Government of Romania, the General Secretariat of the Government, the Ministry of Energy, the Ministry of Finance, the Ministry of Transport - and Societatea Națională Nuclearelectrica, in order to develop the National Strategic Project NPP Units 3 and 4.

The signing of the Support Agreement between the Romanian State and Nuclearelectrica for the development of the Cernavodă NPP Units 3 and 4 Project allows the start of activities related to Stage II of the Project, namely: The conclusion of the agreements for the preparation of the critical engineering necessary for updating the project; updating the Project budget, Structuring and contracting financing and agreeing on an appropriate contractual architecture for implementation of the Project; Obtaining the favourable Opinion of the European Commission further to the Project Notice according to Article 41 of the EURATOM Treaty and a positive decision in accordance with the relevant European provisions on State Aid; Obtain the Nuclear Security Authorization for the Construction Phase and have the Final Investment Decision taken for advancement to Phase III (Construction).

By signing the Support Agreement, the Romanian state undertook to take the necessary steps to finance the Cernavodă NPP Units 3 and 4 Project, including through: granting State Guarantees to the Project's financiers under the terms of any intergovernmental support agreements or memoranda, or outside such agreements; implementing the "Contracts for Difference"-type scheme and adopting the administrative and/or legislative measures required to ensure the fulfilment of the technical criteria provided for in the Complementary Delegated Act of the European Commission; the contribution being represented by the quantity of heavy water and uranium octoxide related to the first load of nuclear fuel, cooling water for the operation of those 2 nuclear units and the completion of the electricity transmission lines necessary for the connection to the National Energetic System and the evacuation of the electricity produced by those two nuclear units.

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

As at 12 May 2023, SN Nuclearelectrica SA (SNN) and the Politehnica University of Bucharest announced launching the first NuScale Energy Exploration Center (E2 Center), which hosts the control room simulator for the plant equipped with VOYGR™ NuScale small modular reactors. The launch of the E2 Center in the Faculty of Energy of Politehnica University of Bucharest is a first of its kind across Europe, and reconfirms the leadership position of Romanian in nuclear energy industry and workforce development.

On May 20, 2023, the United States of America and public and private multinational partners (from the USA, Japan, the Republic of Korea and the United Arab Emirates) announced their intention to finance the Small Modular Reactor (SMR) Project in Romania with up to USD 275 million. Later, on July 5, 2023, DS Private Equity ("DSPE", Seoul), signed the Term Sheet Agreement with Nuclearelectrica and Nova Power & Gas, in their capacity as RoPower shareholders, with the intention of investing EUR 75 million for the development of the FEED 2 study, Phase 2, which consists of the activities of detailed characterization of the site, the initiation of activities for obtaining authorizations, licenses and regulations, the exact establishment of the project calendar, the planning of

the budget for the execution of the project and the preparation for the acquisition of materials with a long manufacturing cycle.

Furthermore, the US Export-Import Bank (EXIM) and the US International Development Finance Corporation (DFC) issued Letters of Interest for tentative provision of a financial support of up to USD 3 billion and, respectively, USD 1 billion for development of this project.

On 13 June 2023 SN Nuclearelectrica SA, NuScale Power, E-INFRA, Nova Power & Gas, Fluor Enterprises and Samsung C&T Corporation signed a Memorandum of Understanding to collaborate in the implementation of NuScale VOYGR™ power plants in Central and Eastern Europe and in Romania.

The memorandum of understanding brings together world-class expertise and valuable experiences focused on the potential expansion and development of the implementation of small modular reactors in Central and Eastern Europe and at the former coal-fired power plant in Doicești, Romania. The combined expertise of SN Nuclearelectrica SA, NuScale Power, E-INFRA, Nova Power & Gas, Fluor Enterprises and Samsung C&T Corporation will support SMR development and the implementation of NuScale SMR plants in important areas of development, such as project planning, obtaining licenses and authorizations, engineering, public procurement, construction, operation, maintenance, decommissioning, financing and capitalization of local resources, thus allowing regional states that share the same interest in the development of small modular reactors (SMRs) to benefit from the experience and implement SMRs in safety conditions and in accordance with national energy needs.

Project for the tritium removal facility – CTRF

The Detrition Facility Project ("CTRF") is part of SNN's portfolio of initiatives aimed at the consistent implementation of the Company's general policy, namely the concern for maintaining nuclear security at the highest standards and improving environmental performance. The CTRF installation captures the tritium from the heavy water used in the nuclear-electric power plant from Cernavodă NPP, which will lead to an improvement in operational performance, economic-financial efficiency and increased protection of the population, staff and the environment, in full accordance with the ESG objectives of Nuclearelectrica and of Europe.

The CTRF technology is developed by the National Research-Development Institute for Cryogenic and Isotopic Technologies - ICSI Rm. Vâlcea; this will be the third detrition facility in the world and the first in Europe and will give Romania the opportunity to become a European center for the production and export of tritium - the candidate fuel for future fusion reactors. The project is based on an implementation strategy, updated by SNN in 2018, based on the Feasibility Study, approved under Resolution no. 9/22.08.2018 of the Extraordinary General Meeting of Shareholders.

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

Through the current report published on 28 June 2023 SN Nuclearelectrica (SNN) and Korea Hydro & Nuclear Power (KHNP) announce the signing of a Memorandum of Understanding (MoU) for cooperation in the field of nuclear fuel, as part of the strategy of both parties to further develop fuel processing and ensure the resilience of nuclear fuel production capacities, in view of the long-term operation of the current nuclear power plants, but also of the future energy production capacities, developed through the current investment projects.

The memorandum of understanding records the intention of the parties to collaborate for the study, planning and development of the technical processing activities of uranium concentrates, in order to qualify SNN as a potential

supplier of sinterable UO₂ powder by KHNP, as well as for exploring the possibilities of collaboration in the field of manufacturing nuclear fuel bundles.

Planned outage of Unit 2 within Cernavodă NPP

Starting on 7 May 2023, Cernavodă NPP Unit 2 entered the planned outage program, which takes place once every couple of years for each unit, the synchronization with the National Energy System was completed on 15 June 2023.

During the planned outage, activities from the following programs were carried out:

- Preventive maintenance program;
- Corrective maintenance program;
- Inspection program;
- Mandatory testing program during the planned outages;
- Program for implementing project changes.

The activities were carried out in safe conditions for the plant staff, the public and the environment, according to the approved procedures used at Cernavodă NPP.

The inclusion of SNN in the MSCI Frontier Markets and MSCI Romania indices

Through the current Report published on 31 May 2023, the Company announces that it was included in the MSCI Frontier Markets and MSCI Romania indices starting on 1 June 2023.

Nuclearelectrica was previously included, on 19 August 2022, in the large cap category of FTSE Russell, being one of the two Romanian companies initially included in the emerging market indices of FTSE Russell in 2020.

3. CHANGES AFFECTING THE ISSUER'S CAPITAL AND ADMINISTRATION

3.1. Situations in which the issuer was unable to meet its financial obligations during the first half of 2023

Not applicable.

3.2. Changes regarding the rights of holders of securities issued by the issuer

Not applicable.

3.3. Other changes

Not applicable.

4. SIGNIFICANT TRANSACTIONS

Information regarding significant transactions concluded with related parties during the first half of 2023 is presented in Appendix 8.2. The financial auditor issued a report on these legal documents, a report published on 26 July 2023, both on the website of the Bucharest Stock Exchange (www.bvb.ro) and on the website of S.N. Nuclearelectrica S.A. (www.nuclearelectrica.ro), section Investor Relations.

5. EVENTS SUBSEQUENT TO 30 JUNE 2023

Project for the tritium removal facility - CTRF

By Decision no. 5/05.07.2023 of the Ordinary General Meeting of SNN Shareholders, the modification of the Implementation Strategy of the "Cernavodă NPP Detrition Facility" Investment Project was approved as a result of the update of the investment value.

Changes in the management of the Company - Board of Directors

Decision no. 5/05.07.2023 of the Ordinary General Meeting of SNN Shareholders approved the initiation of the selection procedure for a non-executive member in the Board of Directors of Societatea Națională Nuclearelectrica S.A., which is a vacancy in accordance with the provisions of the Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented.

By Resolution no. 5/05.07.2023 of the Ordinary General Meeting of Shareholders of SNN, the following were approved: the financial and non-financial performance indicators for the executive and non-executive directors, the form of the addendum to their mandate agreement, as well as the general limits of the remuneration of the Directors of the Company with a mandate agreement.

Signing of the Memorandum of Understanding with Energocom for the development of long-term cooperation in the energy sector

On 18 July 2023, the Company and Energocom, the energy supplier of the Republic of Moldova, announced the signing of a Memorandum of Understanding (MoU) to develop long-term cooperation in the energy sector and to achieve common strategic objectives.

The objective of the Memorandum of Understanding is to explore the options for ensuring the delivery of energy from the future production of Nuclearelectrica from the new capacities that are about to enter commercial operation, mainly units 3 and 4 of the Cernavodă nuclear power plant, as well as to support the development of capacities and the human resources skills in the field of nuclear energy.

6. THE MAIN RISKS AND UNCERTAINTIES FOR THE NEXT 6 MONTHS OF THE FINANCIAL YEAR 2023

There are no risks and uncertainties for the next 6 months of the 2023 financial year, other than those related to the core business, identified and presented in this report. The Company estimates that it will achieve at least the budgeted profit for the current year, through the Income and Expenditure Budget approved by OGMS Decision no. /15.02.2023.

7. STATEMENTS AND SIGNATURES

Based on the best available information, we confirm that the Individual Interim Financial Statements and the Consolidated Interim Financial Statements as of and for the 6-month period ended on 30 June 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 6-month period ended on 30 June 2023 and that such report, prepared in accordance with the provisions of art. 67 of Law no. 24/2017 regarding issuers of financial instruments and market operations, republished on 10 August 2021, and Appendix no. 14 to ASF Regulation no. 5/2018 regarding issuers of financial instruments and market operations for the 6-month period ended on 30 June 2023, included fair and true information in relation to the company and the group development and performance.

Teodor Minodor Chirica,
Chairman of the Board of Directors

Approved,
Dan Niculaie-Faranga,
Chief Financial Officer

8. APPENDIXES

8.1. 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 30.06.2023 ^{*)}
1. Current ratio	Current assets/ Current liabilities	x	6.58
2. Debt ratio indicator			
2.1. Debt ratio (1)	Borrowed capital/ Equity x 100	%	0.3%
2.1. Debt ratio (2)	Borrowed capital/ Capital employed x 100	%	0.3%
3. Accounts receivable turnover rate	Average accounts receivable balance / Turnover x 180	days	21
4. Assets turnover ratio ^{**)}	Turnover/ Non-current assets	x	1.17

^{*)} According to the Individual Interim Financial Statements as at, and for the 6-month period ended on, 30 June 2023.

^{**)} Assets turnover ratio is calculated by the annualization of the quarterly turnover (360 days/180 days).

8.2. LEGAL ACTS reported in the first semester of 2023 under the conditions of art. 108 of Law no. 24/2017 regarding issuers of financial instruments and market operations, republished on 10 August 2021

Current Reports from the dates of 26 January 2023 (term deposit), 27 January 2023 (term deposit), 27 January 2023 (addendum to the electricity sale-purchase framework agreement), 7 February 2023 (purchase of bonds), 7 February 2023 (term deposit), 14 February 2023 (term deposit), 28 February 2023 (addendum to the electricity sale-purchase framework agreement), 16 March 2023 (term deposit), 16 March 2023 (term deposit), 24 March 2024 (term deposit), 31 March 2023 (term deposit), 31 March 2023 (addendum to the electricity sale-purchase framework agreement), 25 April 2023 (term deposit), 28 April 2023 (addendum to the electricity sale-purchase framework agreement), 31 May 2023 (addendum to the electricity sale-purchase framework agreement), 13 June 2023 (term deposit), 22 June 2023 (term deposit), 29 June 2023 (addendum to the electricity sale-purchase framework agreement) drawn up by the Company according to the provisions of Law no. 24/2017 regarding issuers of financial instruments and market operations, republished on 10 August 2021 (hereinafter referred to as "Law no. 24/2017, republished on 10 August 2021") and of Regulation no. 5/2018 of the Financial Supervisory Authority (hereinafter referred to as "ASF") regarding the issuers of financial instruments and market operations, as subsequently amended and supplemented by Regulation no. 13/2021 (hereinafter referred to as "Regulation no. 5/2018").

8.3. Major LITIGATIONS pending as at 30 June 2023 (in excess of RON 500 thousand), including the non-monetary valuated

The list of major litigations pending on 30 June 2023 can be found in Appendix 5 - "Major litigations pending on 30 June 2023 (in excess of RON 500 thousand), including litigations whose value was not assessed" included in the Half-year Report of the Board of Directors of SN Nuclearelectrica SA on the management activity for the

period 1 January – 30 June 2023, published on the website of S.N. Nuclearelectrica S.A. (www.nuclearelectrica.ro), section Investor Relations.

8.4. INDIVIDUAL INTERIM FINANCIAL STATEMENTS as at, and for the 6-month period ended, on 30 June 2023

The Individual Interim Financial Statements as at, and for the 6-month period ended on 30 June 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), section Investor Relations.

8.5 CONSOLIDATED INTERIM FINANCIAL STATEMENTS as at, and for the 6-month period ended, on 30 June 2023

The Consolidated Interim Financial Statements as at, and for the 6-month period ended on 30 June 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), section Investor Relations.

8.6. HALF-YEAR REPORT of the Board of Directors regarding the management activity for the period 1 January - 30 June 2023

The Half-year report of the Board of Directors regarding the management activity for the period 1 January - 30 June 2023 drawn up based on the provisions of Article 55 of Government Emergency Ordinance no. 109/2011 regarding the corporate governance of public enterprises, as subsequently amended and supplemented (“Government Emergency Ordinance no. 109/2011”), and the Mandate Agreements concluded by the Board of Directors with SNN is published on the website of S.N. Nuclearelectrica S.A. (www.nuclearelectrica.ro), section Investor Relations.



S.N. Nuclearelectrica S.A.

Individual Interim Financial Statements as at and for the 6-month period ended 30 June 2023

Prepared in accordance with Public Finances Minister's Order no. 2844/2016
for 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"

S.N. Nuclearelectrica S.A.

Individual Interim Statement of Financial Position as at 30 June 2023

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

	Note	30 June 2023 (reviewed)	31 December 2022 (audited)
Assets			
Non-current assets			
Tangible assets	4	5,784,233,905	5,737,295,053
Assets representing rights to use underlying assets within a leasing contract	5	21,737,848	15,565,831
Intangible assets	6	51,144,511	50,773,837
Financial assets measured at amortized cost	7	277,345,676	41,262,942
Financial investments in subsidiaries	8	199,438,505	199,438,505
Investments in associated companies	9	14,943,000	4,943,000
Total fixed assets		6,348,843,445	6,049,279,168
Current assets			
Inventories	10	776,601,631	653,199,691
Trade receivables	11	425,566,473	438,539,974
Other financial assets measured at amortized cost	12	135,437,773	140,954,592
Bank deposits	13	1,410,544,688	1,829,796,500
Cash and cash equivalents	13	2,707,908,339	2,681,002,427
Total current assets		5,456,058,904	5,743,493,184
Total assets		11,804,902,349	11,792,772,352
Equity and liabilities			
Equity			
Share capital, of which:		3,211,941,683	3,211,941,683
<i>Share capital subscribed and paid</i>		3,016,438,940	3,016,438,940
<i>Inflation adjustments of the share capital</i>		195,502,743	195,502,743
Shares premium		31,474,149	31,474,149
Reserves paid in advance		21,553,537	21,553,537
Revaluation reserve		365,683,215	394,369,643
Retained earnings		6,910,417,677	6,876,165,858
Total equity		10,541,070,261	10,535,504,870
Liabilities			
Long-term liabilities			
Long-term loans	16	32,262,100	64,810,940
Liabilities under long-term leasing agreements	5	19,312,780	12,831,121
Provisions for risks and charges	19	186,710,587	174,504,703
Deferred income		58,968,947	63,611,498
Deferred tax liability		92,186,048	95,446,226
Liabilities for employee benefits	17	45,557,591	45,557,591
Total long-term liabilities		434,998,053	456,762,079
Current liabilities			
Trade and other payables	18	512,235,968	445,315,659
Liabilities under short-term leasing agreements	5	2,889,119	2,734,403
Current part of provisions for risks and charges	19	77,243,539	77,040,585
Corporate income tax due		88,498,429	52,801,797
Deferred income		81,867,204	157,087,526
Current part of the long-term loans	16	66,099,776	65,525,433
Total current liabilities		828,834,035	800,505,403
Total liabilities		1,263,832,088	1,257,267,482
Total equity and liabilities		11,804,902,349	11,792,772,352

S.N. Nuclearelectrica S.A.

Individual Interim Statement of Profit or Loss and Other Comprehensive Income for the 6-month period ended
30 June 2023

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

	Note	3-month period ended 30 June 2023 (not reviewed)	3-month period ended 30 June 2022 (not reviewed)	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Income					
Income from electricity sales	21	1,605,760,227	1,244,714,494	3,699,193,687	3,089,082,186
Electricity transmission income		8,687,592	5,034,132	15,694,446	9,190,035
Total income		1,614,447,819	1,249,748,626	3,714,888,133	3,098,272,221
Other income	22	45,505,622	23,217,966	64,758,601	42,062,711
Operating expenses					
Impairment and depreciation		(159,843,601)	(151,714,957)	(316,003,186)	(302,618,886)
Personnel costs	23	(142,825,865)	(123,506,916)	(282,595,556)	(243,061,318)
Electricity purchased cost		(11,835,605)	(244,756,703)	(14,079,120)	(252,870,464)
Repairs and maintenance		(25,801,687)	(28,055,384)	(40,556,726)	(42,680,899)
Electricity transmission cost		(8,687,592)	(5,034,132)	(15,694,446)	(9,190,035)
Expenses with spare parts		(10,434,206)	(11,994,536)	(13,059,885)	(15,527,628)
Costs of nuclear fuel		(34,569,326)	(28,065,169)	(79,365,675)	(72,021,838)
Expenses with additional tax	24	(620,848,761)	(126,633,872)	(1,461,690,999)	(585,810,573)
Other operating expenses	25	(133,936,667)	(104,051,067)	(245,457,011)	(211,272,679)
Operating expenses - Total		(1,148,783,310)	(823,812,736)	(2,468,502,604)	(1,735,054,320)
Operating result		511,170,131	449,153,856	1,311,144,130	1,405,280,612
Financial expenses		(7,603,319)	(8,527,636)	(13,253,303)	(14,939,308)
Financial income		109,420,445	40,123,962	222,801,322	65,232,183
Net financial result	26	101,817,126	31,596,326	209,548,019	50,292,875
Profit before corporate tax		612,987,257	480,750,182	1,520,692,149	1,455,573,487
Net income tax expense	20	(90,724,214)	(78,859,361)	(231,911,103)	(234,781,278)
Profit of the period		522,263,043	401,890,821	1,288,781,046	1,220,792,209

The Individual Interim Financial Statements presented from page 1 to 44 were approved on 9 August 2023.

Cosmin Ghita
Chief Executive Officer

Dan Niculae-Faranga
Chief Financial Officer

S.N. Nuclearelectrica S.A.

Individual Interim Statement of Profit or Loss and Other Comprehensive Income for the 6-month period ended
30 June 2023

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

	Note	3-month period ended 30 June 2023 (not reviewed)	3-month period ended 30 June 2022 (not reviewed)	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Profit of the period		522,263,043	401,890,821	1,288,781,046	1,220,792,209
Other items of the comprehensive income					
Items that cannot be reclassified to profit or loss					
Retained earnings from other adjustments					
Total other items of the comprehensive income		-	-	-	-
Total comprehensive income related to the period		522,263,043	401,890,821	1,288,781,046	1,220,792,209
Earnings per share					
Basic earnings per share (RON/share)	15	1.73	1.33	4.27	4.05
Diluted earnings per share (RON/share)	15	1.73	1.33	4.27	4.05

S.N. Nuclearelectrica S.A.

Individual Statement of Changes in Equity for the 6-month period ended 30 June 2022

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

	Note	Share capital	Inflation adjustments of the share capital	Share premiums	Reserve paid in advance	Revaluation reserve	Retained earnings	Total equity
Balance as at 1 January 2023 (audited)		3,016,438,940	195,502,743	31,474,149	21,553,537	394,369,643	6,876,165,858	10,535,504,870
Comprehensive income								
<i>Profit of the financial year</i>							<i>1,288,781,046</i>	<i>1,288,781,046</i>
Other items of the comprehensive income								
Actuarial gains related to the benefit plans								
Other items of the comprehensive income								
Retained earnings from other adjustments								
Total other items of the comprehensive income		-	-	-	-	-	-	-
Total comprehensive income related to the financial year	14	-	-	-	-	-	1,288,781,046	1,288,781,046
Transactions with shareholders, recognized only in equity								
Distributed dividends							(1,283,215,656)	(1,283,215,656)
Total transactions with shareholders, recognized only in equity	14	-	-	-	-	-	(1,283,215,656)	(1,283,215,656)
Other changes in equity								
Transfer of revaluation reserves into retained earnings due to amortization						(28,686,428)	28,686,428	-
Other changes in equity - total						(28,686,428)	28,686,428	-
Balance as at 30 June 2023 (reviewed)		3,016,438,940	195,502,743	31,474,149	21,553,537	365,683,215	6,910,417,677	10,541,070,261

S.N. Nuclearelectrica S.A.

Individual Statement of Changes in Equity for the 6-month period ended 30 June 2022

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

	Note	Share capital	Inflation adjustments of the share capital	Share premiums	Reserve paid in advance	Revaluation reserve	Retained earnings	Total equity
Balance as at 1 January 2022 (audited)		3,016,438,940	195,502,743	31,474,149	21,553,537	451,742,500	4,648,549,459	8,365,261,328
Comprehensive income								
<i>Profit of the financial year</i>							<i>1,220,792,209</i>	<i>1,220,792,209</i>
Other items of the comprehensive income								
Actuarial gains related to the benefit plans								
Other items of the comprehensive income								
Retained earnings from other adjustments								
Total other items of the comprehensive income		-	-	-	-	-	-	-
Total comprehensive income related to the financial year	14	-	-	-	-	-	1,220,792,209	1,220,792,209
Transactions with shareholders, recognized only in equity								
Distributed dividends							(595,925,367)	(595,925,367)
Total transactions with shareholders, recognized only in equity	14	-	-	-	-	-	(595,925,367)	(595,925,367)
Other changes in equity								
Transfer of revaluation reserves into retained earnings due to amortization						(28,686,428)	28,686,428	-
Other changes in equity - total						(28,686,428)	28,686,428	-
Balance as at 30 June 2022 (reviewed)		3,016,438,940	195,502,743	31,474,149	21,553,537	423,056,072	5,302,102,729	8,990,128,170

S.N. Nuclearelectrica S.A.

Individual Statement of Cash Flows for the 6-month period ended 30 June 2023

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

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Cash flows from operating activities		
Profit before corporate tax	1,520,692,149	1,455,573,487
Adjustments for:		
Depreciation and impairment	316,003,186	302,618,886
Value adjustments of trade receivables	(745,483)	(6,067)
Value adjustments of inventories	(310,825)	(709,818)
Provisions related to liabilities, risks and operating expenses	12,408,838	22,927,938
Loss / (Gains) from the assignment of assets	2,704,522	319,971
Net financial (income)	(206,320,333)	(52,809,891)
Changes in:		
(Increase) / Decrease of trade receivables	13,717,449	(16,984,792)
(Increase) in other financial assets measured at amortized cost	(19,523,274)	(6,142,743)
(Increase)/decrease in inventories	(123,091,115)	(28,918,713)
Change in deferred income	(79,786,757)	(19,735,465)
(Decrease) in trade and other payables	(61,328,846)	(22,135,858)
Cash flows from operating activity	1,374,419,511	1,633,996,935
Corporate income tax paid	(199,474,649)	(211,917,700)
Interest received	224,991,927	43,558,654
Interest paid	(1,283,836)	(299,660)
Dividends received	-	60,935
Net cash related to the operating activity	1,398,652,953	1,465,399,164
Cash flows from investment activity		
Purchases of intangible assets	(8,527,031)	(7,894,584)
Purchases of tangible assets	(330,707,565)	(214,079,343)
Investments in subsidiaries (see Note 8)	-	(26,999,997)
Investments in related entities	(10,000,000)	-
Other investments in financial assets (see Note 7)	(226,565,562)	975,000
Proceeds from sale of tangible assets	644,650	16,244
(Increase) / Decrease in bank deposits and financial assets representing collateral bank deposits related to bank letters of guarantee	419,251,812	(65,847,500)
Net cash related to the investment activity	(155,903,697)	(313,830,180)
Cash flow related to financing activity		
Loans payments	(32,545,260)	(116,080,281)
Dividends payments	(1,180,927,155)	(593,393,407)
Payments related to liabilities from leasing agreements, including interest	(2,370,931)	(207,112)
Net cash related to the financing activity	(1,215,843,345)	(709,680,800)
Net increase of cash and cash equivalents	26,905,912	441,888,184
Cash and cash equivalents as at 1 January (see Note 13)	2,681,002,427	1,317,399,999
Cash and cash equivalents as at 30 June (see Note 13)	2,707,908,339	1,759,288,183

S.N. Nuclearelectrica S.A.

Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

1. REPORTING ENTITY

Societatea Națională Nuclearelectrica S.A. (“Company” or “SNN”) is a 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 Constanța 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 Argeș County, Mioveni City, str. Câmpului, nr. 1, registered with the Trade Register under number J03/457/1998. The address of the registered office is Romania, Bucharest, Sector 1, Bd. Iancu de Hunedoara nr. 48, Crystal Tower building.

The main object of activity of the company is “Electricity generation” – NACE 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 Cernavodă 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 8).

During 2020 - 2021, stages were completed 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 Cernavodă 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 and 4 and OEM Candu (the original manufacturer of CANDU technology).

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

- the Preliminary Investment Decision and the transition to Stage II - Preliminary Works were adopted,
- 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 was approved,
- the financing of Energonuclear by SNN through a share capital increase and/or through the granting of associated loans, with a total value of 185 million Euros, calibrated to the Project's development requirements and necessary for the implementation of Stage II of the Units 3 and 4 Project Cernavodă NPP was approved.

On 31 March 2023, it was approved the Law no. 74 referring to the signing of the Support Agreement between the Romanian State and the Company regarding the Project of Units 3 and 4 CNE Cernavoda and on 9 June 2023 the Support Agreement was signed. The Company continues to carry out the activities necessary to complete the stages of the project.

Moreover, 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 (“BFFEC”).

Notes from 1 to 30 are an integral part of such Individual Interim Financial Statements.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

1. REPORTING ENTITY (CONTINUED)

In June 2020, CNCAN 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 BFFEC. 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. Effective 1 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. In the first 6 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 21).

On June 30, 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 30 June 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.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

2. BASIS OF PREPARATION

a) Declaration of conformity

The Individual Interim Financial Statements as at and for the 6-month period ended on 30 June 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”). Within the meaning of OMPF no. 2844/2016, the International Financial Reporting Standards are those standards adopted according to the procedure provided for by the Regulation of the European Commission no. 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of the international accounting standards (“IFRS adopted by the European Union”).

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.

The Interim Individual Financial Statements as of and for the 6 months period ended on 30 June 2023 were reviewed by the financial auditor of SNN - S.C. Mazars Romania S.R.L. These Individual Interim Financial Statements were authorized for issue and were approved on 9 August 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

Individual Interim Financial Statements are presented in compliance with the requirements of IAS 1 – “Presentation of the financial statements” and IAS 34 – „Interim financial reporting”. The Company adopted a presentation based on liquidity within the statement of the financial position and a presentation of the revenues and expenses depending on their nature within the statement of profit or loss account and of other items of the comprehensive income, considering that such presentation models provide credible information being more relevant than those presented according to different methods permitted by IAS 1.

They do not include all information needed for a complete set of financial statements in accordance with IFRS and should be read in conjunction with Individual Financial Statements drafted as at and for the financial year ended on 31 December 2022. Nevertheless, certain explanatory notes selected are included to explain the events and transactions which are significant for understanding the amendments arisen in the financial position and performance of the Company from the last Individual Financial Statements prepared as at and for the financial year ended on 31 December 2022.

d) Basis of assessment

Individual Interim Financial Statements are prepared based on the fair value convention for financial assets and liabilities at fair value by the profit and loss account. 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 Company’s management considers that the functional currency, as defined in IAS 21 – “Effects of the foreign exchange rate variation”, is the Romanian leu (RON). Individual Interim Financial Statements are prepared and presented in RON, rounded to the nearest leu, the currency which the Company’s management chose as the presentation currency.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

2. THE BASES OF DRAFTING THE FINANCIAL STATEMENTS (CONTINUED)

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. Judgments 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.

Individual Interim Financial Statements are prepared based on the assumption that the Company will continue its activity in a foreseeable future. For assessing the applicability of such assumption, the Company's management examines the forecast regarding the future cash inflows.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

4. TANGIBLE ASSETS

	Lands	Nuclear plants	Plant, machinery and other assets	Non-current assets in progress	TOTAL
Cost					
Balance as at 1 January 2022 (audited)	36,975,047	4,645,307,994	1,196,053,357	1,123,153,126	7,001,489,524
Additions	-	-	23,542,835	471,336,664	494,879,499
Transfers	-	71,116,529	80,209,850	(151,326,379)	-
Heavy water additions	-	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)
Disposals	-	(487,267)	(18,111,407)	-	(18,598,674)
Balance as at 31 December 2022 (audited)	36,975,047	4,609,767,102	1,309,019,117	1,386,932,797	7,342,694,063
Balance as at 1 January 2023 (audited)	36,975,047	4,609,767,102	1,309,019,117	1,386,932,797	7,342,694,063
Additions	-	-	87,983,530	296,962,357	384,945,887
Transfers	-	115,162,403	12,764,832	(127,927,235)	-
Heavy water additions	-	17,148,487	-	-	17,148,487
Transfer of inventories	-	-	-	516,684	516,684
Transfer from reclassified spare parts	-	-	14,990,858	(14,990,858)	0
Derecognition of inspections	-	(431,567)	-	-	(431,567)
Derecognition of heavy water	-	(463,338)	-	-	(463,338)
Disposals	-	(118,369,267)	(866,571)	-	(119,235,838)
Balance as at 30 June 2023 (reviewed)	36,975,047	4,622,813,821	1,423,891,766	1,541,493,745	7,625,174,378
Depreciation and impairment adjustments					
Balance as at 1 January 2022 (audited)	550,782	380,863,168	616,750,302	149,987,368	1,148,151,620
Depreciation expense	-	507,383,343	80,275,699	-	587,659,042
Accumulated depreciation of inspections	-	(119,247,275)	-	-	(119,247,275)
Accumulated depreciation of disposals	-	(1,454,046)	(14,770,722)	-	(16,224,768)
Impairment adjustments	-	-	8,912,944	(3,852,553)	5,060,391
Balance as at 31 December 2022 (audited)	550,782	767,545,190	691,168,223	146,134,815	1,605,399,010
Balance as at 1 January 2023 (audited)	550,782	767,545,190	691,168,223	146,134,815	1,605,399,010
Depreciation expense	-	257,043,424	45,437,341	-	302,480,765
Accumulated depreciation of inspections	-	(431,567)	-	-	(431,567)
Accumulated depreciation of disposals	-	(69,284,321)	(848,282)	-	(70,132,603)
Cumulative depreciation heavy water	-	(463,338)	-	-	(463,338)
Impairment adjustments	-	-	4,088,206	-	4,088,206
Balance as at 30 June 2023 (reviewed)	550,782	954,409,389	739,845,487	146,134,815	1,840,940,473
Net book value					
Balance as at 01 January 2022 (audited)	36,424,265	4,264,444,826	579,303,055	973,165,758	5,853,337,904
Balance as at 31 December 2022 (audited)	36,424,265	3,842,221,912	617,850,894	1,240,797,982	5,737,295,053
Balance as at 30 June 2023 (reviewed)	36,424,265	3,668,404,431	684,046,279	1,395,358,930	5,784,233,905

Notes from 1 to 30 are an integral part of such 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 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

TANGIBLE ASSETS (CONTINUED)

(i) Nuclear plants, machinery and other assets

In the first 6 months of 2023, the Company purchased 6.5 tons of heavy water from the National Administration of the State Reserves and Special Problems (“ANRSPS”), needed for Units 1 and 2 amounting to RON 17,148,487, and in 2022 it purchased 11.9 tons of heavy water amounting to RON 27,816,605.

(ii) Non-current assets in progress

As at 30 June 2023, the net carrying amount of assets in progress, of RON 1,395,358,930, included the following items:

- Investment relating to the increase in the production capacity with a net carrying amount of RON 469,227,511 (31 December 2022: RON 469,495,874);
- Investments related to units 1 and 2, in total amount of RON 926,131,418 (31 December 2022: RON 771,302,109), the most outstanding referring to:
 - ✓ Refurbishment of U1 in amount of RON 369,282,905 (31 December 2022: RON 270,871,781);
 - ✓ Tritium removal facility for D2O in amount of RON 91,776,474 (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);
 - ✓ Improving the nuclear security systems after Fukushima in amount of RON 38,779,092 (31 December 2022: RON 38,924,333);
 - ✓ Equipment and materials for investments in amount of RON 27,470,816 (31 December 2022: RON 27,361,693);
 - ✓ Building storage and loading premises for the nuclear fuel used (DICA) in amount of RON 27,382,216 (31 December 2022: RON 32,853,382).
 - ✓ Management of the extension of Fuel Channels in the amount of RON 7,470,756 (December 31, 2022: RON 8,777,822).

The gross investment value relating to the increase in the production capacity amounts to RON 470,926,078, 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 30 June 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 37,712,254 (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 30 June 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 6 months of the year 2023 from the projects in progress related to Units 1 and 2 were represented by: the fitting of spare parts to the equipment that was in operation, in the amount of RON 142,529,445, the replacement of Unit 2 rotor in the amount of RON 95,764,321 and the increase of DICA value in the amount of RON 11,842,827.

(iii) Impairment adjustments

As at 30 June 2023 the Company accounted for movements in the impairment adjustments for assets in the amount of RON 4,088,206, representing expenses write-back (31 December 2022: RON 5,060,391).

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

4. TANGIBLE ASSETS (CONTINUED)

(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 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:

Asset	Number of years
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 (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.

S.N. Nuclearelectrica S.A.

Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

4. TANGIBLE ASSETS (CONTINUED)

(v) *The value which would have been recognized if lands and buildings had been valued at cost, according to the provisions of IAS 16.77 (e)*

If lands and buildings had been measured at historical cost, the amounts would have been:

	<u>30 June 2023</u> <u>(reviewed)</u>	<u>31 December 2022</u> <u>(audited)</u>
Lands		
Cost	22,350,779	22,350,779
Accumulated depreciation		-
Net carrying amount	<u><u>22,350,779</u></u>	<u><u>22,350,779</u></u>
	<u>30 June 2023</u> <u>(reviewed)</u>	<u>31 December 2022</u> <u>(audited)</u>
Buildings		
Cost	7,107,481,277	7,056,923,302
Accumulated depreciation	(4,709,231,575)	(4,523,041,183)
Net carrying amount	<u><u>2,398,249,702</u></u>	<u><u>2,533,882,118</u></u>

(vi) 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 („ANDR”) 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 25). The cost of the Company’s contributions to ANDR in the first 6 months of 2023 amounts to RON 50,114,257 (30 June 2022: RON 50,614,291).

(vii) Pledged assets

As at 30 June 2023, respectively 31 December 2022, the Company had no pledged or mortgaged assets.

(viii) Supplier credit

As at 30 June 2023, the Company owned fixed assets purchased with credit from suppliers (trade credit) of RON 72,908,451 (31 December 2022: RON 46,767,931).

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 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 23,490,026 (31 December 2022: RON 16,031,241).

(i) Amounts recognized in the Statement of financial position

Assets representing rights of use the underlying assets within a leasing contract	30 June 2023 (reviewed)	31 December 2022 (audited)
Lands	1,422,211	1,422,211
Office spaces	15,143,283	14,609,030
Concession of assets	6,924,531	-
Depreciation of assets representing rights to use	(1,752,178)	(465,410)
Net carrying amount	21,737,848	15,565,831
	30 June 2023 (reviewed)	31 December 2022 (audited)
Liabilities under leasing agreements		
Short-term	2,889,119	2,734,403
Long-term	19,312,780	12,831,121
	22,201,899	15,565,524

(ii) Amounts recognized in the Statement of Profit or Loss

	Note	30 June 2023 (reviewed)	31 December 2022 (audited)
Depreciation of assets representing rights to use		1,286,767	271,886
Interest expenses	26	898,232	32,097

(iii) Amounts recognized in the Statement of Cash Flows

	30 June 2023 (reviewed)	31 December 2022 (audited)
Total cash outflows related to leasing agreements	2,370,931	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 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

6. INTANGIBLE ASSETS

	Licenses and software	Software for the nuclear power plant and other intangible assets	Total
Cost			
Balance as at 1 January 2022 (audited)	242,122,644	54,259,543	296,382,187
Additions	11,401,870	3,626,905	15,028,775
Disposals	(17,909)	(380,168)	(398,077)
Balance as at 31 December 2022 (audited)	253,506,605	57,506,280	311,012,885
Balance as at 1 January 2023 (audited)	253,506,605	57,506,280	311,012,885
Additions	8,527,031	-	8,527,031
Disposals	-	(189,130)	(189,130)
Balance as at 30 June 2023 (reviewed)	262,033,637	57,317,150	319,350,787
Accumulated depreciation			
Balance as at 1 January 2022 (audited)	205,261,643	42,728,570	247,990,212
Depreciation expense	6,830,721	5,816,192	12,646,913
Disposals depreciation	(17,909)	(380,168)	(398,077)
Balance as at 31 December 2022 (audited)	212,074,455	48,164,594	260,239,048
Balance as at 1 January 2023 (audited)	212,074,455	48,164,594	260,239,048
Depreciation expense	4,271,560	3,884,797	8,156,357
Disposals depreciation	-	(189,130)	(189,130)
Balance as at 30 June 2023 (reviewed)	216,346,015	51,860,261	268,206,276
Net book value			
Balance as at 1 January 2022 (audited)	36,861,001	11,530,973	48,391,975
Balance as at 31 December 2022 (audited)	41,432,150	9,341,686	50,773,837
Balance as at 30 June 2023 (reviewed)	45,687,621	5,456,889	51,144,511

On June 30, 2023, the intangible assets owned by the Group represent licenses and purchased software products, as well as internally capitalized intangible assets. The Group does not book contractual commitments for development costs.

Accounting policies regarding intangible assets are presented in Note 3 (f) 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 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

7. FINANCIAL ASSETS MEASURED AT AMORTIZED COST

As at 30 June 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 (“RCE”), of the Romanian Atomic Forum - Romatom (“ROMATOM”) and of HENRO Association, governmental bonds and bonds.

	<u>30 June 2023</u> <u>(reviewed)</u>	<u>31 December 2022</u> <u>(audited)</u>
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)	29,804,358	30,260,661
Bonds (ii)	229,942,856	-
Loans granted to subsidiaries	12,291,431	5,695,250
Total	<u>277,345,676</u>	<u>41,262,942</u>

(i) Government bonds

As at 30 June 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:

	<u>30 June 2023</u> <u>(reviewed)</u>	<u>31 December 2022</u> <u>(audited)</u>
Balance as at 1 January	29,751,132	29,680,203
Purchases	-	-
Maturity dates	-	-
Discount depreciation	35,469	70,929
Balance at the end of the reporting period	29,786,601	29,751,132
Accumulated interest	17,758	509,529
Government bonds - total	<u>29,804,358</u>	<u>30,260,661</u>

According to the issue prospectus, on 24 June 2023 the Company received the annual coupon in the amount of RON 975,000.

(ii) Bonds

On June 30, 2023, the Company holds 450 non-preferential unguaranteed senior bonds, issued by CEC Bank, with a maturity of five years (February 2028) and a fixed annual interest of 7.5% p.a.

Movement of financial assets representing bonds:

	<u>30 June 2023</u> <u>(reviewed)</u>	<u>31 December 2022</u> <u>(audited)</u>
Balance at the beginning of the reporting period	-	-
Purchases	220,662,000	-
Maturity dates	-	-
Revaluation impact	2,691,000	-
Balance at the end of the reporting period	223,353,000	-
Accumulated interest	6,589,856	-
Total bonds	<u>229,942,856</u>	<u>-</u>

Notes from 1 to 30 are an integral part of such Individual Interim Financial Statements.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

8. FINANCIAL INVESTMENTS IN SUBSIDIARIES

As at 30 June 2023 the statement of investments in subsidiaries was as follows:

	<u>30 June 2023</u> (reviewed)	<u>31 December 2022</u> (audited)
Energonuclear S.A.	199,438,105	199,438,105
F.P.C.U Feldioara	200	200
Nuclearelectrica Serv	200	200
Total	<u>199,438,505</u>	<u>199,438,505</u>

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 30 June 2023 and 31 December 2022, the Company holds 100% of the share capital of Energonuclear. The value of the shareholding, as at 30 June 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 Cernavodă 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 30 June 2023, the Company did not register any loans granted to the subsidiary Energonuclear S.A.

In 2021, the share capital of Energonuclear S.A. branch was increased two times, as follows: according to the Resolution 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.

In 2022, the share capital of Energonuclear S.A. branch was increased by the amount of RON 26,999,997.52, under Resolution of the Extraordinary General Meeting of Shareholders no. 7/05.05.2022 by issue of new shares. No changes were recorded in the first 6 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. Dumbrăvii 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 30 June 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 30 June 2023, and respectively 31 December 2022, is **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 shareholders of the Company 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 30 June 2023, the Company had a principal of RON 4,600,000 (31 December 2022: RON 3,600,000) and an accrued interest of RON 301,542 (31 December 2022: RON 130,772).

Notes from 1 to 30 are an integral part of such Individual Interim Financial Statements.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
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8. FINANCIAL INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Nuclearelectrica Serv S.R.L.

Nuclearelectrica Serv S.A. branch has its registered office located in Constanța 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 "Repair of machinery" - CAEN Code 3312.

As at 30 June 2023, and respectively 31 December 2022, the Company held 100% of the share capital of Nuclearelectrica Serv. The value of the shareholding, as at 30 June 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 30 June 2023, the subsidiary accessed the amount of RON 7,207,679 (31 December 2022: RON 1,920,000), for which it booked an accrued interest of RON 188,290 (31 December 2022: RON 44,478).

9. 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, Dâmbovița County, Doicești 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 30 June 2023, the Company held 50% of the share capital of Ropower Nuclear S.A., the shareholding value amounting to **RON 14,943,000** (31 December 2022, RON 4,943,000).

In 2023, the share capital of the affiliated entity Ropower Nuclear S.A. was increased based on EGMS Decision no. 7/27.06.2023 with the amount of RON 20,000,000 by issuing 20,000 new shares, out of which 10,000 new shares represent the cash contribution of SNN, and 10,000 shares the cash contribution of Nova Power & Gas SRL.

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 Doicești, County of Dâmbovița, based on the NuScale technology, consisting of 6 NuScale modules of 77 MWe each, totalling 462 MWe, as well as to operate a facility for production of electricity from solar energy, with a capacity of at least 80-100 MWe, in the commune of Șotânga, County of Dâmbovița.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

10. INVENTORIES

As at 30 June 2023 and 31 December 2022, inventories are as follows:

	30 June 2023	31 December 2022
	(reviewed)	(audited)
Spare parts	257,315,296	240,796,144
Other raw materials and materials	519,286,335	412,403,547
Total	776,601,631	653,199,691

(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 Separate 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 recognized as expenses in the first 6 months of the year 2023 is accounted for under the positions of Spare parts expenses and Cost of nuclear fuel from the Statement of profit or loss and of other elements of the comprehensive income, amounting to RON 92,425,560 (31 December 2022: RON 177,118,781).

The value of inventories recognized as expenses in the first 6 months of the year 2023 in accordance with the provisions of IAS 2.34, representing inventories scrapped, deteriorated, written off, amounts to RON 829,318 (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 30 June 2023, amounted to RON 49,770,956 (31 December 2022: RON 50,081,781). In the first 6 months of the year 2023 no impairment adjustments were recorded (31 December 2022: RON 218,305) and impairment adjustments were written back on revenue, in amount of RON 310,825 (31 December 2022: RON 1,953,198).

In the first 6 months of the year 2023, no resettlements of inventories written off were accounted for.

(iii) Pledged inventories

As at 30 June 2023, the Company has no pledged or mortgaged inventories.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

11. TRADE RECEIVABLES

As at 30 June 2023 and 31 December 2022 trade receivables were presented as follows:

	30 June 2023 (reviewed)	31 December 2022 (audited)
Trade receivables	436,822,427	450,541,410
Impairment adjustments for trade receivables	(11,255,954)	(12,001,436)
Total	425,566,473	438,539,974

As at 30 June 2023, the main trade receivables in balance were towards: Operatorul Pietei de Energie Electrica si de Gaze Naturale OPCOM S.A. – RON 104,787,133 (31 December 2022: RON 1,049,663), Electrica Furnizare S.A. – RON 93,171,226 (31 December 2022: RON 40,721,750), Enel Energie Muntenia S.A. – RON 67,275,521 (31 December 2022: RON 43,660,872), Enel Energie S.A.: RON 37,449,302 (31 December 2022: RON 47,068,010), and Alro S.A. – RON 25,029,516 (31 December 2022: RON 10,645,053).

Sales made during the 6-month period ended on 30 June 2023 to the Company Operatorul Pietei de Energie Electrica si de Gaze Naturale „OPCOM” S.A. represented approximately 35.32% (30 June 2022: approximately 27.30%), to Electrica Furnizare S.A. represented approximately 13.04% (30 June 2022: approximately 12.89%), to Enel Energie Muntenia S.A. represented approximately 10.92% (30 June 2022: approximately 12.89%), to OMV PETROM S.A. represented approximately 6.18% (30 June 2022: approximately 3.36%), to ALRO S.A. represented approximately 6.11% (30 June 2022: approximately 0.62%), to Enel Energie S.A. represented approximately 6.08% (30 June 2022: approximately 13.84%) of the total sales of electricity of the Company.

The Company's exposure to credit risk and the adjustments for the impairment of trade receivables are presented in Note 28.

As at 30 June 2023, the position “Trade Receivables” includes a net amount of RON 211,207,451 related to receivables from related parties (31 December 2022: RON 165,075,227).

12. OTHER FINANCIAL ASSETS MEASURED AT AMORTIZED COST

	30 June 2023 (reviewed)	31 December 2022 (audited)
Other receivables	94,906,326	120,242,180
Impairment adjustments for other receivables	(583,180)	(583,180)
Taxes and duties	5,317,956	300,947
Advance payments	35,796,671	20,994,645
Total	135,437,773	140,954,592

As at 30 June 2023, the position “Other Receivables” includes a net amount of RON 21,183,181 related to receivables from related parties (31 December 2022: RON 5,695,250), of which RON 12,292,181 represent loans granted to subsidiaries in the group, including capitalized interest.

As at 30 June 2023, the heading “Pre-Payments” includes the amount of RON 5,354,444 related to payments made in advance to related parties (31 December 2022: RON 429,334).

As at 30 June 2023 the position of “Taxes and duties” represented mainly recoverable VAT in amount of RON 4,493,899 RON (31 December 2022: RON 300,947).

Notes from 1 to 30 are an integral part of such Individual Interim Financial Statements.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

13. CASH AND CASH EQUIVALENTS, BANK DEPOSITS

As at 30 June 2023 and 31 December 2022, the **cash and cash equivalents** were as follows:

	30 June 2023 (reviewed)	31 December 2022 (audited)
Cash on hand	86,758	81,936
Cash at bank in RON	230,950,698	259,300,485
Cash at bank in foreign currencies	19,786,541	25,057,497
Bank deposits less than 3 months	2,454,529,000	2,396,122,000
Other cash equivalents	2,555,342	440,509
Cash and cash equivalents - Total	2,707,908,339	2,681,002,427

As at 30 June 2023 and 31 December 2022, **bank deposits** having their original maturity of more than 3 months and less than one year were as follows:

	30 June 2023 (reviewed)	31 December 2022 (audited)
Bank deposits	1,410,544,688	1,829,796,500

(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:

	30 June 2023 (reviewed)	31 December 2022 (audited)
Cash on hand	86,758	81,936
Cash at bank	250,737,239	284,357,982
Bank deposits having their original due date less than 3 months	2,454,529,000	2,396,122,000
Other cash equivalents	2,555,342	440,509
	2,707,908,339	2,681,002,427

(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. See Note 3 (m) of the significant Accounting policies related to these Separate Financial Statements of the Company prepared as at and for the financial year ended on 31 December 2022 for the other relevant accounting policies regarding the cash and cash equivalents.

(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 30 June 2023, the Company held bank guarantee letters under certain credit facilities, without any collateral deposits, in amount of RON 135,152,688 (31 December 2022: RON 124,714,365).

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

14. EQUITY**Share capital**

The Company was established by spin-off from the former Autonomous Electricity Administration (“RENEL”). Share capital represents the State contribution to the Company’s establishment as at 30 June 1998 (restated with inflation until 31 December 2003), plus subsequent increases.

According to the articles of association, the authorized share capital of the Company amounts to RON 3,016,518,660. Subscribed and paid-up share capital as at 30 June 2023 and respectively, 31 December 2022 amounted to RON 3,016,438,940, under the authorized capital.

As at 30 June 2023 and 31 December 2022, share capital included the effects of restatements registered also in the previous years according to the application of IAS 29 “Financial reporting in hyperinflationary economies”.

The structure of share capital is presented as follows:

	30 June 2023	31 December 2022
	(reviewed)	(audited)
Share capital subscribed and paid (nominal value)	3,016,438,940	3,016,438,940
Restatement differences according to IAS 29	195,502,743	195,502,743
Share capital (restated value)	3,211,941,683	3,211,941,683

As at 30 June 2023 and, respectively, 31 December 2022, the statutory share capital value subscribed and paid in full amounted to RON 3,016,438,940, made up of 301,643,894 ordinary shares, each with a nominal value of RON 10.

The last increase in the share capital was made in the year 2020 by subscription of a number of 130,043 new shares, in amount of RON 1,300,430, representing the contribution in kind of the Romanian State, represented by the Ministry of Energy and in cash representing the contribution of the Company’s shareholders. The increase in the share capital was made based on the Proportioned offer Prospectus related to the increase of the share capital, approved by Decision of AFS no. 976/13.08.2020 and by Decisions of the Extraordinary General Meeting of Shareholders no. 2/04.01.2019 and no. 12/19.12.2019, registered with the National Trade Register Office according to the Certificate of Amendments no. 484154/30.09.2020.

Holders of ordinary shares are entitled to receive dividends, as they are declared at certain timeframes, and the right to vote for one share within the General Meetings of Shareholders of the Company.

As at 30 June 2023 and 31 December 2022, shareholding structure was presented as follows:

Shareholders	Number of shares	% of the	Number of shares	% of the
	30 June 2023	share capital	31 December 2022	share capital
Romanian State - Ministry of Energy	248,850,476	82.4981%	248,850,476	82.4981%
Other shareholders	52,793,418	17.5019%	52,793,418	17.5019%
Total	301,643,894	100%	301,643,894	100%

Share premiums

In November 2013, the Company issued 28,100,395 ordinary shares to Bucharest Stock Exchange, by an initial public offer and by the shareholder Fondul Proprietatea S.A. exercising the right of preference. The amount received of RON 312,478,099 was made up of the increase of the share capital in amount of RON 281,003,950 and an issue premium in amount of RON 31,474,149.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

14. EQUITY (CONTINUED)**Reserves paid in advance**

Reserve paid in advance amounted to RON 21,553,537 as at 30 June 2023 and 31 December 2022 and represented sites of public utility from Cernavodă NPP (RON 5,439,321) and budget allowances related to the period 2007 - 2011 for building the Training and Recreation Center for Young People and Children in Cernavodă (RON 16,114,216).

Statutory Reserves

According to legal requirements, the Company sets up statutory reserves of 5% of the gross profit statutorily registered, up to 20% of the share capital. The value of statutory reserve as at 30 June 2023 amounted to RON 414,757,698 (31 December 2022: RON 414,757,698).

Statutory reserves cannot be distributed to shareholders. The value of statutory reserves was included in the financial position statement, under line "Result carried forward".

Revaluation reserves, net of deferred tax

As at 30 June 2023, the revaluation reserve amounts to RON 365,683,215 (31 December 2022: RON 394,369,643), net of deferred tax related to the revaluation reserve. The last revaluation of lands, buildings and constructions 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.

In the first 6 months of the year 2023, the Company recognized a decrease in the revaluation reserve in amount of RON 28,686,428 as a result of its transfer into retained earnings (2022: RON 57,372,857).

Retained earnings

Retained earnings represent the accumulated result of the Company. Retained earnings are distributed based on the annual financial statements prepared in compliance with the Order of the Minister of Public Finance no. 2844/2016 for approval of Accounting Regulations compliant with the International Financial Reporting Standards.

Movements in retained earnings

	30 June 2023	31 December 2022
	(reviewed)	(audited)
Balance at the beginning of the reporting period	6,876,165,858	4,648,549,459
Net profit of period	1,288,781,046	2,764,423,452
Actuarial (losses) related to the defined benefit plans	-	1,745,457
Retained earnings from other adjustments	-	-
Transfer of revaluation reserves into retained earnings due to amortization	28,686,428	57,372,857
Dividends	(1,283,215,656)	(595,925,367)
Balance at the end of the reporting period	6,910,417,677	6,876,165,858

Dividends

During the 6-month period ended on 30 June 2023, the Company declared dividends in amount of RON 1,283,215,656 (31 December 2022: RON 595,925,367). Net dividends unpaid as at 30 June 2023 amounted to RON 1,407,232 (31 December 2022: RON 748,270).

Notes from 1 to 30 are an integral part of such Individual Interim Financial Statements.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

15. EARNINGS PER SHARE

As at 30 June 2023 and 30 June 2022, the earnings per share were:

(i) Earnings based on share

	3-month period ended 30 June 2023 (not reviewed)	3-month period ended 30 June 2022 (not reviewed)	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Net profit of the financial year	522,263,043	401,890,821	1,288,781,046	1,220,792,209
Number of ordinary shares at the beginning of the financial year	301,643,894	301,643,894	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	301,643,894	301,643,894	301,643,894	301,643,894
Earnings based on share (RON/share)	1.73	1.33	4.27	4.05

(ii) Diluted earnings per share

	3-month period ended 30 June 2023 (not reviewed)	3-month period ended 30 June 2022 (not reviewed)	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Net profit of the financial year	522,263,043	401,890,821	1,288,781,046	1,220,792,209
Number of ordinary shares at the beginning of the financial year	301,643,894	301,643,894	301,643,894	301,643,894
Number of ordinary shares issued during the financial year	-	-	-	-
Weighted average number of ordinary shares (diluted) as at 30 June	301,643,894	301,643,894	301,643,894	301,643,894
Diluted earnings per share (RON/share)	1.73	1.33	4.27	4.05

The diluted earnings per share is equal to the basic result per share, since the Company did not register potential ordinary shares.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

16. LOANS

The loans situation recorded by the Company as at 30 June 2023, respectively 31 December 2022 were as following:

	30 June 2023 (reviewed)	< 1 year	> 1 year	31 December 2022 (audited)	< 1 year	> 1 year
Bank loans	97,778,980	65,516,880	32,262,100	130,116,620	65,305,680	64,810,940
Interest	582,896	582,896	-	219,753	219,753	-
Total	98,361,876	66,099,776	32,262,100	130,336,373	65,525,433	64,810,940

Bank loans

The loans repayments during the financial period ended as at 30 June 2023 were:

	Currency	Interest rate	Value	Final maturity year
Balance as at 1 January 2023 (audited)			130,116,620	
New drawings			-	
EURATOM reimbursement	EUR	EURIBOR 6M + 0.08%	(32,545,260)	2024
Foreign exchange differences			207,620	
Balance as at 30 June 2023 (reviewed)			97,778,980	

(i) Long-term loans

As at 30 June 2023 and 31 December 2022, the **long-term** loans from the credit institutions were as follows:

	30 June 2023 (reviewed)	31 December 2022 (audited)
EURATOM	97,778,980	130,116,620
Less: current part of the long-term loans	(65,516,880)	(65,305,680)
Total long-term loans net of the short-term portion	32,262,100	64,810,940

(ii) Short-term loans

As at 30 June 2023 and 31 December 2022, the **short-term** loans were as follows:

	30 June 2023 (reviewed)	31 December 2022 (audited)
Current part of the long-term loans	65,516,880	65,305,680
Long-term loans interest	582,896	219,753
Commitment fees and short-term insurance	-	-
Short-term loans - Total	66,099,776	65,525,433

Notes from 1 to 30 are an integral part of such Individual Interim Financial Statements.

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17. LIABILITIES FOR EMPLOYEE BENEFITS

As at 30 June 2023 and 31 December 2022, the liabilities for employee benefits were as follows:

	30 June 2023	31 December 2022
	(reviewed)	(audited)
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
Total	45,557,591	45,557,591

As at 30 June 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.

Measurement date	31 December 2022	31 December 2021
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 2025 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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17. LIABILITIES FOR EMPLOYEE BENEFITS (CONTINUED)

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
PVDBO as at 31 December 2022 (RON)	25,011,151	894,429	11,878,616	7,773,395	45,557,591
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.

18. TRADE AND OTHER PAYABLES

As at 30 June 2023 and 31 December 2022, trade and other payables were as follows:

	30 June 2023 (reviewed)	31 December 2022 (audited)
Suppliers of non-current assets	72,908,451	46,767,931
Suppliers	186,502,953	110,396,300
Liabilities for employee benefits	20,401,009	37,461,202
Liabilities to the state	204,831,911	239,212,576
Payable dividends	18,343,300	763,805
Other liabilities	9,248,344	10,713,845
Total	512,235,968	445,315,659

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18. TRADE AND OTHER PAYABLES (CONTINUED)

As at 30 June 2023, the main suppliers in the balance, under “Suppliers for non-current assets” and “Suppliers”, were: Candu Energy INC. – RON 52,534,886 (31 December 2022: RON 26,956,168), General Electric Global Services GMBH Baden, Romania Branch – RON 33,936,867 (31 December 2022: RON 23,264,335), GE Global Parts & Products GMBH – RON 29,314,161 (31 December 2022: RON 4,204,809), BWXT CANADA LTD RON 12,426,464 (31 December 2022: RON 1,000,427), Apele Romane Bucuresti – RON 11,657,397 (31 December 2022: RON 12,302,495).

As at 30 June 2023, position “Trade Payables and other liabilities” include the amount of RON 31,695,722 (31 December 2022: RON 38,176,357) related to liabilities to related parties, of which, under the headings "Suppliers" and "Suppliers of non-current assets", RON 23,300,075 (31 December 2022: RON 30,113,114), and under the heading "Liabilities to the state" the amount of RON 176,395,012 representing the Energy Transition Fund Contribution estimate for June 2023 and the amount of RON 8,395,647 (December 31, 2022: RON 8,063,243), representing the contribution to ANDR for decommissioning of the nuclear units and permanent storage of radioactive waste.

19. PROVISIONS FOR RISKS AND CHARGES

As at 30 June 2023, 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”:

	30 June 2023 (reviewed)	31 December 2022 (audited)
Liabilities relating to the Intermediate Dry Storage Spent Fuel Facility (DICA)	70,589,676	70,294,835
Liabilities relating to other low and medium level radioactive and non-radioactive waste	66,255,320	64,737,442
Provision for litigations related to salary bonus	95,207,234	89,288,704
Employee participation in profit	31,735,426	27,000,000
Other provisions for risks and charges	166,470	224,307
Total	263,954,126	251,545,288

As at 30 June 2023, provisions in a total amount of RON 263,954,126 represented short and long-terms liabilities, as follows:

	Short-term portion (< 1 year)	Long-term portion (> 1 year)
Liabilities relating to the Intermediate Dry Storage Spent Fuel Facility (DICA)	31,969,458	38,620,218
Liabilities relating to other low and medium level radioactive and non-radioactive waste	13,372,185	52,883,135
Provision for litigations related to salary bonus	-	95,207,234
Employee participation in profit	31,735,426	-
Other provisions for risks and charges	166,470	-
Total	77,243,539	186,710,587

See Note 3 (s) 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 relevant accounting policies for provisions.

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20. CORPORATE INCOME TAX

Corporate income tax recognized in the statement of profit or loss and other comprehensive income is presented as follows:

	3-month period ended 30 June 2023 (not reviewed)	3-month period ended 30 June 2022 (not reviewed)	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Expense with current corporate tax	90,581,843	79,439,903	235,171,281	240,498,647
Net (Income)/Expenditure from deferred tax	142,371	(580,542)	(3,260,178)	(5,717,369)
Total	90,724,214	78,859,361	231,911,103	234,781,278

21. INCOME FROM ELECTRICITY SALES**(i) Revenues from electricity sales**

	3-month period ended 30 June 2023 (not reviewed)	3-month period ended 30 June 2022 (not reviewed)	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Sales of energy via MACEE	393,135,660	-	948,593,160	-
Sales of energy on the free market	1,211,352,744	1,243,702,951	2,746,374,991	3,084,726,913
Sales of thermal energy	1,264,217	1,004,493	4,208,475	4,338,468
Income from the sale of green certificates	7,606	7,050	17,061	16,805
Total	1,605,760,227	1,244,714,494	3,699,193,687	3,089,082,186

(ii) Quantity of electricity sold*)

	3-month period ended 30 June 2023 (not reviewed)	3-month period ended 30 June 2022 (not reviewed)	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Quantity of electricity sold via MACEE (MWh)	873,635	-	2,107,985	-
Quantity of sold electricity on the free market (MWh)	1,294,481	2,218,669	2,832,703	5,008,494
Total	2,168,116	2,218,669	4,940,688	5,008,494

*) 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 17,084 MWh for the 6-month period ended on 30 June 2023 (15,476 MWh during the 6-month period ended on 30 June 2022).

Effective 1 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 450 RON/MWh and sells it to buyers at the same price. In the first 6 months of 2023, the Company sold via MACEE a quantity of 2,107,985 MWh at the price of 450 RON/MWh (with Tg included), and of 447.47 RON/MWh (without Tg), which accounts for 42.52% of the total electricity sold during the period.

Notes from 1 to 30 are an integral part of such Individual Interim Financial Statements.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
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21. INCOME FROM ELECTRICITY SALES (CONTINUED)

On the free market, in first half of 2023, the Company delivered 57.14% of the energy sold (first half of 2022: 99.69%). The average sale price of electricity sold by the Company on this market in first half of 2023 was 969.91 RON/MWh (first half of 2022: 613.57 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 2024 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 first half of 2023 amount to RON 4,208,475 (first half of 2022: RON 4,338,468).

22. OTHER INCOME

	3-month period ended 30 June 2023 (not reviewed)	3-month period ended 30 June 2022 (not reviewed)	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Income from investments subsidies	3,585,466	3,588,664	7,175,407	7,177,641
Income from operating subsidies	(126,349)	-	-	-
Income from penalties and damages	1,152,962	226,346	2,194,550	989,518
Other income	40,893,543	19,402,956	55,388,644	33,895,552
Total	45,505,622	23,217,966	64,758,601	42,062,711

23. PERSONNEL COSTS

	3-month period ended 30 June 2023 (not reviewed)	3-month period ended 30 June 2022 (not reviewed)	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Salaries and wages	127,866,422	112,574,591	254,758,842	222,735,958
Costs of social and other contributions	14,959,443	10,932,325	27,836,714	20,325,360
Total personnel costs	142,825,865	123,506,916	282,595,556	243,061,318

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24. ADDITIONAL INCOME TAX EXPENSES / CONTRIBUTION TO THE ENERGY TRANSITION FUND

	3-month period ended 30 June 2023 (not reviewed)	3-month period ended 30 June 2022 (not reviewed)	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Additional income tax expenses/ Contribution to the Energy Transition Fund	620,848,761	126,633,872	1,461,690,999	585,810,573
Total	620,848,761	126,633,872	1,461,690,999	585,810,573

In the first 6 months of 2023, the Company booked contribution to the Energy Transition Fund, of RON 1,461,690,999 (30 June 2022: RON 585,810,573, under the heading additional income tax). As at 30 June 2023, the payable balance of the to the Energy Transition Fund amounts to RON 176,395,012 (31 December 2022: RON 73,261,115).

In the first half of 2022, the Company registered additional income tax. The additional income was established and calculated based on art. II paragraph (1) of Law no. 259/2021 for the approval of Government Emergency Ordinance no. 118/2021, as it was in force on June 30, 2022, and resulted from the difference between the average monthly selling price of electricity and the price of 450 RON/MWh, to which a tax rate of 80% was applied, for the quantity of monthly energy physically delivered from own production. The calculation method was established by Government Emergency Ordinance no. 27/2022 (Appendix 6) and applied, according to art. 4 of the Government Emergency Ordinance no. 27/2022, for the period 1 November 2021 - 31 August 2022.

According to Government Emergency Ordinance no. 119/01.09.2022 for the amendment and supplementation of Government Emergency Ordinance 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 additional income tax. The calculation method is provided for in Appendix 6 and is determined as a difference between the monthly sale price and the reference price (450 RON/MWh) multiplied by the monthly quantity physically delivered, therefore in a 100% share.

Starting with 16 December 2022, Law no. 357/2022 approving the Government Emergency Ordinance 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, came into effect. 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 450 RON/MWh and the monthly quantity physically delivered from own production. During the application of Law no. 357/2022, only expenses with imbalances are deducted from the calculation base for determining the monthly sales price (until the entry into force of Law no. 357/2022, respectively in the first half of 2022, other types of expenses were also deducted from the calculation base expenses, for example expenses with purchased electricity).

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25. OTHER OPERATING EXPENSES

	3-month period ended 30 June 2023 (not reviewed)	3-month period ended 30 June 2022 (not reviewed)	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Other third parties services costs	27,615,568	23,363,905	53,679,627	47,289,329
ANDR costs	25,130,170	25,307,060	50,114,257	50,614,291
Expenses with energy and water	22,838,687	18,271,457	49,046,654	41,991,664
Expenses with fuel and other consumables	17,961,746	18,245,502	33,235,457	31,711,774
Expenses related to ANRE contribution	1,620,559	782,988	3,190,885	1,552,673
Expenses with insurance premiums	2,664,718	2,213,980	6,684,185	5,531,205
Expenses with the transport and telecommunications	4,308,136	2,513,903	7,261,149	4,364,824
Net expenses related to provisions and value adjustments	1,333,500	4,178,824	5,894,086	12,271,298
Other operating expenses	30,463,583	9,173,448	36,350,711	15,945,621
Total	133,936,667	104,051,067	245,457,011	211,272,679

ANDR costs

Starting with 2007, following the Government Decision no. 1080/5 September 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 plants and storage of the resulting waste.

Expenses related to ANRE contribution

ANRE contribution for the year 2023 is calculated according to the Order ANRE no. 140/2022, representing 0.1% of the turnover realized in 2022, from activities carried out under the licenses held. As at 30 June 2023, it amounts to RON 3,190,885 (30 June 2022: RON 1,552,673). For 2022, the contribution was calculated according to the Order of ANRE no. 143/2021, representing 0.1% of the turnover realized in 2021, from activities carried out under the licenses held.

Other operating expenses

Position of "Other operating expenses" includes expenses related to operating license paid to CNCAN Bucharest, in amount of RON 4,950,000 (30 June 2022: RON 4,950,000).

26. FINANCIAL INCOME AND EXPENSES

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	3-month period ended 30 June 2023 (not reviewed)	3-month period ended 30 June 2022 (not reviewed)	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Interest income	97,724,257	35,375,583	200,435,062	57,794,619
Income from exchange rate differences	7,507,977	4,669,612	15,740,935	7,341,756
Dividend income	-	60,935	-	60,935
Financial income regarding the amortization of governmental bonds differences	17,833	17,832	35,469	34,873
Other financial income	4,170,377		6,589,856	
Financial income - Total	109,420,445	40,123,962	222,801,322	65,232,183
Expenses from exchange rate differences	(5,639,878)	(6,414,106)	(9,978,924)	(10,603,644)
Interest expense	(1,963,440)	(2,113,530)	(3,274,379)	(4,335,664)
Financial expenses - Total	(7,603,319)	(8,527,636)	(13,253,303)	(14,939,308)
Net financial income	101,817,126	31,596,326	209,548,019	50,292,875

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27. RELATED PARTY TRANSACTIONS**i) Transactions with State-owned companies**

The Company operates in an economic environment dominated by companies owned or controlled by the Romanian State through its governmental authorities and agencies, collectively known as State-owned companies.

The Company has made significant transactions with other State-owned or controlled companies, including: sales of electricity (OPCOM S.A.); purchase of electricity transmission and balancing services (C.N. Transelectrica S.A.); and payment of contribution for the management of the decommissioning process of the two units and for the final storage of nuclear waste at the end of the useful life of the two units, as well as for the permanent storage of the resulting residues (Nuclear and Radioactive Waste Agency).

In the pursuit of its business, the Company identified the following transactions and balances with its main related parties:

	Sales - 6-month period ended		Receivables as at	
	30 June 2023	30 June 2022	30 June 2023	31 December 2022
the Romanian Electricity and Gas Market Operator (OPCOM S.A.)	1,313,436,918	843,693,619	105,106,136	1,478,997
Electrica Furnizare S.A.	485,760,048	288,651,886	93,171,226	40,721,750
Hidroelectrică S.A.	177,377,306	-	-	39,042,000
Utilitati Publice S.A. NPP Branch	5,241,155	4,311,865	5,420,659	5,724,145
FPCU Feldioara S.R.L	2,126,935	43,896	8,729,378	3,730,772
C.N. Transelectrica S.A.	118,820	21,535,400	225	26,367,201
Distributie Energie Electrica Romania	59,000	42,844,052	-	52,166,030
Energonuclear S.A.	14,627	69,384	3,145	2,405
Nuclearelectrica SERV S.R.L	-	9,465	7,389,889	1,966,512
Compania Nationala a Uraniului S.A.	-	-	6,564,572	6,564,582
Romanian Energy Regulatory Authority	-	-	3,179,534	-
Autonomous Authority for Nuclear Activities	-	-	7,825,814	-
Total	1,984,134,809	1,201,159,568	237,390,577	177,764,393

The balance of receivables as at 30 June 2023 and 31 December 2022, as presented above, does not include advance paid to suppliers or accrued expenses with related parties.

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27. RELATED PARTY TRANSACTIONS (CONTINUED)**i) Transactions with State-owned companies (continued)**

	Purchases - 6-month period ended		Liabilities as at	
	30 June 2023 (reviewed)	30 June 2022 (reviewed)	30 June 2023 (reviewed)	31 December 2022 (audited)
Nuclear and Radioactive Waste Agency	50,114,257	50,614,291	8,395,647	8,063,243
Apele Romane Bucharest	35,590,452	29,943,591	11,657,397	12,302,495
FPCU Feldioara SRL	24,568,475	-	4,097,898	-
C.N. Transelectrica S.A	15,699,861	9,226,152	5,882,519	5,610,805
National Commission for Nuclear Activities Control	14,063,650	9,163,398	-	-
Nuclearelectrica Serv SRL	11,156,902	638,925	4,647,140	597,566
Operatorul Pietei de Energie Electrica si de Gaze Naturale din Romania (OPCOM S.A.)	8,496,479	230,736,064	576,827	1,068,264
Regia Autonoma Tehnologii pentru Energia Nucleara - ICN	7,576,206	6,465,949	1,842,401	2,771,157
Dobrogea Seaside Water Basin Administration	5,934,932	5,391,892	994,089	3,215,249
Romanian Energy Regulatory Authority	3,191,510	1,552,673	735,522	735,522
Raja S.A	2,166,546	1,381,578	442,383	754,733
Regia Autonoma Tehnologii pentru Energia Nucleara - CITON	1,175,906	1,806,241	219,163	1,153,794
Compania Nationala a Uraniului S.A.	874,567	40,976,073	-	1,417,293
Hidroelectricra S.A.	(41,513)	65,752	46,317,176	78,762
Total	180,568,230	387,962,578	85,808,163	37,768,885

The balances of intercompany payables as at 30 June 2023, respectively 31 December 2022, as presented above, do not include advance payments received from related customers.

S.N. Nuclearelectrica S.A.

Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

27. RELATED PARTY TRANSACTIONS (CONTINUED)**ii) Company's management remuneration**

The Company's management consists of:

- the members of the Board of Directors, who have mandate contracts concluded with the Company;
- executives with mandate contract in the Company;
- other executives of the Company who signed individual employment agreements, under the terms laid down in the collective bargaining agreements, as applicable.

Members of the Board of Directors, who have mandate contracts concluded with the Company, and the remuneration of whom is approved by the General Meeting of Shareholders. Executives with mandate contracts are remunerated based on the contractual provisions, within the general limits approved by the General Meeting of Shareholders.

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Company's management remuneration (gross amounts)	8,156,509	9,929,402
Total	8,156,509	9,929,402

28. FINANCIAL RISK MANAGEMENT**a. Financial risk factors****Credit Risk**

Credit risk is the risk of incurring losses or not realizing the estimated profits due to the counterparty not fulfilling their financial obligations. The Company is exposed to credit risk as a result of investments made in other companies, current accounts and bank deposits and receivables.

The sale of electricity was made to customers on the competitive market, based on the framework established by ANRE and OPCOM market rules. The amount of receivables, net of adjustments for impairment, represents the maximum amount exposed to credit risk.

As at 30 June 2023, the Company is exposed to a concentrated credit risk, considering that approximately 45.93% of its trade receivables are against Enel Energie SA, Enel Energie Muntenia SA and Electrica Furnizare S.A (see Note 11). Counterparty risk is limited considering the guarantees obtained from clients in the form of letters of bank guarantee.

Cash and bank deposits are placed with different financial institutions (banks), with the aim of reducing the counterparty risk, by limiting the exposure to a single financial institution.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

28. FINANCIAL RISK MANAGEMENT (CONTINUED)**a. Financial risk factors (continued)****Credit risk (continued)**

The maximum credit risk exposure on the reporting date was:

	Net amount	
	30 June 2023 (reviewed)	31 December 2022 (audited)
Financial assets		
Trade receivables	425,566,473	438,539,974
Bank deposits	1,410,544,688	1,829,796,500
Cash and cash equivalents	2,707,908,339	2,681,002,427
Other financial assets	135,437,773	140,954,592
Government bonds	29,804,358	30,260,661
Bonds	229,942,856	-
	4,939,204,487	5,120,554,154

Trade receivables ageing analysis at the reporting date was as follows:

	Gross value 30 June 2023 (reviewed)	Impairment as at 30 June 2023 (reviewed)	Gross value 31 December 2022 (audited)	Impairment as at 31 December 2022 (audited)
Not yet due	384,503,185	-	435,105,134	-
Overdue between 1-30 days	37,307,443	-	34,571	-
Overdue between 31-90 days	2,238,370	-	161,834	-
Overdue between 91-180 days	1,517,476	-	203,537	-
Overdue between 181-270 days	-	-	2,273,571	-
Overdue between 271-365 days	-	-	761,327	-
More than one year	11,255,954	(11,255,954)	12,001,436	(12,001,436)
Total	436,822,427	(11,255,954)	450,541,411	(12,001,436)

Other receivables ageing analysis, including the recoverable VAT, on the reporting date is as follows:

	Gross value 30 June 2023 (reviewed)	Impairment as at 30 June 2023 (reviewed)	Gross value 31 December 2022 (audited)	Impairment as at 31 December 2022 (audited)
Not yet due	135,437,773	-	139,070,849	-
Overdue between 1-30 days	-	-	-	-
Overdue between 31-90 days	-	-	-	-
Overdue between 91-180 days	-	-	-	-
Overdue between 181-270 days	-	-	-	-
Overdue between 271-365 days	-	-	-	-
More than one year	583,180	(583,180)	3,050,103	(3,050,103)
Total	136,020,953	(583,180)	142,120,951	(3,050,103)

Notes from 1 to 30 are an integral part of such Individual Interim Financial Statements.

This is a free translation from the Romanian version. In case of any differences between the Romanian and English version, the Romanian version prevails.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

28. FINANCIAL RISK MANAGEMENT (CONTINUED)**a. Financial risk factors (continued)****Credit risk (continued)**

The developments in **adjustment for impairment of trade receivables** are as follows:

	<u>30 June 2023</u> <u>(reviewed)</u>	<u>31 December</u> <u>2022 (audited)</u>
Balance at the beginning of the year	(12,001,436)	(12,822,025)
Impairment recognised/reversed during the period	745,483	820,589
Balance at the end of the year	<u>(11,255,954)</u>	<u>(12,001,436)</u>

b. Capital management**Fair value of financial instruments**

Fair value is the amount for which the financial instrument could be exchanged in regular arm's length transactions between interested and knowledgeable, other than those determined by liquidation or forced sale. Fair values are obtained from quoted market prices or cash flow models, as applicable. As at 30 June 2023, respectively 31 December 2022, the management consider that the fair values of cash and cash equivalents, trade and other receivables, trade payables, as well as other short-term liabilities approximate their carrying amount.

Considering the company's sector, added to the specific nature of the investments that are subject to financing and the structure of the collaterals, that include a government guarantee, as well as due to the floating nature of the interest rate, the Company's management estimate that the fair value of loans is approximately equal to their carrying amount. The carrying amount of loans is the amortized cost. Based on these considerations, the loans were classified at Level 2.

	<u>Carrying amount</u>	<u>Fair value</u>	<u>Leve</u> <u>1</u>
30 June 2023 (reviewed)			
Financial assets			
Financial assets measured at amortized cost	277,345,676	277,345,676	2
Trade receivables	425,566,473	425,566,473	2
Other financial assets measured at amortized cost	135,437,773	135,437,773	2
Cash and cash equivalents	2,707,908,339	2,707,908,339	2
Bank deposits	1,410,544,688	1,410,544,688	2
	<u>4,956,802,949</u>	<u>4,956,802,949</u>	

Notes from 1 to 30 are an integral part of such Individual Interim Financial Statements.

This is a free translation from the Romanian version. In case of any differences between the Romanian and English version, the Romanian version prevails.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

28. FINANCIAL RISK MANAGEMENT (CONTINUED)**b. Capital management (continued)****Fair value of financial instruments (continued)**

	Carrying amount	Fair value	Level
31 December 2022 (audited)			
Financial assets			
Financial assets measured at amortized cost	41,262,942	41,262,942	2
Trade receivables	438,539,974	438,539,974	2
Other financial assets measured at amortized cost	140,954,592	140,954,592	2
Cash and cash equivalents	2,681,002,427	2,681,002,427	2
Bank deposits	1,829,796,500	1,829,796,500	2
	5,131,556,435	5,131,556,435	
	Carrying amount	Fair value	Level
30 June 2023 (reviewed)			
Long-term financial liabilities			
Long-term loans	32,262,100	32,262,100	2
Liabilities under long-term financial leasing agreements	19,312,780	19,312,780	2
Deferred income	58,968,947	58,968,947	2
	110,543,827	110,543,827	
Short-term financial liabilities			
Trade and other payables	512,235,968	512,235,968	2
Liabilities under short-term financial leasing agreements	2,889,119	2,889,119	2
Current part of the long-term loans	66,099,776	66,099,776	2
Deferred income	81,867,204	81,867,204	2
	663,092,067	663,092,067	

Notes from 1 to 30 are an integral part of such Individual Interim Financial Statements.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

28. FINANCIAL RISK MANAGEMENT (CONTINUED)**b. Capital management (continued)****Fair value of financial instruments (continued)**

	<u>Carrying amount</u>	<u>Fair value</u>	<u>Level</u>
31 December 2022 (audited)			
Long-term financial liabilities			
Long-term loans	64,810,940	64,810,940	2
Liabilities under long-term financial leasing agreements	12,831,121	12,831,121	2
Deferred income	63,611,498	63,611,498	2
	<u>141,253,559</u>	<u>141,253,559</u>	
Short-term financial liabilities			
Trade and other payables	445,315,659	445,315,659	2
Liabilities under short-term financial leasing agreements	2,734,403	2,734,403	2
Current part of the long-term loans	65,525,433	65,525,433	2
Deferred income	157,087,526	157,087,526	2
	<u>670,663,021</u>	<u>670,663,021</u>	

29. CONTINGENCIES, COMMITMENTS AND OPERATIONAL RISKS**(i) Taxation**

The taxation system in Romania is undergoing a stage of consolidation and harmonization with the European laws. Nevertheless, there are no different interpretations of the tax laws. In certain cases, tax authorities may deal with certain issues differently, proceeding to the calculation of some taxes and additional duties and of the related default interest and delay penalties. In Romania, the financial year remains open for tax verification for a 5-year period. The Company's management considers that the tax liabilities include din such financial statements are adequate and it is not aware of certain circumstances likely to determine possible significant liabilities in this respect.

(ii) Other controls

In accordance with the Half-Yearly Activity Plan for the period January – June 2022, Antifraud, Integrity and Inspection Directorate within the Ministry of Energy, performed an inspection within SNN in the first week of June, for the purpose of checking the manner of employment / promotion of staff, conclusion and performance of consultancy agreements, the manner in which the purchase activity was carried on; the comparative analysis of the economic and financial results, any other relevant issues for such inspection. The official result of the inspection has not been communicated yet to the Company's representatives. Nevertheless, there were no doubts about breach of laws or important findings of the inspection team.

Notes from 1 to 30 are an integral part of such Individual Interim Financial Statements.

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

29. CONTINGENCIES, COMMITMENTS AND OPERATIONAL RISKS (CONTINUED)

As at 21 November 2022, an ANAF - DGAF team appeared to "Check calculation of the contribution to the Energy Transition Fund". The inspection concluded with the Report dated 21 November 2023 which documented that:
"Along with the amendments and supplements to the Government Emergency Ordinance no. 119/2022, it is noted that changes were also made to the expenses considered in calculation of the net monthly revenue, as follows:

The monthly expenses include cost of: - acquiring electricity for transactions with physical delivery, including on the balancing market, and the cost of the CO2 allowances. The actual production costs for obtaining one MWh of electricity are not included.

Taking into account the above, the company should proceed to rectifying the Declaration 100 for September 2022, by declaring and paying to the State budget the difference of RON 2,392,280."

We point out that the Company implemented this recommendation.

Next, ANAF - DGAF, in the period 09.05.2023 - 15.06.2023, carried out an anti-fraud control regarding the application of the provisions in the field of energy of the aforementioned normative acts in the period 01.04.2022 - 31.03.2023. Following the control, by comparing the amounts calculated and declared by SNN and those calculated by the control team, a payment difference to the Contribution to the Energy Transition Fund of RON 18,041,598 was recorded in protocol no. 1186/15.06.2023, a protocol which does not represent a tax debt title. This difference was generated by the interpretation of the moment of application of the calculation methodology established by Law 357/2022.

SNN did not pay this amount and expressed its point of view to the Ministry of Finance, ANAF - DGAF by letter no. 7204/22.06.2023, which explains the fact that Law no. 357/2022 takes effect starting with the date of publication, i.e. 16.12.2022. In legislative matters, without other special provisions in the contents of Law no. 357/2022, this produces effects in the future and not before the publication date, as it was interpreted by the control bodies. Until the date of preparation and presentation of the Financial Statements, SNN has not received an answer regarding those reported.

(iii) Insurance policies

As at 30 June 2023, the following operational insurance policies were valid:

- The property insurance policy for material damages, all risks, including mechanical and electrical destruction (for Units 1 and 2 Cernavodă NPP and NFP Pitești). The compensation limit is in amount of USD 1,560 million for the entire year for all damages.
- Civil liability policy to third parties for nuclear damages. The compensation limit amounts to DST 300 million (for Units 1 and 2 of Cernavodă NPP).
- The third-party/professional liability insurance policy for SNN's directors and executives. The compensation limit is EUR 27 million.

(iv) Environmental aspects

The Company did not register any liabilities as at 30 June 2023 and 31 December 2022 for any anticipated costs regarding the environmental issues, including legal and consultancy fees, land surveys, design and application of the rehabilitation plans. The liability for decommission of nuclear plants was taken over by ANDR (see Note 25). Management considers that the plant fully complies with the Romanian and international environmental standards and it is estimated that any additional costs related to the observance of environmental laws as at 30 June 2023 are not significant.

Nevertheless, the enforcement of the environmental regulations in Romania is progressing and their application by governmental authorities is continuously changing. The Company assesses the obligations incumbent on it pursuant to the environmental regulations on a periodical basis. Obligations determined are immediately recognized. Potential liabilities, likely to arise as a result of the amendments of the existing regulations, civil or legislation litigations, cannot be estimated, however, they could be significant. In the context of the applicable laws, the management considers that there are no significant liabilities for damages caused to environment.

29. CONTINGENCIES, COMMITMENTS AND OPERATIONAL RISKS (CONTINUED)

(v) Litigations in progress

In the first half of 2023, the Company was involved in a number of legal proceedings pertaining to its normal course of business. The management examines the situation of litigations in progress on a regular basis, and following consultation with its legal advisors or lawyers, decides the need for setting up certain provisions for the amounts involved or their presentation 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 such financial statements.

(vi) Commitments

As at 30 June 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 30 June 2023, the total value of commitments was fully reflected in position of "Trade and other payables".

(vii) Other contingent liabilities

The company continuously evaluates the possibility of occurrence and the impact of possible contingent liabilities. On the date of the present individual interim financial statements, the representatives of the Romanian State publicly announced the intention to identify and implement fiscal-budgetary measures, but without announcing the transposition of the intention into normative acts at a certain date. At this moment, the Company cannot reasonably estimate the possibility of implementing such measures applicable to the Company in normative acts.

(vii) 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, PC-OTC – Centralized Market with double continuous negotiation of bilateral electricity agreements) or in favour of the clients (CMBC-CN – Centralized Market of Bilateral Agreements with Continuous Negotiation, CMBC-LE – Centralized Market of Bilateral Agreements by Wide Bid, CMBC-Le-flex LE – Centralized Market of Bilateral Agreements by Wide Bid and the use of products ensuring flexibility of trading and PCSU – Centralized Market for Universal Service).

As at 30 June 2023, the total amount of the letters of bank guarantee issued in favour of OPCOM, for participation in DAM and IDM, amounts to RON 130.1 million.

Moreover, as at 30 June 2023, the Company issued up letters of bank guarantee in favour 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 favour 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 3.668 million in favour of Transelectrica, for provision of the transmission service.

S.N. Nuclearelectrica S.A.

Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

29. CONTINGENCIES, COMMITMENTS AND OPERATIONAL RISKS (CONTINUED)

(vii) Warranties (continued)

As at 30 June 2023, the Company had in balance a Treasury deposit in amount of RON 1,436,176, representing the guarantee related to the precautionary measures according to NAFA (National Agency for Fiscal Administration) Decision – General Directorate for Fiscal Antifraud.

As at 30 June 2023, the total value of the bank guarantee letters issued by clients in favour of the Company for the agreements concluded on CMBC-CN, CMBC-LE and CM-OTC amounted to RON 528.27 million. Such guarantees cover the risk for non-performance of the contractual obligations assumed by clients under the electricity sales agreements.

30. SUBSEQUENT EVENTS

The company has not identified events subsequent to 30 June 2023 that could have a significant impact and are of a nature of being presented in the individual financial statements.

Cosmin Ghita
Chief Executive Officer

Dan Niculaie - Faranga
Chief Financial Officer

Review Report*

(* This represents a non-official English translation of the original review report issued in Romanian language.)

To the shareholders of S.N. NUCLEARELECTRICA S.A.

1. We have performed a review on the accompanying statutory individual interim financial statements of S.N. NUCLEARELECTRICA S.A. (the "Company"), which comprise the individual statement of financial position as at 30 June 2023, the individual statement of profit or loss and other comprehensive income, individual statement of changes in equity, and individual cash flow statement for the six months period then ended, including a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the statutory individual interim financial statements

2. The Company's management is responsible for the preparation and fair presentation of these statutory individual interim financial statements in accordance with the Order of the Ministry of Public Finance no. 2844/2016 for the approval of the accounting regulations in accordance with the International Financial Reporting Standards, as subsequently amended ("OMFP 2844/2016"), and for such an internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express a conclusion on these statutory individual interim financial statements based on our review.

Scope of review

4. We conducted our review in accordance with the International Standard on Review Engagements 2410 – "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("ISRE 2410"). A review of interim financial statements consists mainly of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures to the financial information. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified conclusion

5. As stated in the Note 4 to the accompanying individual interim financial statements, as at 30 June 2023, the Company has recorded tangible assets in progress with the book value of RON 273,960,000 (RON 273,960,000 as at 31 December 2022), comprising capitalized items for the units 3 and 4 of Cernavoda nuclear power station. Before 1991, nuclear unit stations 1, 2, 3, 4 and 5 were considered a single project and, therefore, the constructions costs incurred by that date were not allocated at the level of each unit. Subsequently, the Company has done the allocation of the construction costs for the units 3 and 4 of the nuclear power station. We could not obtain sufficient and relevant evidence in relation with the accuracy of this split, which has effect on the valuation of these assets. These limitations have impact as well on the deferred tax liability allocated for the units 3 and 4 as at 30 June 2023 in amount of RON 43,524,186 (RON 43,524,186 as at 31 December 2022). Consequently, we were not able to determine if adjustments are needed on the fixed assets, deferred tax liability and

retained earnings as at 30 June 2023 and therefore on the depreciation and amortization, profit tax and net profit for the six months period then ended.

Qualified Conclusion

6. Based on our review, except for the potential impact of the matter described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying individual interim financial statements of S.N. NUCLEARELECTRICA S.A. as at 30 June 2023 are not prepared, in all material respects, in accordance with the OMFP 2844/2016.

Emphasis of a matter

7. Without issuing additional qualifications on our conclusion, we draw attention to the Note 1 of the individual interim financial statements, which describes aspects with regards to the going concern of the subsidiary Energonuclear SA and Units 3 and 4 Project. The total estimated recoverable amount of the investment in Units 3 and 4 of Cernavoda, including also all capitalized individual elements of the Company, was determined by the management based on certain assumptions, professional judgments, expectations regarding future events, which are believed to be reasonable under the circumstances, and other factors under the assumption that the current negotiations between the management of the Company and its partners with whom discussions regarding the investment in these Units are held will be successfully concluded. These aspects are supported by the fact that the Law regarding the approval of signing of the Support Agreement between the Romanian State and SN Nuclearelectrica SA for the Project of Units 3 and 4 of CNE Cernavodă was adopted in March 2023, and the Support Agreement was signed in June 2023. In the event that any of the assumptions, professional judgments, expectations of future events and other factors do not materialize, this may cause a material adjustment to the carrying amounts of the individual Company's assets, liabilities and results within the current or the following financial year, the impact of which cannot be reasonably estimated as of the date of the issue of these individual interim financial statements.

Other matters

8. This review report has been prepared and is intended solely for the information and use of the Company's shareholders. To the fullest extent permitted by the law, we do not accept or assume responsibility towards any other person to whose knowledge this report may come to. Our review work has been undertaken so that we report those matters that are required to be reported in a financial Review Report and not for any other purposes. We do not accept or assume responsibility for its use for any other purposes.

Bucharest, 09 August 2023

Ella Chilea

Auditor registered in the Public Electronic Register under no. 2190 / 2007

On behalf of **MAZARS ROMANIA S.R.L.**

Company registered in the Public Electronic Register under no. 699 / 2007



S.N. Nuclearelectrica S.A.

Consolidated Interim Financial Statements as at and for the 6-month period ended 30 June 2023

Prepared in accordance with Public Finances Minister's Order no. 2844/2016
for 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"

S.N. Nuclearelectrica S.A.

Consolidated Statement of Financial Position as at 30 June 2023

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

	Note	30 June 2023 (reviewed)	31 December 2022 (audited)
Assets			
Non-current assets			
Tangible assets	4	5,976,264,849	5,914,458,703
Assets representing rights to use underlying assets within a leasing contract	5	21,737,848	15,565,831
Intangible assets	6	51,239,699	50,851,123
Financial assets measured at amortized cost	7	265,054,245	35,567,692
Financial investments in associated companies	8	14,833,212	4,745,610
Total fixed assets		6,329,129,853	6,021,188,959
Current assets			
Inventories	9	767,966,474	653,273,110
Trade receivables	10	426,212,734	438,540,316
Other financial assets measured at amortized cost	11	135,701,661	142,158,865
Bank deposits	12	1,410,544,688	1,829,796,500
Cash and cash equivalents	12	2,734,668,169	2,707,724,133
Total current assets		5,475,093,726	5,771,492,924
Total assets		11,804,223,579	11,792,681,883
Equity and liabilities			
Equity			
Share capital, of which:		3,211,941,683	3,211,941,683
<i>Share capital subscribed and paid</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>
Shares premium		31,474,149	31,474,149
Reserves paid in advance		21,553,548	21,553,548
Revaluation reserve		2,101,938,467	2,101,938,467
Retained earnings		5,166,211,878	5,165,634,673
Total capital	13	10,533,119,725	10,532,542,520
Liabilities			
Long-term liabilities			
Long-term loans	15	32,262,100	64,810,940
Liabilities under long-term leasing agreements	5	19,312,780	12,831,121
Provisions for risks and charges	18	186,710,587	174,504,703
Deferred income		58,968,947	63,611,498
Deferred tax liability		92,178,462	95,446,226
Liabilities for employee benefits		45,557,591	45,557,591
Total long-term liabilities		434,990,467	456,762,079
Current liabilities			
Trade and other payables	17	518,326,507	448,160,020
Liabilities under short-term leasing agreements		2,889,119	2,734,403
Current part of provisions for risks and charges	18	77,243,539	77,040,585
Corporate income tax due		89,687,242	65,525,433
Deferred income		81,867,204	157,087,526
Current part of the long-term loans	15	66,099,776	52,829,317
Total current liabilities		836,113,387	803,377,284
Total liabilities		1,271,103,854	1,260,139,363
Total equity and liabilities		11,804,223,579	11,792,681,883

S.N. Nuclearelectrica S.A.

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the 6-month period ended 30 June 2023

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

	Note	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Income			
Income from electricity sales	20	3,699,187,526	3,089,076,285
Electricity transmission income		15,694,446	9,190,035
Total income		3,714,881,972	3,098,266,320
Other income	21	77,949,815	42,059,521
Operating expenses			
Depreciation and impairment		(316,129,028)	(302,618,931)
Personnel costs	22	(302,133,707)	(245,026,488)
Electricity purchased cost		(14,079,120)	(252,870,464)
Repairs and maintenance		(33,211,332)	(42,680,899)
Electricity transmission cost		(15,694,446)	(9,190,035)
Expenses with spare parts		(13,158,318)	(15,527,628)
Costs of nuclear fuel		(79,399,107)	(72,021,838)
Expenses with additional tax	23	(1,461,690,999)	(585,810,573)
Other operating expenses	24	(250,184,677)	(210,701,723)
Operating expenses - Total		(2,485,680,734)	(1,736,448,579)
Operating result		1,307,151,053	1,403,877,262
Financial expenses		(13,650,141)	(14,953,074)
Financial income		223,334,777	65,486,926
Financial result	25	209,684,636	50,533,852
Profit before corporate tax		1,516,835,689	1,454,411,114
Share of profit (or loss) of related entities and joint ventures, accounted by the equity method		87,603	-
Net income tax expense	19	(233,130,431)	(234,837,802)
Profit of the period		1,283,792,861	1,219,573,312

The Consolidated Interim Financial Statements presented from pages 1 to 45 were approved on 9 August 2023.

Cosmin Ghita
Chief Executive Officer

Dan Niculae-Faranga
Chief Financial Officer

S.N. Nuclearelectrica S.A.

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the 6-month period ended 30 June 2023

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

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Profit of the period	1,283,792,861	1,219,573,312
Other items of the comprehensive income		
Items that cannot be reclassified in the Profit and Loss		
Retained earnings from other adjustments	-	-
Total other items of the comprehensive income	-	-
Total comprehensive income related to the period	1,283,792,861	1,219,573,312
Earnings per share		
Basic earnings per share (RON/share)	14 4.26	4.04
Diluted earnings per share (RON/share)	14 4.26	4.04

S.N. Nuclearelectrica S.A.

Consolidated Statement of Changes in Equity for the 6-month period ended 30 June 2023

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

	Note	Share capital	Inflation adjustments of the share capital	Share premiums	Reserve paid in advance	Revaluation reserve	Retained earnings	Total equity
Balance as at 1 January 2023 (audited)		3,016,438,940	195,502,743	31,474,149	21,553,548	2,101,938,467	5,165,634,673	10,532,542,520
Comprehensive income								
<i>Profit of the financial year</i>							<i>1,283,792,861</i>	<i>1,283,792,861</i>
<i>Other items of the comprehensive income</i>								
Actuarial gains related to the benefit plans								
Other items of the comprehensive income								
Retained earnings from other adjustments								
Total other items of the comprehensive income		-	-	-	-	-	-	-
Total comprehensive income related to the financial year	13	-	-	-	-		1,283,792,861	1,283,792,861
Transactions with shareholders, recognized only in equity								
Distributed dividends							(1,283,215,656)	(1,283,215,656)
Total transactions with shareholders, recognized only in equity	13	-	-	-	-	-	(1,283,215,656)	(1,283,215,656)
Balance as at 30 June 2023 (reviewed)		3,016,438,940	195,502,743	31,474,149	21,553,548	2,101,938,467	5,166,211,878	10,533,119,725

S.N. Nuclearelectrica S.A.

Consolidated Statement of Changes in Equity for the 6-month period ended 30 June 2022

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

	Note	Share capital	Inflation adjustments of the share capital	Share premiums	Reserve paid in advance	Revaluation reserve	Retained earnings	Total equity
Balance as at 1 January 2022 (audited)		3,016,438,940	195,502,743	31,474,149	21,553,548	2,101,938,467	2,997,775,072	8,364,682,919
Comprehensive income								
<i>Profit of the financial year</i>							<i>1,219,573,312</i>	<i>1,219,573,312</i>
<i>Other items of the comprehensive income</i>								
Actuarial gains related to the benefit plans								
Other items of the comprehensive income								
Retained earnings from other adjustments								
Total other items of the comprehensive income		-	-	-	-	-	-	-
Total comprehensive income related to the financial year	13	-	-	-	-		1,219,573,312	1,219,573,312
Transactions with shareholders, recognized only in equity								
Distributed dividends							(595,925,367)	(595,925,367)
Total transactions with shareholders, recognized only in equity	13	-	-	-	-	-	(595,925,367)	(595,925,367)
Balance as at 30 June 2022 (reviewed)		3,016,438,940	195,502,743	31,474,149	21,553,548	2,101,938,467	3,621,423,017	8,988,330,864

S.N. Nuclearelectrica S.A.

Consolidated Statement of Cash Flows for the 6-month period ended 30 June 2023

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

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Cash flows from operating activities		
Profit before corporate tax	1,516,835,689	1,454,411,114
Adjustments for:		
Depreciation and impairment	316,129,028	302,618,931
Value adjustments of trade receivables	(745,483)	(6,067)
Value adjustments of inventories	(310,825)	(709,818)
Provisions related to liabilities, risks and operating expenses	12,408,838	22,927,938
Loss / (Gains) from the assignment of assets	2,704,522	319,971
Net Loss (Gain) from financial assets measured at amortised cost	(87,603)	
Net financial (income)	(206,482,704)	(53,050,868)
Changes in:		
(Increase) / Decrease of trade receivables	13,071,635	(16,983,412)
(Increase) in other financial assets measured at amortized cost	(18,694,442)	(6,999,367)
(Increase)/decrease in inventories	(114,382,539)	(28,918,383)
Change in deferred income	(79,786,757)	(19,735,465)
(Decrease) in trade and other payables	(58,791,006)	(22,608,127)
Cash flows from operating activity	1,381,868,354	1,631,266,447
Corporate income tax paid	(199,540,270)	(211,939,854)
Interest received	225,607,393	43,872,670
Interest paid	(1,625,378)	(299,660)
Net cash related to the operating activity	1,406,310,099	1,462,899,603
Cash flows from investment activity		
Purchases of intangible assets	(8,566,449)	(7,911,505)
Purchases of tangible assets	(344,883,349)	(222,136,397)
Other investments in financial assets (see Note 7)	(219,969,381)	975,000
Proceeds from sale of tangible assets	644,650	16,244
Investments in affiliated entities (see Note 8)	10,000,000	-
(Increase) / Decrease in bank deposits and financial assets representing collateral bank deposits related to bank letters of guarantee	419,251,812	(65,847,500)
Net cash related to the investment activity	(163,522,717)	(294,904,158)
Cash flow related to financing activity		
Loans payments	(32,545,260)	(116,080,281)
Dividends payments	(1,180,927,155)	(593,393,407)
Payments related to liabilities from leasing agreements, including interest	(2,370,931)	(207,112)
Net cash related to the financing activity	(1,215,843,345)	(709,680,800)
Net increase of cash and cash equivalents	26,944,037	458,314,645
Cash and cash equivalents as at 1 January (see Note 12)	2,707,724,133	1,343,172,157
Cash and cash equivalents as at 30 June (see Note 12)	2,734,668,170	1,801,486,802

S.N. Nuclearelectrica S.A.

Notes to the Consolidated Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

1. REPORTING ENTITY**a) General information about the Group**

These Consolidated Interim Financial Statements prepared as at and for the 6-month period ended on 30 June 2023 include the Financial Statements of Societatea Națională Nuclearelectrica SA ("Company" or "SNN") and its subsidiaries, together hereinafter referred to as the "Group".

Societatea Națională Nuclearelectrica S.A. is a 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 Constanța County, Cernavodă, str. Medgidiei, nr. 2, registered with the Trade Register under number J13/3442/2007, respectively NFP Pitești (Nuclear Fuel Plant) - headquartered in Argeș County, Mioveni, str. Câmpului, nr. 1, registered with the Trade Register under number J03/457/1998. The address of the registered office is Romania, Bucharest, Sector 1, Bd. Iancu de Hunedoara nr. 48, Crystal Tower building.

As at 30 June 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.

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.

As at 30 June 2023 and respectively 31 December 2022, the Company's subsidiaries are:

Subsidiary	Activity	Sole registration number	Registered Office	participating interest % as at 30 June 2023	participating interest % as at 31 December 2022
Energonuclear S.A.	"Engineering activities and related technical consultancy" - CAEN code 7112	25344972	Bucharest, sector 2, Bd. Lacul Tei, nr. 1 - 3, Lacul Tei Offices Building, 8th floor	100%	100%
Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L.	"Processing of nuclear fuel" - CAEN code 2446.	44958790	County of Brasov, Feldioara, Str. Dumbrăvii nr. 1, Administrative building, ground floor	100%	100%
Nuclearelectrica Serv S.R.L.	"Repair of machinery" - CAEN code 3312	45374854	County of Constanța, Cernavodă, Str. Energiei nr. 21, Hotel nr. 2, Building B, 1st floor	100%	100%

Notes from 1 to 30 are an integral part of such Consolidated Interim Financial Statements.

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S.N. Nuclearelectrica S.A.

Notes to the Consolidated Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

1. REPORTING ENTITY (CONTINUED)

a) General information about the Group (continued)

As at 30 June 2023, the Company holds only one related entity that is subject to consolidation:

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, Dâmbovița County, Doicești 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 30 June 2023, the Company held 50% of the share capital of Ropower Nuclear S.A., the shareholding value amounting to **RON 14,943,000**.

Changes in Group’s structure in 2021

In 2021, the subsidiaries Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L and Nuclearelectrica Serv S.R.L. were established, both held 100% by the Group.

Changes in Group’s structure in 2022

In 2022, the company Ropower Nuclear SA was established as an entity held 50% by the Group.

Changes in Group’s structure in the first 6 months of 2023

In the first 6 months of 2023, no changes were recorded in the structure of the group.

Core businesses of the Group

The main activity of the Group consists in the electricity and heat generation by means of nuclear methods. The main place of business is within Cernavodă 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 4).

In the period 2020 - 2021, stages were completed 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 Cernavodă 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 and 4 and OEM Candu (the original manufacturer of CANDU technology).

Notes from 1 to 30 are an integral part of such Consolidated Interim Financial Statements.

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Notes to the Consolidated Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

1. REPORTING ENTITY (CONTINUED)

a) General information about the Group (continued)

Core businesses of the Group (continued)

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

- the Preliminary Investment Decision and the transition to Stage II - Preliminary Works were adopted,
- 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 was approved,
- the financing of Energonuclear by SNN through a share capital increase and/or through the granting of associated loans, with a total value of 185 million Euros, calibrated to the Project's development requirements and necessary for the implementation of Stage II of the Units 3 and 4 Project Cernavodă NPP was approved.

On 31 March 2023, it was approved Law no. 74 referring to the signing of the Support Agreement between the Romanian State and the Company regarding the Project of Units 3 and 4 CNE Cernavoda and on 9 June 2023 the Support Agreement was signed. The Company continues to carry out the activities necessary to complete the stages of the project.

Moreover, 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 Group, within NFP Pitești Branch.

By establishing the **subsidiary Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L.**, the Company aims to ensure production stability, productivity and continuity, by controlling and managing the risks along the entire fuel chain, by acquiring uranium oxide and processing it locally. Thus, the main objective of the subsidiary is the processing of uranium concentrates to obtain the synthesizable uranium dioxide powder required for the manufacture of CANDU 6-type nuclear fuels. The obtained synthesized uranium dioxide powder is intended exclusively for the manufacturing flow of the nuclear fuels existing at NFP Pitești branch.

The subsidiary Nuclearelectrica Serv S.R.L. will mainly take over collection, segregation and characterization of the radioactive waste, that use to be performed by external providers. Other services provided by this subsidiary are: fire prevention, handling services in the warehouses of Cernavodă NPP branch.

Notes from 1 to 30 are an integral part of such Consolidated Interim Financial Statements.

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Notes to the Consolidated Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

1. REPORTING ENTITY (CONTINUED)

a) General information about the Group (continued)

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 Doicești, County of Dâmbovița, based on the NuScale technology, consisting of 6 NuScale modules of 77 MWe each, totalling 462 MWe, as well as to operate a facility for production of electricity from solar energy, with a capacity of at least 80-100 MWe, in the commune of Șotânga, County of Dâmbovița.

The Romanian energy sector is regulated by the Romanian Energy Regulatory Authority (“ANRE”), an independent public institution. Effective 1 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. In the first 6 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 20).

Notes from 1 to 30 are an integral part of such Consolidated Interim Financial Statements.

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S.N. Nuclearelectrica S.A.

Notes to the Consolidated Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

2. BASIS FOR PREPARATION

a) Declaration of conformity

The Consolidated Interim Financial Statements as at and for the 6-month period ended on 30 June 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. 1606/2002 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”).

The accounting records of the subsidiary are kept in RON, in accordance with the Romanian Accounting Regulations (“RAR”). These accounts have been restated to reflect the differences between the RAR accounts and the IFRS accounts. Correspondingly, the RAR accounts were adjusted when necessary to harmonize these financial statements, in all material respects, with the IFRS adopted by the European Union.

The Interim Consolidated Financial Statements as of and for the 6 months period ended on 30 June 2023 were reviewed by the financial auditor of SNN - S.C. Mazars Romania S.R.L. These Consolidated Interim Financial Statements were authorized for issue and were approved on 9 August 2023 by the Company’s management.

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

b) Going concern

These Consolidated 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

The Consolidated Interim Financial Statements are presented in compliance with the requirements of IAS 1 – “Presentation of the financial statements” and IAS 34 – „Interim financial reporting”. The Group adopted a presentation based on liquidity within the statement of the financial position and a presentation of the revenues and expenses depending on their nature within the statement of profit or loss account and of other items of the comprehensive income, considering that such presentation models provide credible information being more relevant than those presented according to different methods permitted by IAS 1.

They do not include all information needed for a complete set of financial statements in accordance with IFRS and should be read in conjunction with Consolidated Financial Statements drafted as at and for the financial year ended on 31 December 2022. Nevertheless, certain explanatory notes selected are included to explain the events and transactions which are significant for understanding the amendments arisen in the financial position and performance of the Group from the last Consolidated Financial Statements prepared as at and for the financial year ended on 31 December 2022.

d) Basis of assessment

The Consolidated Interim Financial Statements are prepared based on the fair value convention for financial assets and liabilities at fair value by the profit and loss account. 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 Group’s management considers that the functional currency, as defined in IAS 21 – “Effects of the foreign exchange rate variation”, is the Romanian leu (RON). The Consolidated Interim Financial Statements are prepared and presented in RON, rounded to the nearest leu, the currency which the Group’s management chose as the presentation currency.

Notes from 1 to 30 are an integral part of such Consolidated Interim Financial Statements.

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S.N. Nuclearelectrica S.A.

Notes to the Consolidated Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

2. BASIS FOR PREPARATION (CONTINUED)

f) Use of professional estimates and judgments

The preparation of the Consolidated 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 Consolidated Financial Statements as at and for the financial year ended on 31 December 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

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

Consolidated Interim Financial Statements were prepared based on the assumption that the Group will continue its activity in a foreseeable future. For assessing the applicability of such assumption, the Group's management examines the forecast regarding the future cash inflows.

Notes from 1 to 30 are an integral part of such Consolidated Interim Financial Statements.

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Notes to the Consolidated Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023

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

4. TANGIBLE ASSETS

	Lands	Nuclear plants	Plant, machinery and other assets	Non-current assets in progress	Total
Cost					
Balance as at 1 January 2022 (audited)	36,975,047	4,645,307,994	1,531,687,244	1,280,634,569	7,494,604,854
Additions	-		23,988,136	499,337,616	523,325,752
Heavy water additions	-	27,816,605	-	-	27,816,605
Transfers	-	71,116,529	80,209,850	(151,326,379)	-
Transfers into 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)
Disposals	-	(487,267)	(18,191,613)	(77,363)	(18,756,243)
Balance as at 31 December 2022 (audited)	36,975,047	4,609,767,102	1,645,018,099	1,572,337,829	7,864,098,077
Balance as at 1 January 2023 (audited)	36,975,047	4,609,767,102	1,645,018,099	1,572,337,829	7,864,098,077
Additions	-	-	91,274,919	308,751,176	400,026,095
Heavy water additions	-	17,148,487	-	-	17,148,487
Transfers	-	115,162,403	12,764,832	(127,927,235)	-
Transfer of inventories	-	-	-	516,684	516,684
Transfer from reclassified spare parts	-	-	14,990,858	(14,990,858)	-
Derecognition of inspections	-	(431,567)	-	-	(431,567)
Derecognition of heavy water	-	(463,338)	-	-	(463,338)
Disposals	-	(118,369,267)	(940,071)	-	(119,309,338)
Balance as at 30 June 2023 (reviewed)	36,975,047	4,622,813,821	1,763,108,637	1,738,687,596	8,161,585,100
Depreciation and impairment adjustments					
Balance as at 1 January 2022 (audited)	550,782	380,863,168	952,356,851	158,643,862	1,492,414,663
Depreciation expense	-	507,383,343	80,333,226	-	587,716,569
Accumulated depreciation of derecognized inspections	-	(119,247,275)	-	-	(119,247,275)
Accumulated depreciation of disposals	-	(1,454,046)	-	-	(1,454,046)
Impairment adjustments	-	-	(14,850,928)	-	(16,304,974)
	-	-	8,912,944	(3,852,553)	5,060,391
Balance as at 31 December 2022 (audited)	550,782	767,545,190	1,026,752,093	154,791,309	1,949,639,374
Balance as at 1 January 2023 (audited)	550,782	767,545,190	1,026,752,093	154,791,309	1,949,639,374
Depreciation expense	-	257,043,424	45,515,533	-	302,558,957
Accumulated depreciation of disposals	-	(70,179,225)	(848,282)	-	(71,027,507)
Adjustments for fixed asset depreciation	-	-	4,149,427	-	4,149,427
Balance as at 30 June 2023 (reviewed)	550,782	954,409,389	1,075,568,771	157,791,309	2,185,320,251
Net book value					
Balance as at 1 January 2022 (audited)	36,424,265	4,264,444,826	579,330,393	1,121,990,707	6,002,190,191
Balance as at 31 December 2022 (audited)	36,424,265	3,842,221,912	618,266,006	1,417,546,520	5,914,458,703
Balance as at 30 June 2023 (reviewed)	36,424,265	3,668,404,431	687,539,866	1,583,896,287	5,976,264,849

Notes from 1 to 30 are an integral part of such Consolidated Interim Financial Statements.

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4. TANGIBLE ASSETS (CONTINUED)

(i) Nuclear plants, machinery and other assets

In the first 6 months of 2023, the Group purchased 6.5 tons of heavy water from the National Administration of the State Reserves and Special Problems (“ANRSPS”), needed for Units 1 and 2 amounting to RON 17,148,487, and in 2022 it purchased 11.9 tons of heavy water amounting to RON 27,816,605.

(ii) Non-current assets in progress

As at 30 June 2023, the net carrying amount of assets in progress, of RON 1,583,896,287, included the following items:

- Investment relating to the increase in the production capacity with a net carrying amount of RON 657,016,586 (31 December 2022: RON 644,585,615);
- Investments related to units 1 and 2, in total amount of RON 926,635,104 (31 December 2022: RON 772,960,905), the most outstanding referring to:
 - ✓ Refurbishment of U1 in amount of RON 369,282,905 (31 December 2022: RON 270,871,718);
 - ✓ Tritium removal facility for D2O in amount of RON 91,776,474 (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 27,382,216 (31 December 2022: RON 32,853,382).
 - ✓ Improving the nuclear security systems after Fukushima in amount of RON 38,779,092 (31 December 2022: RON 38,924,333);
 - ✓ Equipment and materials for investments in amount of RON 27,470,816 (31 December 2022: RON 27,361,693);
 - ✓ Management of the extension of Fuel Channels in the amount of RON 7,470,756 (December 31, 2022: RON 8,777,822).

The gross investment value relating to the increase in the production capacity amounts to RON 658,708,842, 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 30 June 2023 of RON 159,238,387 (31 December 2022: 159,253,825), as well as equipment and other assets for Units 3 and 4 in amount of RON 225,495,017 (31 December 2022: RON 213,064,046). 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 parent 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 30 June 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 Group 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 parent Company’s shareholders approved the change in the destination and use of Unit 5 for other activities of the Group, 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 6 months of the year 2023 from the projects in progress related to Units 1 and 2 were represented by: the fitting of spare parts to the equipment that was in operation, in the amount of RON 142,529,445, the replacement of Unit 2 rotor in the amount of RON 95,764,321 and the increase of DICA value in the amount of RON 11,842,827.

(iii) Impairment adjustments

As at 30 June 2023 the Company accounted for movements in the impairment adjustments for assets in amount of RON 4,149,427, representing income write-back (31 December 2022: RON 5,060,391).

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4. TANGIBLE ASSETS (CONTINUED)

(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 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:

Asset	Number of years
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 Consolidated Financial Statements of the Group prepared as at and for the financial year ended on 31 December 2022 for the other accounting policies relevant for tangible assets.

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4. TANGIBLE ASSETS (CONTINUED)

(v) The book value which would have been recognized if lands and buildings had been valued at cost, according to the provisions of IAS 16.77 (e)

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

	<u>30 June 2023</u> <u>(reviewed)</u>	<u>31 December 2022</u> <u>(audited)</u>
Lands		
Cost	22,350,779	22,350,779
Accumulated depreciation		-
Net carrying amount	<u><u>22,350,779</u></u>	<u><u>22,350,779</u></u>
	<u>30 June 2023</u> <u>(reviewed)</u>	<u>31 December 2022</u> <u>(audited)</u>
Buildings		
Cost	7,107,481,277	7,056,923,302
Accumulated depreciation	(4,709,231,575)	(4,523,041,183)
Net carrying amount	<u><u>2,398,249,702</u></u>	<u><u>2,533,882,118</u></u>

(vi) 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 („ANDR”) 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 24). The cost of the parent Company’s contributions to ANDR in the first 6 months of 2023 amounts to RON 50,114,257 (30 June 2022: RON 50,614,291).

(vii) Pledged assets

As at 30 June 2023, respectively 31 December 2022, the Group had no pledged or mortgaged assets.

(viii) Supplier credit

As at 30 June 2023, the Group owned fixed assets purchased with credit from suppliers (trade credit) of RON 75,117,087 (31 December 2022: RON 46,893,963).

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

The Group 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 parent 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 23,490,026 (31 December 2022: RON 16,031,241).

(i) Amounts recognized in the Statement of financial position

Assets representing rights of use underlying assets within a leasing contract	30 June 2023 (reviewed)	31 December 2022 (audited)
Lands	1,422,211	1,422,211
Office spaces	15,143,283	14,609,030
Concession of assets	6,924,531	-
Depreciation of assets representing rights to use	(1,752,178)	(465,410)
Net carrying amount	21,737,848	15,565,831
	30 June 2023 (reviewed)	31 December 2022 (audited)
Liabilities under leasing agreements		
Short-term	2,889,119	2,734,403
Long-term	19,312,780	12,831,121
	22,201,899	15,565,524

(ii) Amounts recognized in the Statement of Profit or Loss

	Note	30 June 2023 (reviewed)	31 December 2022 (audited)
Depreciation of assets representing rights to use		1,286,767	271,886
Interest expenses	25	898,232	32,097

(iii) Amounts recognized in the Statement of Cash Flows

	30 June 2023 (reviewed)	31 December 2022 (audited)
Total cash outflows related to leasing agreements	2,370,931	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 Consolidated 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 Consolidated Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
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6. INTANGIBLE ASSETS

	Set up costs	Licenses and software	Software for the nuclear power plant and other intangible assets	Total
Cost				
Balance as at 1 January 2022 (audited)	257	242,445,153	54,256,420	296,701,830
Inflows		11,439,871	3,626,905	15,066,776
Outflows		(89,663)	(380,168)	(469,725)
Balance as at 31 December 2022 (audited)	257	253,795,468	57,503,157	311,298,882
Balance as at 1 January 2023 (audited)				
	257	253,795,468	57,503,157	311,298,882
Inflows		8,566,449	-	8,566,449
Outflows		-	(189,130)	(189,130)
Balance as at 30 June 2023 (reviewed)	257	262,361,917	57,314,027	319,676,201
Accumulated depreciation				
Balance as at 1 January 2022 (audited)	10	205,400,019	42,895,093	248,295,121
Depreciation expense	41	6,843,236	5,816,192	12,659,469
Outflow depreciation		(126,663)	(380,168)	(506,831)
Balance as at 31 December 2022 (audited)	51	212,116,591	48,331,117	260,447,759
Balance as at 1 January 2023 (audited)				
	51	212,116,591	48,331,117	260,447,759
Depreciation expense	20	4,293,055	3,844,797	8,177,873
Outflow depreciation	-	-	(189,130)	(189,130)
Balance as at 30 June 2023 (reviewed)	71	216,409,647	52,026,784	268,436,502
Carrying amount				
Balance as at 1 January 2022 (audited)	247	37,045,135	11,361,327	48,406,709
Balance as at 31 December 2022 (audited)	206	41,678,877	9,172,040	50,851,123
Balance as at 30 June 2023 (reviewed)	186	45,952,270	5,287,243	51,239,699

On June 30, 2023, the intangible assets owned by the Group represent licenses and purchased software products, as well as internally capitalized intangible assets. The Group does not book contractual commitments for development costs.

Accounting policies regarding intangible assets are presented in Note 3 (f) of the significant Accounting policies related to the Consolidated Financial Statements of the parent Company prepared as at and for the financial year ended on 31 December 2022.

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Notes to the Consolidated Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
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7. FINANCIAL ASSETS MEASURED AT AMORTIZED COST

As at 30 June 2023, the parent 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 (“RCE”), of the Romanian Atomic Forum - Romatom (“ROMATOM”) and of HENRO Association, governmental bonds and bonds.

	30 June 2023	31 December 2022
	(reviewed)	(audited)
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)	29,804,358	30,260,661
Bonds (ii)	229,942,856	-
Total	265,054,245	35,567,692

(i) Government bonds

As at 30 June 2023, and respectively 31 December 2022, the Group 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:

	30 June 2023	31 December 2022
	(reviewed)	(audited)
Balance as at 1 January	29,751,132	29,680,203
Purchases	-	-
Maturity dates	-	-
Discount depreciation	35,469	70,929
Balance at the end of the reporting period	29,786,601	29,751,132
Accumulated interest	17,758	509,529
Government bonds - total	29,804,358	30,260,661

According to the issue prospectus, on 24 June 2023 the parent Company received the annual coupon in the amount of RON 975,000.

(ii) Bonds

On June 30, 2023, the Group holds 450 non-preferential unguaranteed senior bonds, issued by CEC Bank, with a maturity of five years (February 2028) and a fixed annual interest of 7.5% p.a.

Movement of financial assets representing bonds:

	30 June 2023	31 December 2022
	(reviewed)	(audited)
Balance at the beginning of the reporting period	-	-
Purchases	220,662,000	-
Maturity dates	-	-
Revaluation impact	2,691,000	-
Balance at the end of the reporting period	223,353,000	-
Accumulated interest	6,589,856	-
Total bonds	229,942,856	-

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8. FINANCIAL INVESTMENTS IN RELATED ENTITIES

The list of investments in related entities as at 30 June 2023, as consolidated according to the equity method, is presented below. This entity has social capital formed exclusively of ordinary shares, which are held directly by the Group, and the participating interest is the same as the number of the voting rights held. Its country of registration and operation is Romania.

Investments in related entities	Place of business	30 June 2023		
		Participating interest %	Share of net assets	Share of profit/(loss) of the year Profit/ (Loss)
Ropower Nuclear S.A.	Romania	50	14,833,212	(87,603)
Total investments booked by the equity method			14,833,212	(87,603)

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, Dâmbovița County, Doicești 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 30 June 2023, the Group held 50% of the share capital of Ropower Nuclear S.A., the shareholding value amounting to **RON 14,943,000**.

In 2023, the share capital of the affiliated entity Ropower Nuclear S.A. was increased based on EGMS Decision no. 7/27.06.2023 with the amount of RON 20,000,000 through the issue of 20,000 new shares, of which 10,000 new shares represent the cash contribution of SNN, and 10,000 shares the cash contribution of Nova Power & Gas SRL.

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 Doicești, County of Dâmbovița, based on the NuScale technology, consisting of 6 NuScale modules of 77MWe each, totalling 462 MWe, as well as to operate a facility for production of electricity from solar energy, with a capacity of at least 80-100 MWe, in the commune of Șotânga, County of Dâmbovița.

Material Judgments

According to the Investors' Agreement on the establishment of a special purpose vehicle for development of electricity generation facilities, the Group has representatives sitting in the Board of Directors of Ropower Nuclear SA, and one of the appointed persons acts as Chairman of the Board of Directors. Thus, the Group takes part in all significant financial and operational decisions of the entity. The Group determined that these aspects, combined with the 50% participating interest, exert a significant influence on the entity.

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9. INVENTORIES

As at 30 June 2023 and 31 December 2022, inventories are as follows:

	30 June 2023	31 December 2022
	(reviewed)	(audited)
Spare parts	257,804,812	240,887,349
Other raw materials and materials	510,161,662	412,385,761
Total	767,966,474	653,273,110

(i) Valuation of inventories

Costs are valued at weighted average cost (WAC) according to IAS 2. See Note 3 (j) of the significant Accounting policies related to these Consolidate Financial Statements of the Group 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 recognized as expenses in the first 6 months of the year 2023 is accounted for under the positions of Spare parts expenses and Cost of nuclear fuel from the Statement of profit or loss and of other elements of the comprehensive income, amounting to RON 92,557,425 (31 December 2022: RON 177,139,863).

The value of inventories recognized as expenses in the first 6 months of the year 2023 in accordance with the provisions of IAS 2.34, representing inventories scrapped, deteriorated, written off, amounts to RON 829,318 (31 December 2022: RON 1,042,623). The Group 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 Group 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 30 June 2023, amounted to RON 49,770,956 (31 December 2022: RON 50,081,781). In the first 6 months of the year 2023 no impairment adjustments were recorded (31 December 2022: RON 218,305) and impairment adjustments were written back on revenue, in amount of RON 310,825 (31 December 2022: RON 1,953,198).

In the first 6 months of the year 2023, no resettlements of inventories written off were accounted for.

(iii) Pledged inventories

As at 30 June 2023, the Group has no pledged or mortgaged inventories.

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10. TRADE RECEIVABLES

As at 30 June 2023 and 31 December 2022 trade receivables and other receivables were presented as follows:

	30 June 2023	31 December 2022
	(reviewed)	(audited)
Trade receivables	437,468,688	450,541,752
Impairment adjustments for trade receivables	(11,255,954)	(12,001,436)
Total	426,212,734	438,540,316

As at 30 June 2023, the main trade receivables in balance were towards: Operatorul Pietei de Energie Electrica si de Gaze Naturale OPCOM S.A.: RON 104,787,133 (31 December 2022: RON 1,049,663), Electrica Furnizare S.A.: RON 93,171,226 (31 December 2022: RON 40,721,750), Enel Energie Muntenia S.A.: RON 67,275,521 (31 December 2022: RON 43,660,872), Enel Energie S.A.: RON 37,449,302 RON (31 December 2022: RON 47,068,010) and Alro S.A.: RON 25,029,516 (31 December 2022: RON 10,645,053).

Sales made during the 6-month period ended on 30 June 2023 to the Company Operatorul Pietei de Energie Electrica si de Gaze Naturale „OPCOM” S.A. represented approximately 35.32% (30 June 2022: approximately 27.30%), to Electrica Furnizare S.A. represented approximately 13.04% (30 June 2022: approximately 9.34%), to Enel Energie Muntenia S.A. represented approximately 10.92% (30 June 2022: approximately 12.89%), to OMV PETROM S.A. represented approximately 6.18% (30 June 2022: approximately 3.36%), to ALRO S.A. represented approximately 6.11% (30 June 2022: approximately 0.62%), to Enel Energie S.A. represented approximately 6.08% (30 June 2022: approximately 13.84%) of the total sales of electricity of the Company.

The Group's exposure to credit risk and the adjustments for the impairment of trade receivables are presented in Note 27.

As at 30 June 2023, the headings "Trade Receivables" and "Adjustments for Impairment of Trade Receivables" include a net amount of RON 209,704,306 related to receivables from related parties (31 December 2022: RON 165,070,788).

11. OTHER FINANCIAL ASSETS MEASURED AT AMORTIZED COST

	30 June 2023	31 December 2022
	(reviewed)	(audited)
Other receivables	95,927,956	120,489,154
Impairment adjustments for other receivables	(583,180)	(583,180)
Taxes and duties	5,282,662	1,257,980
Advance payments	35,074,223	20,994,911
Total	135,701,661	142,158,865

As at 30 June 2023, the heading "Other Receivables" and "Impairment Adjustments for Other Receivables" includes an amount of RON 6,564,572 pertaining to related parties (31 December 2022: RON 0).

As at 30 June 2023, the heading "Pre-Payments" includes the amount of RON 5354444 related to payments made in advance to related parties (31 December 2022: RON 429,334).

As at 30 June 2023 the position of "Taxes and duties" represented mainly recoverable VAT in amount of RON 5,047,908 (31 December 2022: RON 1,257,980).

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12. CASH AND CASH EQUIVALENTS , BANK DEPOSITS AND FINANCIAL ASSETS

As at 30 June 2023 and 31 December 2022, the **cash and cash equivalents** were as follows:

	30 June 2023 (reviewed)	31 December 2022 (audited)
Cash on hand	91,440	86,040
Cash at bank in RON	231,085,784	286,009,526
Cash at bank in foreign currencies	19,922,395	25,109,873
Bank deposits less than 3 months	2,480,835,206	2,396,122,000
Other cash equivalents	2,733,344	396,694
Cash and cash equivalents - Total	2,734,668,169	2,707,724,133

As at 30 June 2023 and 31 December 2022, **bank deposits** having their original maturity of more than 3 months and less than one year were as follows:

	30 June 2023 (reviewed)	31 December 2022 (audited)
Bank deposits	1,410,544,688	1,829,796,500

(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:

	30 June 2023 (reviewed)	31 December 2022 (audited)
Cash on hand	91,440	86,040
Cash at bank	251,008,179	311,119,399
Bank deposits having their original due date less than 3 months	2,480,835,206	2,396,122,000
Other cash equivalents	2,733,344	396,694
	2,734,668,169	2,707,724,133

(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. See Note 3 (l) of the significant Accounting policies related to these Consolidate Financial Statements of the Group prepared as at and for the financial year ended on 31 December 2022 for the other relevant accounting policies regarding the cash and cash equivalents.

(iii) Restricted cash

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

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

As at 30 June 2023, the Group held bank guarantee letters under certain credit facilities, without any collateral deposits, in amount of RON 135,152,688 (31 December 2022: RON 124,714,365).

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13. EQUITY

Share capital

The mother Company was established further to a spin-off from the former self-governed administration Regie Autonoma de Electricitate (“RENEL”). The share capital is the contribution of the Romanian State to the establishment of the mother Company on 30 June 1998 (restated with inflation until 31 December 2003), plus any subsequent increases thereof.

According to the Articles of Incorporation, the authorized share capital of the mother Company is RON 3,016,518,660. Subscribed and paid-up share capital as at 30 June 2023 amounted to RON 3,016,438,940 RON, under the authorized capital.

As at 30 June 2023 and 31 December 2022, share capital included the effects of restatements registered also in the previous years according to the application of IAS 29 “Financial reporting in hyperinflationary economies”.

The share capital reconciliation is as follows:

	30 June 2023	31 December 2022
	(reviewed)	(audited)
Share capital subscribed and paid (nominal value)	3,016,438,940	3,016,438,940
Restatement differences according to IAS 29	195,502,743	195,502,743
Share capital (restated value)	3,211,941,683	3,211,941,683

As at 30 June 2023 and, respectively, 31 December 2022, the statutory share capital value subscribed and paid in full by the parent Company amounted to RON 3,016,438,940, made up of 301,643,894 ordinary shares, each with a nominal value of RON 10.

The last increase in the share capital was made in the year 2020 by subscription of a number of 130,043 new shares, in amount of RON 1,300,430, representing the contribution in kind of the Romanian State, represented by the Ministry of Energy and in cash representing the contribution of the parent Company’s shareholders. The increase in the share capital was made based on the Proportioned offer Prospectus related to the increase of the share capital, approved by Decision of AFS no. 976/13.08.2020 and by Decisions of the Extraordinary General Meeting of Shareholders no. 2/04.01.2019 and no. 12/19.12.2019, registered with the National Trade Register Office according to the Certificate of Amendments no. 484154/30.09.2020.

Holders of ordinary shares are entitled to receive dividends, as they are declared at certain timeframes, and the right to vote for one share within the General Meetings of Shareholders of the parent Company.

As at 30 June 2023 and 31 December 2022, shareholding structure was presented as follows:

Shareholders	Number of shares	% of the	Number of shares	% of the
	30 June 2023	share	31 December 2022	share
		capital		capital
Romanian State - Ministry of Energy	248,850,476	82.4981%	248,850,476	82.4981%
Other shareholders	52,793,418	17.5019%	52,793,418	17.5019%
Total	301,643,894	100%	301,643,894	100%

Share premiums

In November 2013, the Group issued 28,100,395 ordinary shares to Bucharest Stock Exchange, by an initial public offer and by the shareholder Fondul Proprietatea S.A. exercising the right of preference. The amount received of RON 312,478,099 was made up of the increase of the share capital in amount of RON 281,003,950 and an issue premium in amount of RON 31,474,149.

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13. EQUITY (CONTINUED)***Reserves paid in advance***

Reserve paid in advance amounted to RON 21,553,548 as at 30 June 2023 and 31 December 2022 and represented sites of public utility from Cernavodă NPP (RON 5,439,321) and budget allowances related to the period 2007 - 2011 for building the Training and Recreation Center for Young People and Children in Cernavodă (RON 16,114,216).

Statutory Reserves

According to legal requirements, the Group sets up legal reserves in amount of 5% of the gross profit statutorily registered up to the level of 20% of the share capital. The value of statutory reserve as at 30 June 2023 amounted to RON 414,757,698 (31 December 2022: RON 414,757,698).

Statutory reserves cannot be distributed to shareholders. The value of statutory reserves was included in the financial position statement, under line "Result carried forward".

Revaluation reserves, net of deferred tax

As at 30 June 2023, the revaluation reserve amounts to RON 2,101,938,467 (31 December 2022: RON 2,101,938,467), net of deferred tax related to the revaluation reserve. The last revaluation of lands, buildings and constructions 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.

Retained earnings

Retained earnings represent the accumulated result of the Group. Retained earnings are distributed based on the annual financial statements prepared in compliance with the Order of the Minister of Public Finance no. 2844/2016 for approval of Accounting Regulations compliant with the International Financial Reporting Standards.

Movements in result carried forward

	30 June 2023 (reviewed)	31 December 2022 (audited)
Balance at the beginning of the reporting period	5,165,634,673	2,997,775,072
<i>Net profit of period</i>	<i>1,283,792,861</i>	<i>2,762,039,511</i>
Actuarial (losses) related to the defined benefit plans	-	1,745,457
Retained earnings from other adjustments	-	-
Dividends	(1,283,215,656)	(595,925,367)
Balance at the end of the reporting period	5,166,211,878	5,165,634,673

Dividends

During the 6-month period ended on 30 June 2023, the parent Company declared dividends in amount of RON 1,283,215,656 (31 December 2022: RON 595,925,367), and the subsidiary Energonuclear S.A. declared dividends of RON 0 (31 December 2022: RON 60,935). Net dividends unpaid by the parent Company as at 30 June 2023 amounted to RON 1,407,232 (31 December 2022: RON 748,270).

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14. EARNINGS PER SHARE

As at 30 June 2023 and 30 June 2022, the earnings per share were:

(i) Earnings based on share

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Net profit of the financial year	1,283,792,861	1,219,573,312
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	301,643,894	301,643,894
Earnings based on share (RON/share)	4.26	4.04

(ii) Diluted earnings per share

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Net profit of the financial year	1,283,792,861	1,219,573,312
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 (diluted) as at 30 June	301,643,894	301,643,894
Diluted earnings per share (RON/share)	4.26	4.04

The diluted earnings per share is equal to the basic result per share, since the Group did not register potential ordinary shares.

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15. LOANS

The loans situation recorded by the Group as at 30 June 2023, respectively 31 December 2022 was the following:

	30 June 2023 (reviewed)	< 1 year	> 1 year	31 December 2022 (audited)	< 1 year	> 1 year
Bank loans	97,778,980	65,516,880	32,262,100	130,116,620	65,305,680	64,810,940
Interest	582,896	582,896	-	219,753	219,753	-
Total	98,361,876	66,099,776	32,262,100	130,336,373	65,525,433	64,810,940

Bank loans

The loans repayments during the financial period ended as at 30 June 2023 were:

	Currency	Interest rate	Value	Final maturity year
Balance as at 1 January 2023 (audited)			130,116,620	
New drawdowns			-	
EURATOM reimbursement	EUR	EURIBOR 6M + 0.08%	(32,545,260)	2024
Foreign exchange differences			207,620	
Balance as at 30 June 2023 (reviewed)			97,778,980	

(i) Long-term loans

As at 30 June 2023 and 31 December 2022, the **long-term** loans from the credit institutions were as follows:

	30 June 2023 (reviewed)	31 December 2022 (audited)
EURATOM	97,778,980	130,116,620
Total loans	97,778,980	130,116,620
Less: current part of the long-term loans	(65,516,880)	(65,305,680)
Total long-term loans net of the short-term portion	32,262,100	64,810,940

(ii) Short-term loans

As at 30 June 2023 and 31 December 2022, the **short-term** loans were as follows:

	30 June 2023 (reviewed)	31 December 2022 (audited)
Current portion of the long-term loans	65,516,880	65,305,680
Long-term loans interest	582,896	219,753
Commitment fees and short-term insurance	-	-
Short-term loans - Total	66,099,776	65,525,433

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16. LIABILITIES FOR EMPLOYEE BENEFITS

As at 30 June 2023 and 31 December 2022, the liabilities for employee benefits were as follows:

	30 June 2023 (reviewed)	31 December 2022 (audited)
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
Total	45,557,591	45,557,591

As at 30 June 2023 and 31 December 2022, the parent 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.

Measurement date	31 December 2022	31 December 2021
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 2025 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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16. LIABILITIES FOR EMPLOYEE BENEFITS (CONTINUED)

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
PVDBO as at 31 December 2022 (RON)	25,011,151	894,429	11,878,616	7,773,395	45,557,591
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.

17. TRADE AND OTHER PAYABLES

As at 30 June 2023 and 31 December 2022, trade and other payables were as follows:

	30 June 2023 (reviewed)	31 December 2022 (audited)
Suppliers of non-current assets	75,117,087	46,893,963
Suppliers	185,465,487	110,823,353
Liabilities for employee benefits	22,641,624	38,361,843
Liabilities to the state	208,564,452	240,143,523
Payable dividends	18,343,300	763,805
Other liabilities	8,194,557	11,173,533
Total	518,326,507	448,160,020

Notes from 1 to 30 are an integral part of such Consolidated Interim Financial Statements.

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17. TRADE AND OTHER PAYABLES (CONTINUED)

As at 30 June 2023, the main suppliers in the balance, under “Suppliers of non-current assets” and “Suppliers”, were: Candu Energy INC. – RON 52,534,886 (31 December 2022: RON 26,956,168), General Electric Global Services GMBH Baden, Romania Branch – RON 33,936,867 (31 December 2022: RON 23,264,335), GE Global Parts & Products GMBH – RON 29,314,161 (31 December 2022: RON 4,204,809), BWXT CANADA LTD RON 12,426,464 (31 December 2022: RON 1,000,427), Apele Romane Bucuresti – RON 11,657,397 (31 December 2022: RON 12,302,495).

As at 30 June 2023, position “Trade Payables and other liabilities” include the amount of RON 27,597,823 (31 December 2022: RON 38,176,357) related to liabilities to related parties, of which, under the positions "Suppliers" and "Suppliers of non-current assets", RON 23,049,216 (31 December 2022: RON 30,113,114), and under the heading "Liabilities to the state" the amount of RON 176,395,012 representing the Energy Transition Fund contribution estimate for June 2023 and the amount of RON 8,395,647 (December 31, 2022: RON 8,063,243), representing the contribution to ANDR for decommissioning of the nuclear units and permanent storage of radioactive waste.

18. PROVISIONS FOR RISKS AND CHARGES

As at 30 June 2023, respectively 31 December 2022, the Group 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”:

	<u>30 June 2023</u> <u>(reviewed)</u>	<u>31 December 2022</u> <u>(audited)</u>
Liabilities relating to the Intermediate Dry Storage Spent Fuel Facility (DICA)	70,589,676	70,294,835
Liabilities relating to other low and medium level radioactive and non-radioactive waste	66,255,320	64,737,442
Provision for litigations related to salary bonus	95,207,234	89,288,704
Employee participation in profit	31,735,426	27,000,000
Other provisions for risks and charges	166,470	224,307
Total	<u>263,954,126</u>	<u>251,545,288</u>

As at 30 June 2023, provisions in a total amount of **RON 263,954,126** represented long and short-terms liabilities, as follows:

	<u>Short-term</u> <u>part</u> <u>(< 1 year)</u>	<u>Long-term</u> <u>part</u> <u>(> 1 year)</u>
Liabilities relating to the Intermediate Dry Storage Spent Fuel Facility (DICA)	31,969,458	38,620,218
Liabilities relating to other low and medium level radioactive and non-radioactive waste	13,372,185	52,883,135
Provision for litigations related to salary bonus	-	95,207,234
Employee participation in profit	31,735,426	-
Other provisions for risks and charges	166,470	-
Total	<u>77,243,539</u>	<u>186,710,587</u>

See Note 3 (r) of the significant Accounting policies related to these Consolidated Financial Statements of the parent Company prepared as at and for the financial year ended on 31 December 2022 for the relevant accounting policies for provisions.

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19. CORPORATE INCOME TAX

Corporate income tax recognized in the Statement of Profit or Loss and Other Comprehensive Income is presented as follows:

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Expense with current corporate tax	236,398,195	240,555,171
Net deferred tax restatement	(3,267,764)	(5,717,369)
Total	233,130,431	234,837,802

20. INCOME FROM ELECTRICITY SALES**(i) Revenues from electricity sales**

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Sales of energy via MACEE	948,593,160	-
Sales of energy on the free market	2,746,368,830	3,084,721,805
Sales of thermal energy	4,208,475	4,338,468
Income from the sale of green certificates	17,061	16,012
Total	3,699,187,526	3,089,076,285

(ii) Quantity of electricity sold*)

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Quantity of electricity sold via MACEE (MWh)	2,107,985	-
Quantity of sold electricity on the free market (MWh)	2,832,703	5,008,483
Total	4,940,688	5,008,483

*) 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 17,084 MWh for the 6-month period ended on 30 June 2023 (15,475 MWh during the 6-month period ended on 30 June 2022).

Effective 1 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 450 RON/MWh and sells it to buyers at the same price. In the first 6 months of 2023, the Company sold via MACEE a quantity of 2,107,985 MWh at the price of 450 RON/MWh (with Tg included), and of 447.47 RON/MWh (without Tg), which accounts for 42.52% of the total quantity of electricity sold during the period.

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20. INCOME FROM ELECTRICITY SALES (CONTINUED)

On the free market, in first half of 2023, the Company delivered 57.14% of the quantity of energy sold (first half of 2022: 99.69%). The average sale price of electricity sold by the Company on this market in first half of 2023 was 969.91 RO/MWh (first half of 2022: 613.57 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 2024 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 first half of 2023 amount to RON 4,208,475 (first half of 2022: RON 4,338,468).

21. OTHER INCOME

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Income from investments subsidies	7,175,407	7,177,641
Income from penalties and damages	2,289,286	989,518
Other income	68,485,122	33,892,362
Total	77,949,815	42,059,521

22. PERSONNEL COSTS

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Salaries and wages	273,172,100	224,640,282
Costs of social and other contribution	28,961,607	20,386,206
Total	302,133,707	245,026,488

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23. ADDITIONAL INCOME TAX EXPENSES / CONTRIBUTION TO THE ENERGY TRANSITION**FUND**

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Additional income tax expenses / Contribution to the Energy Transition Fund	1,461,690,999	585,810,573
Total	1,461,690,999	585,810,573

In the first 6 months of 2023, the Company booked contribution to the Energy Transition Fund, of RON 1,461,690,999 (30 June 2022: RON 585,810,573, under the heading additional income tax). As at 30 June 2023, the payable balance of the to the Energy Transition Fund amounts to RON 176,395,012 (31 December 2022: RON 73,261,115).

In the first half of 2022, the Company registered additional income tax. The additional income was established and calculated based on art. II paragraph (1) of Law no. 259/2021 for the approval of Government Emergency Ordinance no. 118/2021, as it was in force on June 30, 2022, and resulted from the difference between the average monthly selling price of electricity and the price of 450 RON/MWh, to which a tax rate of 80% was applied, for the quantity of monthly energy physically delivered from own production. The calculation method was established by Government Emergency Ordinance no. 27/2022 (Appendix 6) and applied, according to art. 4 of the Government Emergency Ordinance no. 27/2022, for the period 1 November 2021 - 31 August 2022.

According to Government Emergency Ordinance no. 119/01.09.2022 for the amendment and supplementation of Government Emergency Ordinance 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 additional income tax. The calculation method is provided for in Appendix 6 and is determined as a difference between the monthly sale price and the reference price (450 RON/MWh) multiplied by the monthly quantity physically delivered, therefore in a 100% share.

Effective 16 December 2022, Law no. 357/2022 approving the Government Emergency Ordinance 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, came into effect. 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 450 RON/MWh and the monthly quantity physically delivered from own production. During the application of Law no. 357/2022, only expenses with imbalances are deducted from the calculation base for determining the monthly sales price (until the entry into force of Law no. 357/2022, respectively in the first half of 2022, other types of expenses were also deducted from the calculation base expenses, for example expenses with purchased electricity).

24. OTHER OPERATING EXPENSES

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Third parties services costs	51,157,101	46,680,372
ANDR costs	50,114,257	50,614,291
Expenses with energy and water	52,642,625	41,991,664
Expenses with fuel and other consumables	35,882,163	31,743,380
Expenses related to ANRE contribution	3,190,885	1,552,673
Expenses with insurance premiums	6,684,185	5,531,205
Expenses with the transport and telecommunications	7,856,199	4,366,303
Net expenses related to provisions and value adjustments	5,894,086	12,271,298
Other operating expenses	36,763,176	15,950,537
Total	250,184,677	210,701,723

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

24. OTHER OPERATING EXPENSES (CONTINUED)**ANDR costs**

Starting with 2007, following the Government Decision no. 1080/5 September 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 plants and storage of the resulting waste.

Expenses related to ANRE contribution

ANRE contribution for the year 2023 is calculated according to the Order ANRE no. 140/2020, representing 0.1% of the turnover realized in 2022, from activities carried out under the licenses held. As at 30 June 2023, it amounts to RON 3,190,885 (30 June 2022: RON 1,552,673). For 2022, the contribution was calculated according to the Order of ANRE no. 143/2021, representing 0.1% of the turnover realized in 2021, from activities carried out under the licenses held.

Other operating expenses

Position of "Other operating expenses" includes expenses related to operating license paid to NCNAC Bucharest, in amount of RON 4,950,000 (30 June 2022: RON 4,950,000).

25. FINANCIAL INCOME AND EXPENSES

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Interest income	200,938,975	58,108,635
Income from exchange rate differences	15,770,478	7,343,418
Financial income regarding the amortization of governmental bonds differences	35,469	34,873
Financial income - Total	223,334,777	65,486,926
Expenses from exchange rate differences	(10,034,220)	(10,617,410)
Interest expense	(3,615,921)	(4,335,664)
Financial expenses - Total	(13,650,141)	(14,953,074)
Net financial income	209,684,636	50,533,852

Notes from 1 to 30 are an integral part of such Consolidated Interim Financial Statements.

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Notes to the Consolidated Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

26. RELATED PARTY TRANSACTIONS**i) Transactions with State-owned companies**

The Group operates in an economic environment dominated by companies owned or controlled by the Romanian State through its governmental authorities and agencies, collectively known as State-owned companies.

The Group has made significant transactions with other State-owned or controlled companies, including: sales of electricity (OPCOM S.A.); purchase of electricity transmission and balancing services (C.N. Transelectrica S.A.); payment of contribution for the management of the decommissioning process of the two units and for the final storage of nuclear waste at the end of the useful life of the two units, as well as for the permanent storage of the resulting residues (Nuclear and Radioactive Waste Agency).

In the pursuit of its business, the Group identified the following transactions and balances with its main related parties:

	Sales - 6-month period ended		Receivables as at	
	30 June 2023	30 June 2022	30 June 2023	31 December 2022
Operatorul Pietei de Energie Electrica si de Gaze Naturale din Romania (OPCOM S.A.)	1,313,436,918	843,693,619	105,106,136	1,478,997
Electrica Furnizare S.A.	485,760,048	288,651,886	93,171,226	40,721,750
Distributie Energie Electrica Romania	59,000	42,844,052	-	52,166,030
C.N. Transelectrica S.A.	118,820	21,535,400	225	26,367,201
Utilitati Publice S.A. NPP Branch	5,241,155	4,311,865	5,420,659	5,724,145
Compania Nationala a Uraniului S.A.	-	-	6,564,572	6,564,582
Romanian Energy Regulatory Authority	-	-	3,179,534	-
Hidroelectrica S.A.	177,377,306	-	-	39,042,000
Autonomous Authority for Nuclear Activities	-	-	7,825,814	-
Total	1,981,993,247	1,201,036,823	221,268,166	172,064,704

The balance of receivables as at 30 June 2023 and 31 December 2022, as presented above, does not include advance paid to suppliers or accrued expenses with related parties.

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

26. RELATED PARTY TRANSACTIONS (CONTINUED)**i) Transactions with State-owned companies (continued)**

	Purchases 6-month period ended		Liabilities as at	
	30 June 2023 (reviewed)	30 June 2022 (reviewed)	30 June 2023 (reviewed)	31 December 2022 (audited)
Operatorul Pietei de Energie Electrica si de Gaze Naturale din Romania (OPCOM S.A.)	8,496,479	230,736,064	576,827	1,068,264
Compania Nationala a Uraniului S.A.	874,567	40,976,073	-	1,417,293
Apele Romane Bucharest	35,590,452	29,943,591	11,657,397	12,302,495
Nuclear and Radioactive Waste Agency	50,114,257	50,614,291	8,395,647	8,063,243
C.N. Transelectrica S.A	15,699,861	9,226,152	5,882,519	5,610,805
National Commission for Nuclear Activities Control	14,063,650	9,163,398	-	-
Regia Autonoma Tehnologii pentru Energia Nucleara - ICN	7,576,206	6,465,949	1,842,401	2,771,157
Dobrogea Seaside Water Basin Administration	5,934,932	5,391,892	994,089	3,215,249
Romanian Energy Regulatory Authority	3,191,510	1,552,673	735,522	735,522
Raja S.A	2,166,546	1,381,578	442,383	754,733
Regia Autonoma Tehnologii pentru Energia Nucleara - CITON	1,175,906	1,806,241	219,163	1,153,794
Hidroelectrica S.A.	(41,513)	65,752	48,417,273	78,762
Total	144,842,853	387,323,653	79,163,222	37,171,318

The balances of intercompany payables as at 30 June 2023, respectively 31 December 2022, as presented above, do not include advance payments received from related customers.

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

26. RELATED PARTY TRANSACTIONS (CONTINUED)**ii) Group's management remuneration**

The Group's management consists of:

- the members of the Board of Directors, who have mandate contracts concluded with the Group;
- executives with mandate contract in the Group;
- other executives of the Group who signed individual employment agreements, under the terms laid down in the collective bargaining agreements, as applicable.

Members of the Board of Directors, who have mandate contracts concluded with the Group, and the remuneration of whom is approved by the General Meeting of Shareholders. Executives with mandate contracts are remunerated based on the contractual provisions, within the general limits approved by the General Meeting of Shareholders.

	6-month period ended 30 June 2023 (reviewed)	6-month period ended 30 June 2022 (reviewed)
Group's management remuneration (gross amounts)	9,654,563	11,028,283
Total	9,654,563	11.28.283

27. FINANCIAL RISK MANAGEMENT**a. Financial risk factors****Credit Risk**

Credit risk is the risk of incurring losses or not realizing the estimated profits due to the counterparty not fulfilling their financial obligations. The Group is exposed to credit risk as a result of investments made in other companies, current accounts and bank deposits and receivables.

The sale of electricity was made to customers on the competitive market, based on the framework established by ANRE and OPCOM market rules. The amount of receivables, net of adjustments for impairment, represents the maximum amount exposed to credit risk.

As at 30 June 2023, the Company is exposed to a concentrated credit risk, considering that approximately 45.93% of its trade receivables are against Enel Energie SA, Enel Energie Muntenia SA and Electrica Furnizare S.A (see Note 10). Counterparty risk is limited considering the guarantees obtained from clients in the form of letters of bank guarantee.

Cash and bank deposits are placed with different financial institutions (banks), with the aim of reducing the counterparty risk, by limiting the exposure to a single financial institution.

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27. FINANCIAL RISK MANAGEMENT (CONTINUED)**a. Financial risk factors (continued)****Credit risk (continued)**

The maximum credit risk exposure on the reporting date was:

	Net amount	
	30 June 2023 (reviewed)	31 December 2022 (audited)
Financial assets		
Trade receivables	426,212,734	438,540,316
Bank deposits	1,410,544,688	1,829,796,500
Cash and cash equivalents	2,734,668,169	2,707,724,133
Other financial assets measured at amortized cost	135,701,661	142,158,865
Government bonds	29,804,358	30,260,661
Bonds	229,942,856	-
	4,966,874,466	5,148,480,475

Trade receivables ageing analysis at the reporting date was as follows:

	Gross value 30 June 2023 (reviewed)	Impairment as at 30 June 2023 (reviewed)	Gross value 31 December 2022 (audited)	Impairment as at 31 December 2022 (audited)
Not yet due	385,149,445	-	435,105,477	-
Overdue between 1-30 days	37,307,443	-	34,571	-
Overdue between 31-90 days	2,238,370	-	161,834	-
Overdue between 91-180 days	1,517,476	-	203,537	-
Overdue between 181-270 days	-	-	2,273,571	-
Overdue between 271-365 days	-	-	761,327	-
More than one year	11,255,954	(11,255,954)	12,001,436	(12,001,436)
Total	437,468,687	(11,255,954)	450,541,753	(12,001,436)

Other receivables ageing analysis, including the recoverable VAT, at the reporting date was as follows:

	Gross value 30 June 2023 (reviewed)	Impairment as at 30 June 2023 (reviewed)	Gross value 31 December 2022 (audited)	Impairment as at 31 December 2022 (audited)
Not yet due	134,549,393	-	139,295,947	-
Overdue between 1-30 days	182,509	-	1,714	-
Overdue between 31-90 days	907,513	-	937,575	-
Overdue between 91-180 days	12,768	-	26,113	-
Overdue between 181-270 days	13,005	-	-	-
Overdue between 271-365 days	36,473	-	13,773	-
More than one year	583,180	(583,180)	3,050,103	(3,050,103)
Total	136,284,841	(583,180)	143,325,224	(3,050,103)

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

27. FINANCIAL RISK MANAGEMENT (CONTINUED)**a. Financial risk factors (continued)****Credit risk (continued)**

The developments in **adjustment for impairment of trade receivables** are as follows:

	<u>30 June 2023</u> <u>(reviewed)</u>	<u>31 December</u> <u>2022</u> <u>(audited)</u>
Balance as at 1 January	(12,001,436)	(12,822,025)
Impairment recorded/reversed during the period	745,483	820,589
Balance at the end of the period	<u>(11,255,954)</u>	<u>(12,001,436)</u>

b. Capital management**Fair value of financial instruments**

Fair value is the amount for which the financial instrument could be exchanged in regular arm's length transactions between interested and knowledgeable, other than those determined by liquidation or forced sale. Fair values are obtained from quoted market prices or cash flow models, as applicable. As at 30 June 2023, respectively 31 December 2022, the management consider that the fair values of cash and cash equivalents, trade and other receivables, trade payables, as well as other short-term liabilities approximate their carrying amount.

Considering the company's sector, added to the specific nature of the investments that are subject to financing and the structure of the collaterals, that include a government guarantee, as well as due to the floating nature of the interest rate, the Group's management estimate that the fair value of loans is approximately equal to their carrying amount. The carrying amount of loans is the amortized cost. Based on these considerations, the loans were classified at Level 2.

	<u>Carrying amount</u>	<u>Fair value</u>	<u>Level</u>
30 June 2023 (reviewed)			
Financial assets			
Financial assets measured at amortized cost	265,054,245	265,054,245	2
Trade receivables	426,212,734	426,212,734	2
Other financial assets measured at amortized cost	135,701,661	135,701,661	2
Cash and cash equivalents	2,734,668,169	2,734,668,169	2
Bank deposits	1,410,544,688	1,410,544,688	2
	<u>4,972,181,497</u>	<u>4,972,181,497</u>	

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

27. FINANCIAL RISK MANAGEMENT (CONTINUED)**b. Capital management (continued)****Fair value of financial instruments (continued)**

	<u>Carrying amount</u>	<u>Fair value</u>	<u>Level</u>
31 December 2022 (audited)			
Financial assets			
Financial assets measured at amortized cost	35,567,692	35,567,692	2
Trade receivables	438,540,316	438,540,316	2
Other financial assets measured at amortized cost	142,158,865	142,158,865	2
Cash and cash equivalents	2,707,724,133	2,707,724,133	2
Bank deposits	1,829,796,500	1,829,796,500	2
	<u>5,153,787,506</u>	<u>5,153,787,506</u>	
	<u>Carrying amount</u>	<u>Fair value</u>	<u>Level</u>
30 June 2023 (reviewed)			
Long-term financial liabilities			
Long-term loans	32,262,100	32,262,100	2
Liabilities under long-term financial leasing agreements	13,312,780	13,312,780	2
Deferred income	58,968,947	58,968,947	2
	<u>110,543,827</u>	<u>110,543,827</u>	
Short-term financial liabilities			
Trade and other payables	518,326,507	518,326,507	2
Liabilities under short-term financial leasing agreements	2,889,119	2,889,119	2
Current part of the long-term loans	66,099,776	66,099,776	2
Deferred income	81,867,204	81,867,204	2
	<u>669,182,606</u>	<u>669,182,606</u>	

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27. FINANCIAL RISK MANAGEMENT (CONTINUED)**b. Capital management (continued)****Fair value of financial instruments (continued)**

	<u>Carrying amount</u>	<u>Fair value</u>	<u>Level</u>
31 December 2022 (audited)			
Long-term financial liabilities			
Long-term loans	64,810,940	64,810,940	2
Liabilities under long-term financial leasing agreements	12,831,121	12,831,121	2
Deferred income	63,611,498	63,611,498	2
	<u>141,253,559</u>	<u>141,253,559</u>	
Short-term financial liabilities			
Trade and other payables	448,160,020	448,160,020	2
Liabilities under short-term financial leasing agreements	2,734,403	2,734,403	2
Current part of the long-term loans	65,525,433	65,525,433	2
Deferred income	157,087,526	157,087,526	2
	<u>673,507,382</u>	<u>673,507,382</u>	

28. CONTINGENCIES, COMMITMENTS AND OPERATIONAL RISKS**(i) Taxation**

The taxation system in Romania is undergoing a stage of consolidation and harmonization with the European laws. Nevertheless, there are no different interpretations of the tax laws. In certain cases, tax authorities may deal with certain issues differently, proceeding to the calculation of some taxes and additional duties and of the related default interest and delay penalties. In Romania, the financial year remains open for tax verification for a 5-year period. The Group's management considers that the tax liabilities include in such financial statements are adequate and it is not aware of certain circumstances likely to determine possible significant liabilities in this respect.

(ii) Other controls

In accordance with the Half-Yearly Activity Plan for the period January – June 2022, Antifraud, Integrity and Inspection Directorate within the Ministry of Energy, performed an inspection within SNN in the first week of June, for the purpose of checking the manner of employment / promotion of staff, conclusion and performance of consultancy agreements, the manner in which the purchase activity was carried on; the comparative analysis of the economic and financial results, any other relevant issues for such inspection. The official result of the inspection has not been communicated yet to the Company's representatives. Nevertheless, there were no doubts about breach of laws or important findings of the inspection team.

As at 21 November 2022, an ANAF - DGAF team appeared to "Check calculation of the contribution to the Energy Transition Fund". The inspection concluded with the Report dated 21 November 2023 which documented that:
*"Along with the amendments and supplements to the Government Emergency Ordinance no. 119/2022, it is noted that changes were also made to the expenses considered in calculation of the net monthly revenue, as follows:
The monthly expenses include cost of: - acquiring electricity for transactions with physical delivery, including on the balancing market, and the cost of the CO2 allowances. The actual production costs for obtaining one MWh of electricity are not included.*

Taking into account the above, the company should proceed to rectifying the Declaration 100 for September 2022, by declaring and paying to the State budget the difference of RON 2,392,280."

We point out that the Company implemented this recommendation.

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28. CONTINGENCIES, COMMITMENTS AND OPERATIONAL RISKS (CONTINUED)

Then, ANAF - DGAF, in the period 09.05.2023 - 15.06.2023, carried out an anti-fraud control regarding the application of the provisions in the field of energy of the aforementioned normative acts in the period 01.04.2022 - 31.03.2023. Following the control, by comparing the amounts calculated and declared by SNN and those calculated by the control team, a payment difference to the Contribution to the Energy Transition Fund of RON 18,041,598 was recorded in protocol no. 1186/15.06.2023, a protocol which does not represent a tax debt title. This difference was generated by the interpretation of the moment of application of the calculation methodology established by Law 357/2022.

SNN did not pay this amount and expressed its point of view to the Ministry of Finance, ANAF - DGAF by letter no. 7204/22.06.2023, which explains the fact that Law no. 357/2022 takes effect starting with the date of publication, i.e. 16.12.2022. In legislative matters, without other special provisions in the contents of Law no. 357/2022, this produces effects in the future and not before the publication date, as it was interpreted by the control bodies. Until the date of preparation and presentation of the Financial Statements, SNN has not received an answer regarding those reported.

(iii) Insurance policies

As at 30 June 2023, the following operational insurance policies were valid:

- The property insurance policy for material damages, all risks, including mechanical and electrical destruction (for Units 1 and 2 Cernavodă NPP and NFP Pitești). The compensation limit is in amount of USD 1,560 million for the entire year for all damages.
- Civil liability policy to third parties for nuclear damages. The compensation limit amounts to DST 300 million (for Units 1 and 2 of Cernavodă NPP).
- The third-party/professional liability insurance policy for SNN's directors and executives. The compensation limit is EUR 27 million.

(iv) Environmental issues

The Group did not register any liabilities as at 30 June 2023 and 31 December 2022 for any anticipated costs regarding the environmental issues, including legal and consultancy fees, land surveys, design and application of the rehabilitation plans. The liability for decommission of nuclear plants was taken over by ANDR (see Note 24). Management considers that the plant fully complies with the Romanian and international environmental standards and it is estimated that any additional costs related to the observance of environmental laws as at 30 June 2023 are not significant.

Nevertheless, the enforcement of the environmental regulations in Romania is progressing and their application by governmental authorities is continuously changing. The Group assesses the obligations incumbent on it pursuant to the environmental regulations on a periodical basis. Obligations determined are immediately recognized. Potential liabilities, likely to arise as a result of the amendments of the existing regulations, civil or legislation litigations, cannot be estimated, however, they could be significant. In the context of the applicable laws, the management considers that there are no significant liabilities for damages caused to environment.

(v) Litigations in progress

In the first half of 2023, the Group was involved in a number of legal proceedings pertaining to its normal course of business. The management examines the situation of litigations in progress on a regular basis, and following consultation with its legal advisors or lawyers, decides the need for setting up certain provisions for the amounts involved or their presentation in the financial statements.

In the Group's management opinion, there are no current court proceedings or claims likely to have any significant impact on the financial result and financial position of the Group, which have not been disclosed in these financial statements.

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Notes to the Consolidated Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

28. CONTINGENCIES, COMMITMENTS AND OPERATIONAL RISKS (CONTINUED)

(vi) Commitments

As at 30 June 2023, the total amount of commitments was fully reflected under “*Trade and other payables*”, representing capital and operating expenses.

(vii) Other contingent liabilities

The Group continuously evaluates the possibility of occurrence and the impact of possible contingent liabilities. On the date of the present consolidated interim financial statements, the representatives of the Romanian State publicly announced the intention to identify and implement fiscal-budgetary measures, but without announcing the transposition of the intention into normative acts at a certain date. At this moment, the Group cannot reasonably estimate the possibility of implementing such measures applicable to the Group in normative acts.

(viii) Guarantees

Trade of electricity produced on the platforms managed by OPCOM, supposes that for certain transactions, the parent 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, CMBC-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 30 June 2023, the total amount of the letters of bank guarantee issued in favor of OPCOM, for participation in DAM and IDM, amounts to RON 130.1 million.

Moreover, as at 30 June 2023, the parent 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 parent Company as a license holder, and Transelectrica S.A. For all such bank guarantee letters, the parent Company set up collateral deposits with banks issuing guarantee letters. The parent Company also holds a letter of bank guarantee of RON 3.668 million in Favor of Transelectrica, for provision of the transmission service.

As at 30 June 2023, the parent Company had in balance a Treasury deposit in amount of RON 1,436,176, representing the guarantee related to the precautionary measures according to NAFA (National Agency for Fiscal Administration) Decision – General Directorate for Fiscal Antifraud.

As at 30 June 2023, the total value of the bank guarantee letters issued by clients in Favor of the parent Company for the agreements concluded on CMBC-CN, CMBC-LE and CM-OTC amounted to RON 528.27 million. Such guarantees cover the risk for non-performance of the contractual obligations assumed by clients under the electricity sales agreements.

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Notes to the Consolidated Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2023
(All amounts are expressed in RON, unless otherwise expressly provided for.)

29. OTHER INFORMATION**(i) Group details**

The Group is part of a group of companies controlled by the Romanian State represented by the Ministry of Energy.

(ii) Participation interests

The group has participation interests in Bursa Romana de Marfuri S.A.: with registered offices in Bucharest, Strada Buzesti nr. 50-52; number of shares held as at June 30, 2023: 24 shares, nominal value of share capital held: RON 24,000, representing 0.29% of the number of shares issued.

The Group is an insured member of the European Liability Insurance for Nuclear Industry ("ELINI"), with headquarters in Belgium, 1140 Brussels, 166 Jules Bordet St. The initial contribution to the guarantee fund paid by the Group is EUR 1,082,700, respectively RON 5,032,931.

The Group is a founding member of the Romanian Atomic Forum - ROMATOM, a Romanian legal entity under the private law, an independent representative union at national level, without assets or profit-making purpose, non-governmental, non-for-profit, apolitical, and formed the associate members or supporters, with registered offices in Bucharest, Strada Vasile Lascar nr. 5 - 7, etaj 1. In the General Meeting of Shareholders, each founding member and each associate member has the right to a number of deliberative votes, calculated according to the turnover related to the activities in the nuclear field from the previous year, by value tranches, as follows: between 0 and EUR 500,000 turnover – 1 vote; between EUR 500,000 and EUR 3 million turnover – 2 votes; between EUR 3 million and EUR 10 million turnover – 3 votes; over EUR 10 million turnover – 4 votes. The group meets the criterion for the right to 4 votes. The counter value of the cash contribution submitted by the Group as a founding member is RON 100.

The group is a founding member of the Association of Electric Energy Producers - HENRO, a Romanian legal entity under private law, without patrimonial or profit-making purpose, independent and non-governmental, non-profit, made up of associate members or supporters, with headquarters in Bucharest, Str. Constantin Nacu nr. 3, camera 4, sector 2. The group contributed the sum of RON 250,000 for the establishment of the initial patrimony.

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

30. SUBSEQUENT EVENTS

The company has not identified events subsequent to 30 June 2023 that could have a significant impact and are of a nature of being presented in the consolidated financial statements.

Cosmin Ghita
Chief Executive Officer

Dan Niculaie - Faranga
Chief Financial Officer

Notes from 1 to 30 are an integral part of such Consolidated Interim Financial Statements.

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REVIEW REPORT*

(*This represents a non-official English translation of the original review report issued in Romanian language.)

To the shareholders of S.N. NUCLEARELECTRICA S.A.

1. We have performed a review on the accompanying statutory consolidated interim financial statements of S.N. NUCLEARELECTRICA S.A. (the "Parent Company") and of its subsidiaries (together referred to as "the Group"), which comprise the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and consolidated cash flow statement for the six months period then ended, including a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the statutory consolidated interim financial statements

2. The Parent Company's management is responsible for the preparation and fair presentation of these statutory consolidated interim financial statements in accordance with the Order of the Ministry of Public Finance no. 2844/2016 for the approval of the accounting regulations in accordance with the International Financial Reporting Standards, as subsequently amended ("OMFP 2844/2016"), and for such an internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express a conclusion on these statutory consolidated interim financial statements based on our review.

Scope of review

4. We conducted our review in accordance with the International Standard on Review Engagements 2410 - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("ISRE 2410"). A review of interim financial statements consists mainly of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures to the financial information. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified conclusion

5. As stated in the Note 4 to the accompanying statutory consolidated interim financial statements, as at 30 June 2023, the Parent Company has recorded tangible assets in progress with the book value of RON 273,960,000 (RON 273,960,000 as at 31 December 2022), comprising capitalized items for the units 3 and 4 of Cernavoda nuclear power station. Before 1991, nuclear unit stations 1, 2, 3, 4 and 5 were considered a single project and, therefore, the constructions costs incurred by that date were not allocated at the level of each unit. Subsequently, the Parent Company has done the allocation of the construction costs for the units 3 and 4 of the nuclear power station. We could not obtain sufficient and relevant evidence in relation with the accuracy of this split, which has effect on the valuation of these assets. These limitations have impact as well on the deferred tax liability allocated for the units 3 and

4 as at 30 June 2023 in amount of RON 43,524,186 (RON 43,524,186 as at 31 December 2022). Consequently, we were not able to determine if adjustments are needed on the fixed assets, deferred tax liability, and retained earnings as at 30 June 2023 and therefore on the depreciation and amortization, profit tax and net profit for the six months period then ended.

Qualified Conclusion

6. Based on our review, except for the potential impact of the matter described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying statutory consolidated interim financial statements of S.N. NUCLEARELECTRICA S.A. as at 30 June 2023 are not prepared, in all material respects, in accordance with the OMFP 2844/2016.

Emphasis of a matter

7. Without issuing additional qualifications on our conclusion, we draw attention to the Note 1 of the consolidated interim financial statements, which describes aspects with regards to the going concern of the subsidiary Energonuclear SA and Units 3 and 4 Project. The total estimated recoverable amount of the investment in Units 3 and 4 of Cernavoda, including also all capitalized individual elements of the Group, was determined by the management based on certain assumptions, professional judgments, expectations regarding future events, which are believed to be reasonable under the circumstances, and other factors under the assumption that the current negotiations between the management of the Group and its partners with whom discussions regarding the investment in these Units are held will be successfully concluded. These aspects are supported by the fact that the Law regarding the approval of signing of the Support Agreement between the Romanian State and SN Nuclearelectrica SA for the Project of Units 3 and 4 of CNE Cernavodă was adopted in March 2023, and the Support Agreement was signed in June 2023. In the event that any of the assumptions, professional judgments, expectations of future events and other factors do not materialize, this may cause a material adjustment to the carrying amounts of the consolidated Group's assets, liabilities and results within the current or the following financial year, the impact of which cannot be reasonably estimated as of the date of the issue of these consolidated interim financial statements.

Other matters

8. This review report has been prepared and is intended solely for the information and use of the shareholders of the Parent Company. To the fullest extent permitted by the law, we do not accept or assume responsibility towards any other person to whose knowledge this report may come to. Our review work has been undertaken so that we report those matters that are required to be reported in a financial Review Report and not for any other purposes. We do not accept or assume responsibility for its use for any other purposes.

Bucharest, 09 August 2023

Ella Chilea

Auditor registered in the Public Electronic Register under no. 2190 / 2007

On behalf of **MAZARS ROMANIA S.R.L.**

Company registered in the Public Electronic Register under no. 699 / 2007



HALF-YEAR REPORT

OF

THE BOARD OF DIRECTORS

S.N. NUCLEARELECTRICA S.A.

(“SNN”)

First half-year of 2023

Report date: August 2023

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1. BASIS OF THE REPORT

The half-year report of the Board of Directors for the period 1 January - 30 June 2023 is drawn up based on the provisions of Article 55 of Government Emergency Ordinance no. 109/2011 regarding the corporate governance of public enterprises, as subsequently amended and supplemented (“Government Emergency Ordinance no. 109/2011”), and the Mandate Agreements concluded by the Board of Directors with SNN.

2. FINANCIAL STATEMENT ANALYSIS

The Information and the Separate Interim Financial Statements as at and for the 6 month period ended on 30 June 2023 disclosed in this report have been reviewed by the financial auditor S.C. Mazars Romania S.R.L. and have been 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 30 June 2023

The financial position as of 30 June 2023 is presented in **Appendix 1**.

Ratio [Thousand RON]	30 June 2023 (reviewed)	31 December 2022 (audited)	Variation
Fixed assets	6,348,843	6,049,279	5.0%
Current assets	5,456,059	5,743,493	(5.0%)
Total assets	11,804,902	11,792,772	0.1%
Long-term liabilities	434,998	456,762	(4.8%)
Current liabilities	828,834	800,505	3.5%
Total liabilities	1,263,832	1,257,267	0.5%
Equity	10,541,070	10,535,505	0.1%
Total equity and liabilities	11,804,902	11,792,772	0.1%

Long-term assets increased by 5% in net value 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, i.e. the purchase of long-term bonds (EUR 45 million as at 30 June 2023), as well as by the increase in the financial investments in affiliated entities, represented by the increase in the contribution to the share capital of RoPower SA by RON 10 million. The change in fixed assets was positively influenced by the inflows related to tangible and intangible fixed assets from January to June 2023, partially offset by the recognition of depreciation recorded in the period.

Current assets registered a 5% decrease compared to December 31, 2022, mainly due to the 9% decrease in cash availability (bank deposits with a maturity of less than 12 months, cash and cash equivalents) and the 3% decrease in trade receivables, partially offset by the increase in the value of stocks by 19% compared to December 31, 2022.

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Long-term liabilities decreased by 4.8% 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 instalments due from the long-term portion to the short-term portion, as the loans mature.

Current liabilities registered an increase of +3.5% 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 30.06.2023, as well as the increase in the corporate tax payable as at 30.06.2023. The increase was offset by the decrease in short-term deferred income due to the decrease in prepayments invoiced to customers.

2.2. Statement of profit and loss for the 6 month period ended on 30 June 2023

In the 6 month period ended on 30 June 2023, SNN obtained a net profit amounting to RON 1,288,781 thousand.

Ratio [Thousand RON]	6 month period ended 30 June 2023 (reviewed)	6 month period ended 30 June 2022 (reviewed)	Variation
Production (GWh)*	4,920	4,779	3.0%
Operating revenues, of which:	3,779,647	3,140,335	20.4%
Revenues from the sale of electricity**	3,669,194	3,089,082	19.8%
Operating expenses, less depreciation and impairment	(690,808)	(846,625)	(18.4%)
Cost of contribution to the Energy Transition Fund/tax on additional income	(1,461,691)	(585,811)	149.5%
EBITDA	1,627,147	1,707,899	(4.7%)
Depreciation and impairment	(316,003)	(302,619)	4.4%
EBIT	1,311,144	1,405,280	(6.7%)
Financial income	222,801	65,232	241.6%
Financial expenses	(13,253)	(14,939)	(11.3%)
Net financial result	209,548	50,293	316.7%
Net corporate income tax expenses	(231,911)	(234,781)	(1.2%)
Net profit	1,288,781	1,220,792	5.6%

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

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

Operating profit (EBITDA) decreased by 4.7% 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 payable for the period 1 January - 30 June 2023, which was 149.5% 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 the first half of 2023, are higher than in the first half of 2022.

Operating revenues increased by 20.4% supported by the 19.8% increase in electricity sales revenues. This increase is determined by the 21.5% increase in the weighted average price, including Tg, of the

electricity sold in the first half of 2023 compared to the weighted average price of the same period of 2022, given that a similar total quantity of electricity was sold (-1.3%).

Compared to the same period of last 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 450 RON /MWh, and sells it to buyers at the same price. In the first half of 2023, the Company sold via MACEE a quantity of 2,107,985 MWh at the price of 450 RON/MWh, which accounts for 42.52% of the total electricity sold during the period.

The amount of electricity sold on the competitive market of bilateral contracts decreased by 48.7%, accounting for 43.32% of the total sold quantity, and the average sale price on this market increased by 108.5% (price without Tg).

The amount of electricity sold by SNN on the spot market (DAM and IDM) in the first half of 2023 decreased by 16.4%, accounting for 13.81% of the total sold quantity, and the average sale price on this market decreased by 48.5% (price without Tg).

Contribution to the Energy Transition Fund/tax on additional income, of RON 1,461,691 thousand, due for the period 1 January - 30 June 2023, increased by 149.5% (first half of 2022: RON 585,811 thousand), 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 the first half of 2023, are higher than in the first half of 2022.

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

In the first half of 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 450 RON/MWh, pursuant to Law no. 357/2022 approving the Government Emergency Ordinance no. 119/2022. The calculation methodology applicable for the first half of 2023 did not allow deduction, from the reference amount, 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 the first half of 2022 used to allow. During the period 1 January 2023 - 30 June 2023, the monthly expenses only included the cost of unbalances.

Operating expenses, less depreciation and amortization and expenses with the contribution to the Energy Transition Fund / additional income tax, decreased by 18.4% during the first half of 2023, compared to the same period of 2022. This decrease is determined by the decrease in expenses regarding the purchased electricity, the amount of electricity purchased in the first half of 2023 decreased by 94.4% compared to the similar period of the previous year.

Financial result positively influenced the net result, so that, in the first half of 2023, net financial income increasing by 241.6% 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.

Net income tax expense decreased by 1.2% as a result of the decrease in the taxable profit calculated for H1 2023 compared to that calculated for H1 2022, also influenced by the impact of deferred income tax expenses and revenues recognized during the reporting period.

The profit and loss account for the 6 month period ended on 30 June 2023 is presented in **Appendix 2**.

2.3. Execution of the Income and Expenditure Budget as at 30 June 2023

The 2023 Income and Expenditure Budget ("IEB") 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 IEB execution, as at 30 June 2023, is presented in **Appendix 3** to this report.

Reviewing the performance of the Income and Expenditure Budget as at 30 June 2023 (presented in **Appendix 3**), it results that total income has been achieved in a proportion of 104.64%, and total expenses have been achieved in a proportion of 87.89%, therefore gross profit has been achieved in a proportion of 151.88%.

3. TRANSACTIONS REPORTED IN ACCORDANCE WITH ART. 52 OF GOVERNMENT EMERGENCY ORDINANCE NO. 109/2011 AND IN ACCORDANCE WITH APPENDIX NO. 14 OF FSA REGULATION NO. 5/2018

3.1. Legal framework art. 52 of Government Emergency Ordinance 109/2011

Art. 52 para. (3) letters a) and b) of Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented ("Government Emergency Ordinance no. 109/2011") specifies the following:

- (1) The Board of Directors or, as the case may be, the supervisory board, calls the general meeting of shareholders to approve any transaction when this, alone or as part of a series of completed transactions, accounts for more than 10% of the amount of the public enterprise's net assets, or more than 10% of the turnover of the public enterprise according to the last audited financial statements, and is executed with the with the directors or executive officers or, as the case may be, with members of the supervisory board or of the management board of, the employees of, or the shareholders who control, the Company or with a company controlled by them.*
 - (2) The obligation to convene rests with the board of directors or the supervisory board also in the case of transactions concluded with the spouse, relatives or next of kin up to and including the fourth degree of the persons provided in paragraph (1).*
 - (3) The Board of Directors or, as the case may be, the supervisory board informs the shareholders, during the first general meeting of shareholders following the conclusion of the legal act, on any transaction concluded by the public enterprise with:
 - a) the persons provided for in paragraphs (1) and (2), if the value of the transaction is below the level established in para. (1);*
 - b) another public enterprise or with the public supervisory authority, if the transaction has a value, individually or in a series of transactions, of at least the RON equivalent of EUR 100,000.**
- (...)*
- (6) The half-year and annual reports of the board of directors or, as the case may be, of the board of management, shall include, in a separate chapter, the legal documents concluded under the conditions of para. (1) and (3), specifying the following elements: the parties that executed that legal act; the execution date and the nature of the act, its subject-matter, the total amount of the legal act, any mutual claims, any securities set up, the payment terms and means, as well as any other essential and significant items in relation to such legal acts. The reports will also mention any other information necessary to determine the effects of the respective legal acts on the company's financial situation. In the case of public enterprises whose shares are traded on a regulated market, specific legislation also applies.*

Through Decisions no. 3/26.04.2023 and no. 5/05.07.2023 of the Ordinary General Meeting of Shareholders, shareholders were informed about the transactions concluded by directors or executives, with employees and shareholders who control the company or a company controlled by them, according to art. 52 para. (3) letter a) of Government Emergency Ordinance no. 109/2011, in the period 29 December 2022 inclusive – 12 May 2023 inclusive, respectively according to art. 52 para. (3) letter b) of Government Emergency Ordinance no. 109/2011 for the same period.

Transactions subject to the obligation to inform the GMS reported by the Board of Directors based on art. 52 para. (3) letter a) of Government Emergency Ordinance no. 109/2011 are presented in **Appendix 4.a.**, respectively the transactions reported based on art. 52 para. (3) letter b) of Government Emergency Ordinance no. 109/2011 are presented in **Appendix 4.b**, being divided into 3 categories: purchases, transactions with energy deliveries and deposits established.

3.2. Legal framework according to Appendix no. 14 of the FSA Regulation no. 5/2018

Appendix no. 14 of FSA Regulation no. 5/2018 presents the content of the half-year report as follows:

I. The report indicates, at least, the important events that took place in the first 6 months of the reporting period and their impact on the half-year accounting statements and includes a description of the main risks and uncertainties for the next 6 months of the reporting period. For share issuers, the report also includes the main transactions between affiliated parties.

For the purposes of these provisions, an affiliated party shall have the same meaning as in the International Financial Reporting Standards (IFRS), adopted in accordance with the provisions of Regulation (EC) no. 1.606/2002 of the European Parliament and of the Council of 19 July 2002 regarding the application of international accounting standards.

Share issuers shall state as main transactions between affiliated parties at least the following:

- a) transactions between affiliated parties that took place in the first 6 months of the current financial year and that substantially affected the issuer's financial position or results during that period;*
- b) any changes in transactions between affiliated parties, described in the last annual report that could have a substantial effect on the issuer's financial position or results in the first 6 months of the current financial year.*

If the issuer of shares does not have to prepare consolidated accounts, it must specify the transactions between the affiliated parties, including the value of such transactions, the nature of the relationship with the affiliated parties, as well as other information related to the transactions, necessary for an understanding of the financial position of the issuer. The information related to individual transactions can be aggregated according to their nature, with the exception of the case where the separate information is necessary for an understanding of the effects of transactions with the affiliated party on the issuer's financial position.

In order to meet the requirement of FSA Regulation no. 5/2018 to indicate, at least, the important events that took place in the first 6 months of the reporting period and their impact on the half-year accounting statements, all the events included in this period were presented as additions in **Appendix 4.a and Appendix 4.b**, per different types of transactions identified, namely purchases, transactions with energy deliveries and deposits established, until the date of signing this report.

4. OPERATING ACTIVITIES

4.1. Production of electricity

The gross electricity production of the two operational units of Cernavodă NPP was 5,344,882 MWh in the first half of 2023 (of which 2,346,037 MWh in the second quarter of 2023); from this gross production, the own technological consumption of the Units during operation, as well as during outages ensured, from own production, was 424 thousand MWh during the first half of 2023 (of which 195 thousand MWh in the second quarter of 2023).

Thus, the electricity generated and delivered in the National Energy System ("SEN") was 4,920,140 MWh in the first half of 2023, compared to the same period of 2022 (4,779,204 MWh), representing an increase by 2.9%. In the second quarter of 2023, the amount of electricity produced and delivered in the SEN was 2,150,500 MWh, increase by 8.1% compared to the level recorded in the second quarter of 2022 of 1,989,873 MWh.

The net electricity production program approved by the Board of Directors for the year 2023 (March 2023 revision) considered a quantity of 10,218,912 MWh, and for the first half of 2023, considered a quantity of 4,829,947 MWh, being achieved in proportion of 101.9% and for the second quarter of 2023, it considered a quantity of 2,087,527 MWh, being achieved in proportion of 103%.

The installed power utilization factor, recorded by each operational unit within Cernavodă NPP in the second quarter of 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 30 June 2023, was as follows:

Cernavodă NPP unit	Cumulative first quarter 2023	April 2023	May 2023	June 2023	Aggregate 2023	Aggregate since the first date of commercial operation
Unit 1	98.14%	98.44%	97.37%	95.81%	97.67%	90.54%
Unit 2	99.68%	99.33%	20.42%	47.28%	77.50%	93.70%

The lower value of the installed power utilization factor at Cernavodă NPP Unit 2 reflects the influence of the planned outage with an effective duration of 934 hours, recorded starting on 7 May 2023 at 11:00 a.m. The unplanned extension of the planned outage of Cernavodă NPP Unit 2 was 6.7 hours, and lasted until 15 June 2023 at 15:41.

4.2. 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.

For the purpose of this activity, in 1 January - 30 June 2023:

- 8 bank letters of guarantee (issued in 2021 and 2022) amounting to RON 123,383,979 were liquidated; and
 - 4 bank letters of guarantee amounting to RON 132,927,000 were issued
 - the value of four one letters of guarantee was increased, from RON 2,777,000 to RON 3,668,000.
- As at 30 June 2023, there were 4 letters of bank guarantee in balance, amounting to RON 133,818,000.

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

Sales of electricity (quantities, prices and values) in the first half of 2023:

Sales by type	Quantities in MWh	% of total sales	Average price [RON/MWh including Tg]	Sale revenues [RON]
Sales via MACEE	2,107,985	42.52%	450.00	948,593,160
Sales on the competitive market (bilateral agreements and sales on DAM and IDM), of which:	2,832,703	57.14%	973.11	2,756,536,665
- Sales under CMBC-EA Flex, CMBC-CN, CM-OTC contracts, directly negotiated contract and supply contracts	2,148,018	43.33%	1,113.51	2,391,842,354
- Sales on DAM and IDM	684,685	13.81%	532.65	364,694,311
Positive imbalances on PE*	17,084	0.34%	323.86	5,532,772
Total sales in the first half of 2023	4,957,772	100%	748.45	3,710,662,597

* Note: the values also include RON 753,979 of additional system balancing income, according to ANRE Order 213/2020. The value of the positive imbalances related to June 2023 is estimated.

The amount of electricity sold through the centralized electricity purchasing mechanism under contracts on the spot market (DAM and IDM) as well as on the PE market is 4,957,772 MWh, 1.3% above the sales schedule, of 4,893,203 MWh (measured according to the production forecast, without estimating unscheduled outages) and 1.3% lower than the amount of electricity sold in H1 2022.

The difference between the electricity sold by the Company and the electricity generated and delivered by Cernavodă NPP (37.6 thousand MWh) is represented by the electricity purchased in order to fully cover contractual obligations, 49% of which was purchased on the spot market and 51% on the PE market.

The revenues gained on the electricity market related to electricity deliveries in the first half of 2023 amount to RON 3,710,662,597, 3.4% higher than the revenues budgeted for the first half of 2023, and 19.9% higher compared to the amounts gained in the first half of 2022.

The weighted average sales price for the electricity sold (without MACEE and PE) achieved in the first half of 2023 is 973.11 RON/MWh (including Tg). For comparison, the weighted average price of all transactions concluded on the markets in which SNN was active in the first half of 2023 (CMBC-EA-flex, CMBC-CN, CM-OTC, DAM and IDM), calculated based on the values published by OPCOM in the monthly market reports, is 748.45 RON/MWh. In the first half of 2022, the weighted average sales price for the energy sold (without PE) was 615.40 RON/MWh (including Tg).

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 the first half of 2023, the Company sold via MACEE, to OPCOM, 2,107,985 MWh.

The quantities of electricity sold on the competitive market of bilateral contracts represented a percentage share of 43.33% of the total volume of electricity sold in the first half of 2023, compared to a percentage share of 83.40% reported in the first half of 2022. The average sales price on bilateral contracts during this period was 1,113.51 RON/MWh (T_g included), registering an increase of 108.3% compared to the average price recorded in the first half of 2022, of 534.46 RON/MWh (T_g included); provided that the value of the transmission tariff for the introduction of electricity into the network T_g amounted to 1.49 RON/MWh starting from 1 January 2022 (according to ANRE Order no. 124/25.11.2021), 2.53 RON/MWh starting with 1 April 2022 (according to ANRE Order no. 33/23.03.2022) and 4.04 RON/MWh starting with 1 April 2023 (according to ANRE Order no. 28/29.03.2023).

In the first half of 2023, electricity accounting for 13.81% of the total sales value was sold on the spot market (DAM and IDM), as compared to 16.30% in the first half of 2022. The average sale price of energy on the spot market (DAM and IDM) achieved by SNN in the first half of 2023 was 532.65 RON/MWh (T_g included), as compared to 1,029.63 RON/MWh (T_g included) in the first half of 2022.

In the first half of 2023, SNN performed 213 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;
- 28 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 the first half of 2023. In all cases where there were delays, the Company sent notifications and charged penalties according to the provisions of the contract.

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

Sales of electricity (quantities, prices and values) in the second quarter of 2023

Sales by type	Quantities in MWh	% of total sales	Average price [RON/MWh including T _g]	Sale revenues [RON]
Sales via MACEE	873,635	40.10%	450.00	393,135,660
Sales on the competitive market (bilateral agreements and sales on DAM and IDM), of which:	1,294,481	59.42%	939.89	1,216,673,342
- Sales under CMBC- LE Flex, CMBC- NC, PC -OTC agreements, directly negotiated agreements and supply contracts	934,889	42.91%	1,125.52	1,052,234,435
- Sales on DAM and IDM	359,592	16.51%	457.29	164,438,907
Positive imbalances on PE*	10,496	0.48%	320.79	3,366,993
Total sales in the second quarter of 2023	2,178,612	100%	740.46	1,613,175,995

* Note: the values also include RON 753,979 of additional system balancing income, according to ANRE Order 213/2020. The value of the positive imbalances related to June 2023 is estimated.

The amount of electricity sold through the centralized electricity purchasing mechanism under contracts on the spot market (DAM and IDM) as well as on the PE market is 2,178,612 MWh, 2.2% above the sales schedule, of 2,131,949 MWh (measured according to the production forecast, without estimating unscheduled outages) and 2.2% lower than the amount of electricity sold in Q2 2022.

The difference between the electricity sold by the Company and the electricity generated and delivered by Cernavodă NPP (28.1 thousand MWh) is represented by the electricity purchased in order to fully cover contractual obligations, 64% of which was purchased on the spot market and 36% on the PE market.

The revenues gained on the electricity market related to electricity deliveries in the second quarter 2023 amount to RON 1,613,175,995, 4.3% higher than the revenues budgeted for the second quarter of 2023, and 29.2% higher compared to the amounts gained in the second quarter of 2022.

The weighted average sales price for the electricity sold (without MACEE and PE) achieved in the second quarter of 2023 is 939.89 RON/MWh (including T_g). In the second quarter of 2022, the weighted average sales price for the energy sold (without PE) was 560.13 RON/MWh (including T_g).

The quantities of electricity sold on the competitive market of bilateral contracts represented a percentage share of 42.91% of the total volume of electricity sold in the second quarter of 2023, compared to a percentage share of 86.76% reported in the second quarter of 2022. The average sales price on bilateral contracts during this period was 1,125.52 RON/MWh (T_g included), registering an increase of 124.6% compared to the average price recorded in the second quarter of 2022, of 501.03 RON/MWh (T_g included); provided that the value of the transmission tariff for the introduction of electricity into the network T_g amounted to 1.49 RON/MWh starting from 1 January 2022 (according to ANRE Order no. 124/25.11.2021), 2.53 RON/MWh starting with 1 April 2022 (according to ANRE Order no. 33/23.03.2022) and 4.04 RON/MWh starting with 1 April 2023 (according to ANRE Order no. 28/29.03.2023).

In the second quarter of 2023, electricity accounting for 16.51% of the total sales value was sold on the spot market (DAM and IDM), as compared to 12.87% in the second quarter of 2022. The average sale price of energy on the spot market (DAM) achieved by SNN during the second quarter of 2023 was 457.29 RON/MWh (T_g included), as compared to 958.94 RON/MWh (T_g included) during the second quarter of 2022.

In the second quarter of 2023, SNN performed 65 energy sales contracts, as follows:

- 25 contracts concluded on CMBC-EA-Flex;
- 25 transactions concluded on CM-OTC;
- 4 transactions concluded on LCM-RCE;
- 9 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.

4.3. Expenses incurred on the electricity market

In the first half of 2023, the total expenses made on the electricity market SNN amount to RON 30,807,687, of which RON 6,563,972 are expenses on the balancing market (BM), RON 15,694,446 represent T_g (regulated tariff paid to C.N. Transelectrica SA for the injection of electricity produced by Cernavodă NPP into the electricity transmission network), RON 18,558 represents expenses with green certificates required to be purchased for the electricity supplied, and RON 981,332 represents the tariffs paid to OPCOM SA and RCE for sale and purchase transactions carried out on the platforms managed by them.

Expenses made for the purchase of electric energy in the first half of 2023 on the spot market (DAM and IDM) amounted to RON 7,515,147 (the first half of 2022: RON 230,052,410), with the aim of ensuring the full fulfilment of contractual energy delivery obligations. The quantity of electricity purchased in the first half of 2023 was 18.530 MWh (the first half of 2022: 218.978 MWh), at an average price of 405.64 RON/MWh (the first half of 2022: 1.050,57 RON/MWh).

Expenses on the PE in the first half of 2023 amounted to RON 6,563,972, the quantity of electricity purchased being 19,102 MWh (the first half of 2022: RON 16,740,856, the quantity of electricity purchased being 14,752 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.

In the first half of 2023, no electricity was purchased through term contracts, compared to the first half of 2022, when the expenses generated by the purchase of energy through term contracts were RON 6,077,198 for a quantity of 11,035 MWh.

The expenses for the purchase of electricity and negative imbalances were lower in the first half of 2023, compared to the first half of 2022, due to the 85% lower electricity demand in the first half of 2023 compared to the similar period of 2022, combined with a significant decrease in the average price for the purchased quantities, from 1,033.12 RON/MWh in the first half of 2022 to 374.13 RON/MWh in the first half of 2023.

By applying Article II of Law no. 259/29.10.2021 and the Government Emergency Ordinance 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 1,461,690,999 during 1 January - 30 June 2023.

In the second quarter of 2023, the total expenses made on the electricity market SNN amount to RON 20,984,439, of which RON 4,324,293 are expenses on the balancing market (BM), RON 8,687,593 represent Tg (regulated tariff paid to C.N. Transelectrica SA for the injection of electricity produced by Cernavodă NPP into the electricity transmission network), RON 9,424 represents expenses with green certificates required to be purchased for the electricity supplied, and RON 433,842 represents the tariffs paid to OPCOM SA and RCE for sale and purchase transactions carried out on the platforms managed by them.

In the second quarter of 2023, the expenses for the purchase of electricity were made mainly on the spot market (DAM and IDM) and amounted to RON 7,511,312 (in the second quarter of 2022: RON 229,889,585). The purpose of the purchase is to ensure the full fulfilment of the contractual obligations to supply electricity during the planned outage (including during the unplanned outage, as a result of the extension of the planned outage) of Cernavodă NPP Unit 2; the amount of electricity purchased in the second quarter of 2023 was 18,061 MWh (in the second quarter of 2022: 218.838 MWh), at an average price of 415.88 RON/MWh (the second quarter of 2022: 1.050,50 RON/MWh).

Expenses on the PE in the second quarter of 2023 amounted to RON 4,324,293, the quantity of electricity purchased being 10,050 MWh (the second quarter of 2022: RON 8,789,920, the quantity of electricity purchased being 7,448 MWh).

In the second quarter of 2023, no electricity was purchased through forward contracts, compared to the second quarter of 2022, when the expenses generated by the purchase of energy through forward contracts were RON 6,077,198 for a quantity of 11,035 MWh.

The expenses for the purchase of electricity and negative imbalances were lower in the second quarter of 2023, compared to the second quarter of 2022, with the decrease in the degree of contracting during the period of the planned outage and the increase in the number of cumulative operating hours, by 281 hours compared to the second quarter of 2022, which led to an 88% decrease in the need to purchase electricity compared to the second quarter of 2022. The effect of the decrease in demand was amplified by a significant decrease in the price for the purchased quantities, from 1,031.33 RON/MWh in the second quarter of 2022 to 421.03 RON/MWh in the second quarter of 2023.

4.4. Investment programme as at 30 June 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 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. 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 fulfilment 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 the first half of 2023 compared to the same period of 2022, is presented in the table below. In the first half of 2023, investments of RON 371,424 thousand were made (27.6% of the total 2023 investment programme), according to the internal planning.

Year	Investment program value [thousand RON]	Actual (01.01 - 30.06) [thousand RON]	Degree of completion (01.01 - 30.06) [%]
2023	1,345,406	371,424	27.6%
2022	609,220*	363,882	59.7%

* IEB 2022 rectified approved by the OGMS Resolution no. 10/19.10.2022

Analysis of the degree of completion of the investment programme, as at 30 June 2023

Between January 1 and June 30, 2023, a large number of projects were completed, of which we mention the following relevant projects:

- Increasing the reliability of SDS#1 by replacing the ROPT SDS#1 Unit 1 amplifiers and the Tusonix EMI filters on the NIM-BIN drawers with new, more reliable amplifiers and EMI filters similar to the ROP SDS#1 design;
- Installation of "on-line" measurement systems of the concentration of gases dissolved in the insulating oil of transformers 0-5134-T05 (TSPS) from U2;
- Modernization of the distribution system of class II, 220V a.c. at Unit 2;
- Fitting of a watertight door in the C/R part of the embedded part from the personnel flood gate, with a view to preventing flooding of the personnel flood gate in case of a severe accident U1; Spent Fuel Intermediate Storage - Module 15;
- Replacing the rotor related to the main generator of 2-4121-G02 from U2 with a new rotor; Improving the performance of the video system and Contact Scanner DCC U2;

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- Qualification for severe accident and earthquake conditions of loops 2-63312-PT13 to PT16 and assurance of indications in SCA U2, MPA#EC 2892;
- Replacement of the ventilation and air conditioning system related to Pavilion 2 of Cernavodă NPP;
- Replacement of the ventilation and air conditioning system related to Pavilion 6 of Cernavodă NPP;
- Ensuring supply if important users in U0 from own sources to increase operational safety in case of loss of power from SEN.

Some of the major projects or the projects that had an important share in the investment program (approved by the IEB 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 - 14.8% completed in terms of value as at 30 June 2023;
- **“Detrition facility Cernavodă NPP”**: budgeted RON 145,871 thousand - 3.3% completed in terms of value as at 30 June 2023;
- **“Replacing the rotor related to the main generator of 2-4121-G02 from U2 with a new rotor”**: budgeted RON 97,586 thousand - 98.8% completed in terms of value as at 30 June 2023;
- **“Planned outage of Unit 2 within Cernavodă NPP (regular general inspection and major repair works)”**: budgeted RON 96,150 thousand - 56.0% completed in terms of value as at 30 June 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 - 45.4% completed in terms of value as at 30 June 2023;
- **“EDMS replacement and integration with AS 9.X”**: budgeted RON 5,280 thousand - 75.3% completed in terms of value as at 30 June 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 - 54.0% completed in terms of value as at 30 June 2023;
- **“Facilities”**, representing purchases of goods and other investment expenses: budgeted RON 86,238 thousand - 63.9% completed in terms of value as at 30 June 2023.

4.5. Financial investments in subsidiaries and related entities

Energonuclear S.A.

As at 30 June 2023 and 31 December 2022, the Company holds 100% of the share capital of S.C. Energonuclear S.A. The value of the shareholding, as at 30 June 2023, is RON 199,438,105 (31 December 2022: RON 199,438,105).

Fabrica de Prelucrare a Concentratorilor de Uraniu - Feldioara S.R.L.

As at 30 June 2023, and respectively 31 December 2022, the Company held 100% of the share capital of F.P.C.U Feldioara SRL. The value of the shareholding, as at 30 June 2023, is RON 200 (31 December 2022: RON 200).

The Company's shareholders approved the granting of loans to finance the activities and expenses of the subsidiary. As at 30 June 2023, the total amount of the loan principal granted to the subsidiary is RON 4,600,000, with an accrued interest of 301,542 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 30 June 2023, and respectively 31 December 2022, the Company held 100% of the share capital of Nuclearelectrica Serv SRL. The value of the shareholding, as at 30 June 2023, and respectively 31 December 2022, is RON 200.

The Company's shareholders approved the granting of loans to finance the activities and expenses of the subsidiary. As at 30 June 2023, the total amount of the loan principal granted to the subsidiary is RON 7,206,800, with an accrued interest of 183,089 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 30 June 2023, respectively, 31 December 2022, the Company held 50% of the share capital of RoPower Nuclear S.A., the shareholding value amounting to RON 14,943,000 (31 December 2023: RON 4,493,000).

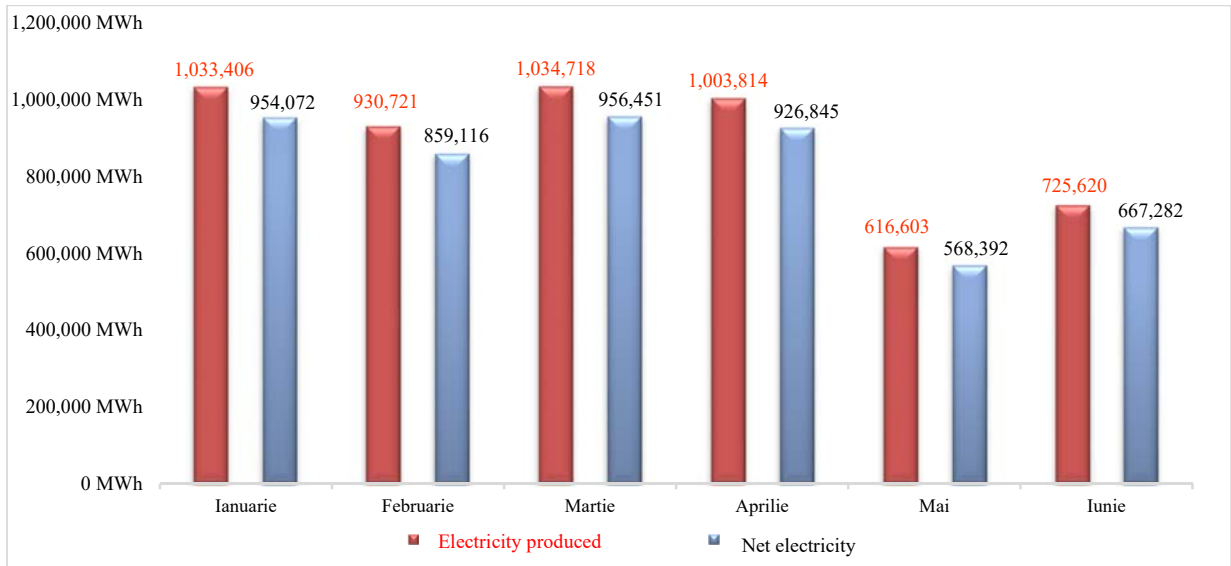
4.6. Activity of Cernavodă NPP Branch

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.

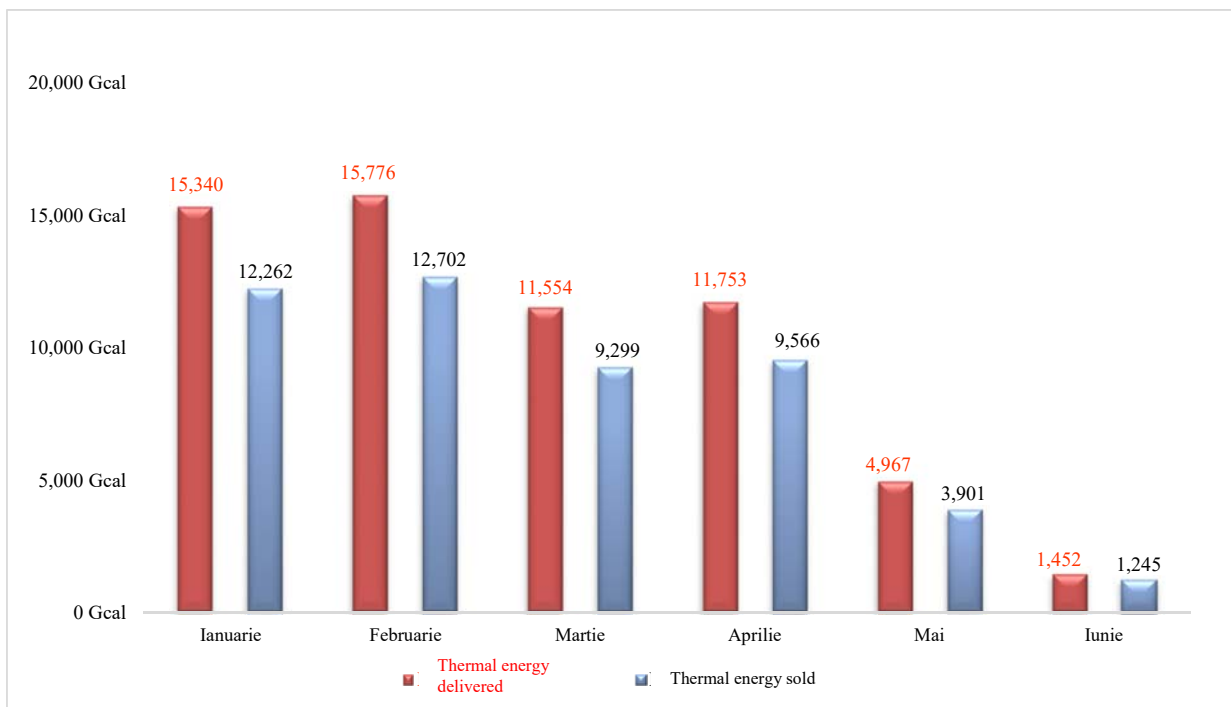
In the 6-month period ended on 30 June 2023, there was no operational event that exceeded level 1 on the international scale of nuclear events, regarding the degradation of defence barriers in depth, impact on the site or outside and no human error leading to an event with consequences.

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

Produced/net electricity U1+U2 (MWh)
(Electricity produced: 5,344,882/Net electricity: 4,932,161)
(Aggregate own technological consumption 2023: 7.73%)

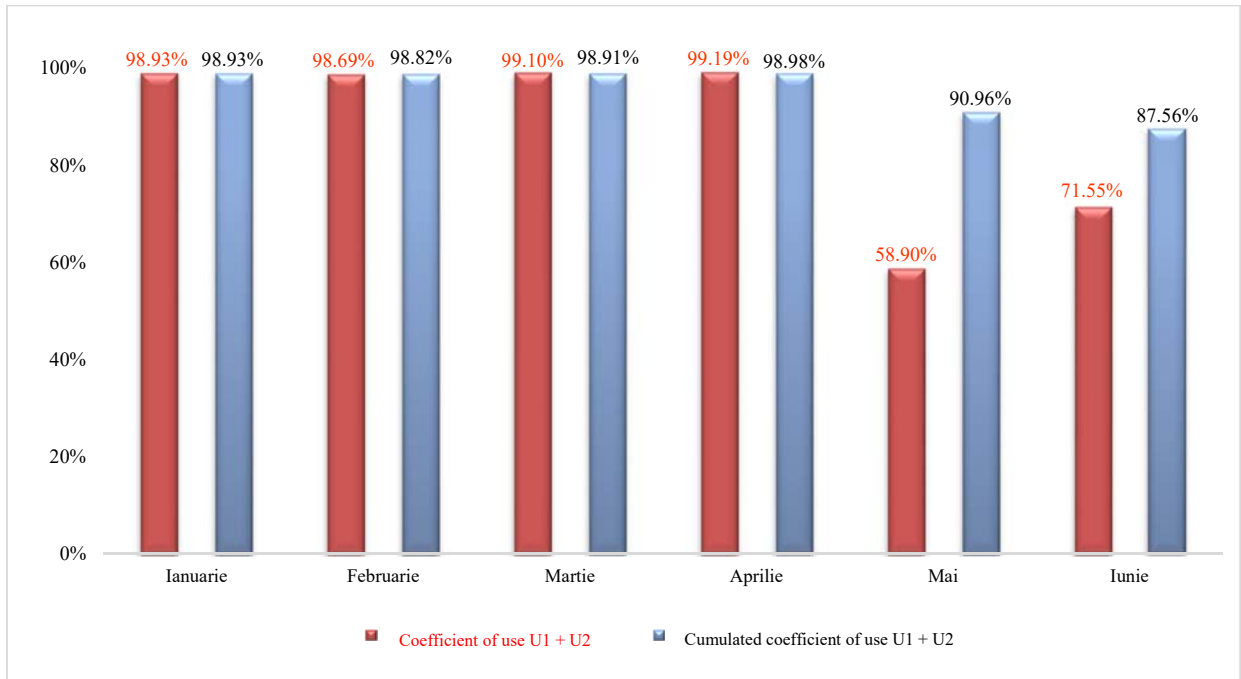


Thermal energy delivered for heating/sold (Gcal)
(Thermal energy delivered: 60,843/Thermal energy sold: 48,976)

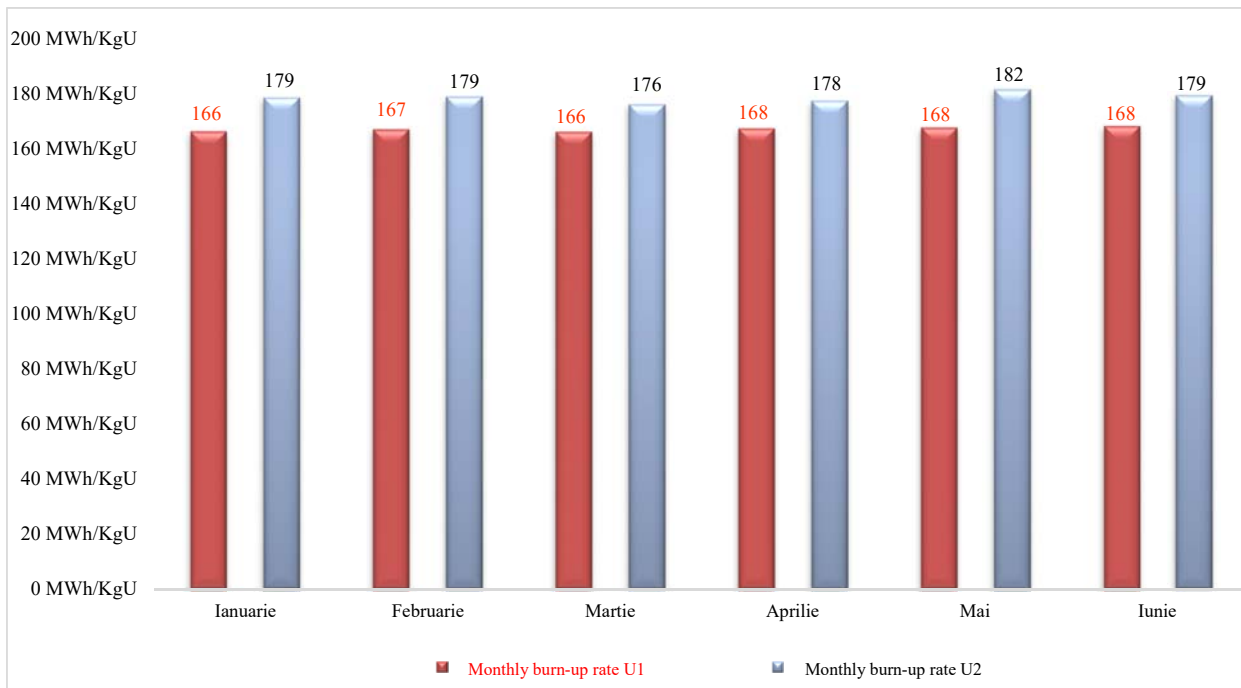


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Coefficient of use of the installed power U1+U2 (%)
(Aggregate 2023: 87.56%)

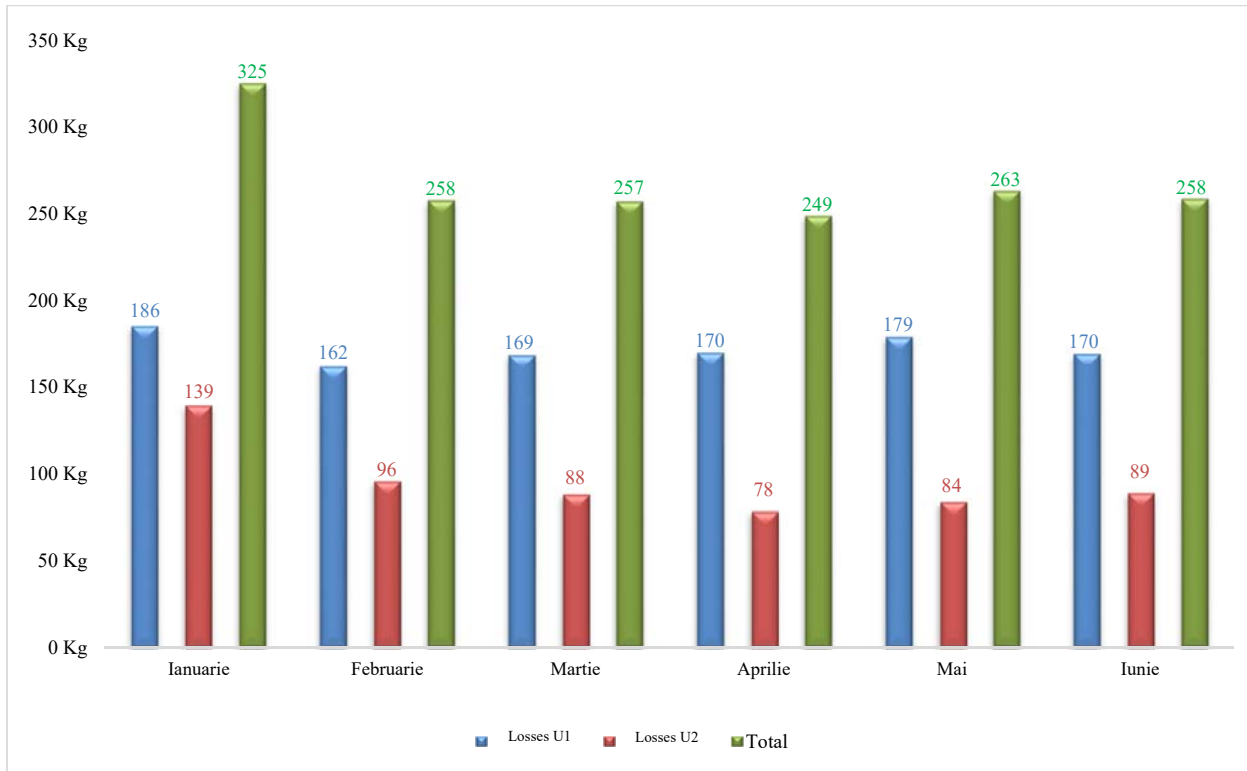


Nuclear fuel burn-up rate (MWh/KgU)
(Aggregate 2023: 172.2/Planned in the project: min. 156)

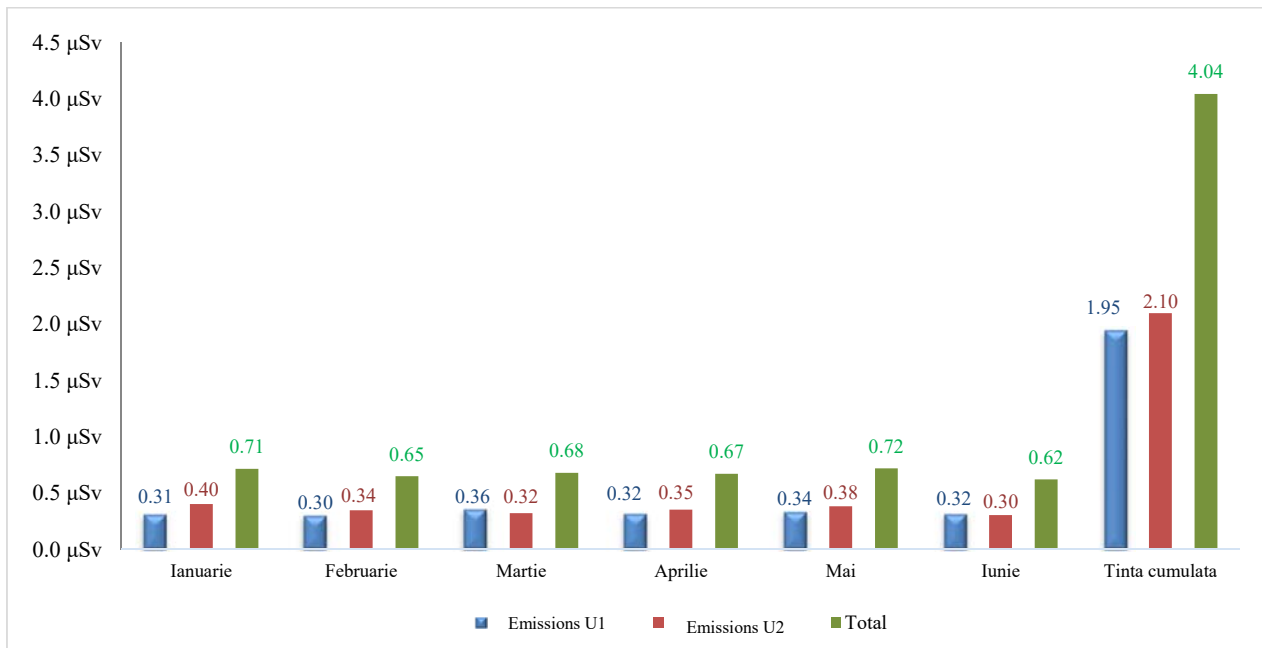


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Heavy water losses U1+U2 (Kg)
(Aggregate 2023: 1,862.98/ Planned: max. 10,280)



Volume of radioactive emissions in the environment U1+U2 (μSv)
(Total aggregate 2023: 4.04/Annual limit: 250)



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4.7. Activity of NFP Pitești Branch

Between 1 January and 30 June 2023, NFP Pitești Branch manufactured, controlled and accepted a number of 5,746 nuclear fuel bundles, 66 nuclear fuel bundles in excess to the manufacturing plan edition.0, all falling within the specifications, with the production of nuclear fuel bundles increasing by 8.99% compared to the same period of the year 2022, when 5,272 bundles were manufactured, controlled and accepted.

During 1 January - 30 June 2023, NFP Pitești Branch delivered to Cernavodă NPP 5,040 nuclear fuel bundles (1 January - 30 June 2022: 5,760 bundles), in compliance with the agreed delivery schedule.

In H1 2023, the nuclear fuel was produced from the sinterable uranium dioxide powder, purchased for an average price of RON 736.19/kg U/UO₂ coming from the inventories existing on 1 January 2023, and from deliveries in the second quarter of 2023, resulting from the processing of the technical uranium concentrate purchased from the supplier Kazatomprom of Kazakhstan.

5. OTHER SIGNIFICANT ASPECTS

5.1. 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.

On June 9, 2023, the Support Agreement was signed between the Romanian State - the Government of Romania, the General Secretariat of the Government, the Ministry of Energy, the Ministry of Finance, the Ministry of Transport - and Societatea Națională Nuclearelectrica, in order to develop the National Strategic Project NPP Units 3 and 4.

The signing of the Support Agreement between the Romanian State and Nuclearelectrica for the development of the Cernavodă NPP Units 3 and 4 Project allows the start of activities related to Stage II of the Project, namely: The conclusion of the agreements for the preparation of the critical engineering necessary for updating the project; updating the Project budget, Structuring and contracting financing and agreeing on an appropriate contractual architecture for implementation of the Project; Obtaining the favourable Opinion of the European Commission further to the Project Notice according to Article 41 of the EURATOM Treaty and a positive decision in accordance with the relevant European provisions on State Aid; Obtain the Nuclear Security Authorization for the Construction Phase and have the Final Investment Decision taken for advancement to Phase III (Construction).

By signing the Support Agreement, the Romanian state undertook to take the necessary steps to finance the Cernavodă NPP Units 3 and 4 Project, including through: granting State Guarantees to the Project's financiers under the terms of any intergovernmental support agreements or memoranda, or outside such agreements; implementing the "Contracts for Difference"-type scheme and adopting the administrative and/or legislative measures required to ensure the fulfilment of the technical criteria provided for in the Complementary Delegated Act of the European Commission; the contribution being represented by the quantity of heavy water and uranium octoxide related to the first load of nuclear fuel, cooling water for the operation of those 2 nuclear units and the completion of the electricity transmission lines necessary for the connection to the National Energetic System and the evacuation of the electricity produced by those two nuclear units.

5.2. 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 Cernavodă. 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 Cernavodă NPP's Unit 1.

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

As at 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.

Under 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 Doicești, 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.

As at 12 May 2023, SN Nuclearelectrica SA (SNN) and the Politehnica University of Bucharest announced launching the first NuScale Energy Exploration Center (E2 Center), which hosts the control room simulator for the plant equipped with VOYGR™ NuScale small modular reactors. The launch of the E2 Center in the Faculty of Energy of Politehnica University of Bucharest is a first of its kind across Europe, and reconfirms the leadership position of Romanian in nuclear energy industry and workforce development.

On May 20, 2023, the United States of America and public and private multinational partners (from the USA, Japan, the Republic of Korea and the United Arab Emirates) announced their intention to finance the Small Modular Reactor (SMR) Project in Romania with up to USD 275 million. Later, on July 5, 2023, DS Private Equity ("DSPE", Seoul), signed the Term Sheet Agreement with Nuclearelectrica and Nova Power & Gas, in their capacity as RoPower shareholders, with the intention of investing EUR 75 million for the development of the FEED 2 study, Phase 2, which consists of the activities of detailed characterization of the site, the initiation of activities for obtaining authorizations, licenses and regulations, the exact establishment of the project calendar, the planning of the budget for the execution of the project and the preparation for the acquisition of materials with a long manufacturing cycle.

Furthermore, the US Export-Import Bank (EXIM) and the US International Development Finance Corporation (DFC) issued Letters of Interest for tentative provision of a financial support of up to USD 3 billion and, respectively, USD 1 billion for development of this project.

On 13 June 2023 SN Nuclearelectrica SA, NuScale Power, E-INFRA, Nova Power & Gas, Fluor Enterprises and Samsung C&T Corporation signed a Memorandum of Understanding to collaborate in the implementation of NuScale VOYGR™ power plants in Central and Eastern Europe and in Romania. The memorandum of understanding brings together world-class expertise and valuable experiences focused on the potential expansion and development of the implementation of small modular reactors in Central and Eastern Europe and at the former coal-fired power plant in Doicești, Romania. The combined

expertise of SN Nuclearelectrica SA, NuScale Power, E-INFRA, Nova Power & Gas, Fluor Enterprises and Samsung C&T Corporation will support SMR development and the implementation of NuScale SMR plants in important areas of development, such as project planning, obtaining licenses and authorizations, engineering, public procurement, construction, operation, maintenance, decommissioning, financing and capitalization of local resources, thus allowing regional states that share the same interest in the development of small modular reactors (SMRs) to benefit from the experience and implement SMRs in safety conditions and in accordance with national energy needs.

5.4 Project for the tritium removal facility - CTRF

The Detrition Facility Project ("CTRF") is part of SNN's portfolio of initiatives aimed at the consistent implementation of the Company's general policy, namely the concern for maintaining nuclear security at the highest standards and improving environmental performance. The CTRF installation captures the tritium from the heavy water used in the nuclear-electric power plant from Cernavodă NPP, which will lead to an improvement in operational performance, economic-financial efficiency and increased protection of the population, staff and the environment, in full accordance with the ESG objectives of Nuclearelectrica and of Europe.

The CTRF technology is developed by the National Research-Development Institute for Cryogenic and Isotopic Technologies - ICSI Rm. Vâlcea; this will be the third detrition facility in the world and the first in Europe and will give Romania the opportunity to become a European center for the production and export of tritium - the candidate fuel for future fusion reactors. The project is based on an implementation strategy, updated by SNN in 2018, based on the Feasibility Study, approved under Resolution no. 9/22.08.2018 of the Extraordinary General Meeting of Shareholders.

Through the current report published on June 28, 2023, the Company informs about the signing of the engineering, procurement and construction (EPC) contract for the completion of the first detrition facility in Europe at Cernavodă NPP, between Korea Hydro & Nuclear Power (KHNP) and the Company.

By Decision no. 5/05.07.2023 of the Ordinary General Meeting of SNN Shareholders, the modification of the Implementation Strategy of the "Cernavodă NPP Detrition Facility" Investment Project was approved as a result of the update of the investment value.

5.5. Fabrica de Prelucrare a Concentratelor de Uraniu ("FPCU") Feldioara - 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 (UO₂). During the same period, all the necessary steps were taken to transport the uranium technical concentrate and to deliver of the contracted quantities.

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 to Fabrica de Prelucrare a Concentratelor de Uraniu – Feldioara S.R.L.

Through the current report published on June 28, 2023 SNN and Korea Hydro & Nuclear Power (KHNP) announce the signing of a Memorandum of Understanding (MoU) for cooperation in the field of nuclear fuel, as part of the strategy of both parties to further develop fuel processing and ensure the resilience of nuclear fuel production capacities, in view of the long-term operation of the current nuclear power plants, but also of the future energy production capacities, developed through the current investment projects.

The memorandum of understanding records the intention of the parties to collaborate for the study, planning and development of the technical processing activities of uranium concentrates, in order to qualify SNN as a potential supplier of sinterable UO₂ powder by KHNP, as well as for exploring the possibilities of collaboration in the field of manufacturing nuclear fuel bundles.

5.6. Litigation started by Cernavodă NPP Union and employees of Cernavodă NPP Branch

File no. 5802/118/2017 was filed with Constanța 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 10 November 2023.

5.7. 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. The file was re-registered with the Bucharest Court of Appeal. The following hearing is due on 06.09.2023.

5.8. Claim concerning the insolvency of Compania Națională a Uraniului; application for registration of a claim of SNN

As at 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 paid by SNN for the delivery of Uranium in sinterable powder of UO₂.

As at 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 13 June 2023, the involved judge set a new hearing on 7 November 2023, for continuation of the proceedings, preparation of the final list and submission of a reorganization plan.

5.9. Litigation concerning the request for public information about the Doicești Site Survey

As at 15 September 2022, the case no. 2873/120/2022 was registered with Dâmbovița 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 Doicești, County of Dâmbovița county, and to indicate the alternative sites surveys and the reasons for choosing the site of Doicești.

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 was appealed and the next hearing at the Ploiești Court of Appeal is 17.08.2023.

5.10. Changes in the management of the company - Directors

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 Chief Financial Officer, with a 4-month term of office, starting on 3 May 2023.

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

Under the 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, namely Mr. Vulpescu Remus, Mr. Chirlesan Dumitru, Mr. Niculescu George Sergiu and Mrs. Grajdan Vasilica. The form of the mandate contract and the fixed allowance of the new non-executive directors were also approved.

Under 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. Decision no. 5/05.07.2023 of the Ordinary General Meeting of SNN Shareholders approved the initiation of the selection procedure for a non-executive member in the Board of Directors of Societatea Națională Nuclearelectrica S.A., which is a vacancy in accordance with the provisions of the Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented.

By Resolution no. 5/05.07.2023 of the Ordinary General Meeting of Shareholders of SNN, the following were approved: the financial and non-financial performance indicators for the executive and non-executive directors, the form of the addendum to their mandate agreement, as well as the general limits of the remuneration of the Directors of the Company with a mandate agreement.

5.12. Relocation of SNN's registered office

Under 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.

5.13. 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 favourable 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.

5.14. 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).

Through the current Report published on 22.05.2023, the Company informed its shareholders that based on Decision no. 3 of the Ordinary General Meeting of Shareholders dated 26.04.2023, SNN paid the dividends related to the financial year 2022 through Depozitarul Central S.A. and CEC Bank, the selected payment agent.

5.15. 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.

5.16. Planned outage of Unit 2 within Cernavodă NPP

Starting on 7 May 2023, Cernavodă NPP Unit 2 entered the planned outage program, which takes place every two years at each unit, and synchronization with the National Energy System was completed on 15 June 2023.

During the planned outage, activities from the following programs were carried out:

- Preventive maintenance program;
- Corrective maintenance program;
- Inspection program;
- Mandatory testing program during the planned outages;
- Program for implementing project changes.

The works were carried out in safe conditions for the plant staff, the public and the environment, according to the approved procedures used at Cernavodă NPP.

5.17. The inclusion of SNN in the MSCI Frontier Markets and MSCI Romania indices

Through the current Report published on May 31, 2023, the Company announces that it was included in the MSCI Frontier Markets and MSCI Romania indices starting on June 1, 2023.

Nuclearelectrica was previously included, on August 19, 2022, in the large cap category of FTSE Russell, being one of the two Romanian companies initially included in the emerging market indices of FTSE Russell in 2020.

5.18. Signing of the Memorandum of Understanding with Energocom for the development of long-term cooperation in the energy sector

On July 18, 2023, SNN and Energocom, the energy supplier of the Republic of Moldova, announced the signing of a Memorandum of Understanding (MoU) to develop long-term cooperation in the energy sector and to achieve common strategic objectives.

The objective of the Memorandum of Understanding is to explore the options for ensuring the delivery of energy from the future production of Nuclearelectrica from the new capacities that are about to enter commercial operation, mainly units 3 and 4 of the Cernavodă nuclear power plant, as well as to support the development of capacities and the human resources skills in the field of nuclear energy.

5.19. Major litigations

The status of major litigations (in excess of RON 500 thousand) and of litigations that are non-monetary valued, pending as at 30 June 2023 is presented in **Appendix 5**.

5.20. Other information

The half year report of the Board of Directors for the period 1 January - 30 June 2023 is accompanied by the Individual Interim Financial Statements as at, and for the 6 month period ended on 30 June 2023, which are published on the internet page of S.N. Nuclearelectrica S.A. (www.nuclearelectrica.ro), section Investor Relations.

6. MAIN ECONOMIC AND FINANCIAL RATIOS AS AT 30 JUNE 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 30.06.2023 ^{*)}
1. Current ratio	Current assets/ Current liabilities	x	6.58
2. Debt ratio indicator			
2.1. Debt ratio (1)	Borrowed capital/ Equity x 100	%	0.3%
2.1. Debt ratio (2)	Borrowed capital/ Capital employed x 100	%	0.3%
3. Accounts receivable turnover rate	Average accounts receivable balance / Turnover x 180	days	21
4. Assets turnover ratio ^{**)}	Turnover/ Non-current assets	x	1.17

^{*)} According to the Individual Interim Financial Statements as at, and for the 6 month period ended on, 30 June 2023.

^{**)} Assets turnover ratio is calculated by the annualization of the half year turnover (360 days/180 days).

7. ACTIVITY OF EXECUTIVES WITH MANDATE AGREEMENT

By Decision of the Board of Directors no. 121/25.05.2023 the Administration Plan of SNN for the period 2023 - 2027 was approved in its entirety, including the management component.

In the period January - June 2023, the performance of the mandate agreements of the directors was in accordance with the management plan, the component included in the administration plan.

On June 30, 2023, the directors with whom SNN concluded mandate agreements are: Mr. Cosmin Ghiță – CEO, and Mr. Dan Niculaie-Faranga – CFO. The degree of fulfilment of the global performance indicator of directors with a mandate agreement on 30 June 2023 is 100%.

8. DEGREE OF ACHIEVEMENT OF THE KEY PERFORMANCE RATIOS

By Decision of the Board of Directors no. 64/17.03.2023 the administration component of the Administration Plan of SNN was approved entirely for period referring to 2023 to 2026, including the management component.

By Resolution no. 5/05.07.2023 of the Ordinary General Meeting of SNN Shareholders the following were approved: the financial and non-financial key performance indicators for the executive director and non-executive directors as well as the addendum form for the mandate contracts.

The mandate contracts as well as the addendums to the mandate contracts signed by SNN together with the Board of Directors state their performance indicators, as well as the milestones for period referring to 2023 to 2026. As per mandate contracts stipulations (point 5 from Appendix 3 of the mandate contracts), the cumulated percentage of achievement for the key performance indicators is determined each quarter.

As at 30 June 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 Chirică ¹⁾	29.09.2026
2.	Cosmin Ghiță ²⁾	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;

The calculation of the total achievement percentage of the key performance indicators for the 1st half-year of 2023 is presented in **Appendix 6**. The achievement degree of the key performance indicators is determined by the total achievement percentage of the key performance indicators, in relation to the achievement of each indicator. The achievement degree of the key performance indicators is limited to the 100% threshold, if the achievements exceed the targets proposed by the mandate contract.

Thus, the indicators of the key performance indicators were achieved 100 % for the 1st half-year of 2023 cumulated (so over the 75 % threshold) for each member of the Board of Directors:

Mandate contract	Achievement level Half-year 1 of 2023 (total)
Board of Directors	100 %

Teodor Minodor Chirică,
Chairman of the Board of Directors

Approved,
Dan Niculaie-Faranga,
Chief Financial Officer

Appendix 1 - Statement of financial position as at 30 June 2023

	<u>30 June 2023</u> <u>(reviewed)</u>	<u>31 December 2022</u> <u>(audited)</u>
Assets		
Fixed assets		
Tangible assets	5,784,233,905	5,737,295,053
Assets representing rights to use underlying assets within a leasing contract	21,737,848	15,565,831
Intangible assets	51,144,511	50,773,837
Financial assets measured at amortized cost	277,345,676	41,262,942
Financial investments in subsidiaries	199,438,505	199,438,505
Investments in related entities	14,943,000	4,943,000
Total fixed assets	<u>6,348,843,445</u>	<u>6,049,279,168</u>
Current assets		
Inventories	776,601,631	653,199,691
Trade receivables	425,566,473	438,539,974
Other financial assets measured at amortized cost	135,437,773	140,954,592
Bank deposits	1,410,544,688	1,829,796,500
Cash and cash equivalents	2,707,908,339	2,681,002,427
Total current assets	<u>5,456,058,904</u>	<u>5,743,493,184</u>
Total assets	<u>11,804,902,349</u>	<u>11,792,772,352</u>
Equity and liabilities		
Equity		
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	365,683,215	394,369,643
Retained earnings	6,910,417,677	6,876,165,858
Total equity	<u>10,541,070,261</u>	<u>10,535,504,870</u>
Liabilities		
Long-term liabilities		
Long-term loans	32,262,100	64,810,940
Liabilities under long-term leasing agreements	19,312,780	12,831,121
Provisions for risks and charges	186,710,587	174,504,703
Deferred income	58,968,947	63,611,498
Deferred tax liability	92,186,048	95,446,226
Liabilities for employee benefits	45,557,591	45,557,591
Total long-term liabilities	<u>434,998,053</u>	<u>456,762,079</u>
Current liabilities		
Trade and other payables	512,235,968	445,315,659
Liabilities under short-term leasing agreements	2,889,119	2,734,403
Current part of provisions for risks and charges	77,243,539	77,040,585
Corporate income tax due	88,498,429	52,801,797
Deferred income	81,867,204	157,087,526
Current part of the long-term loans	66,099,776	65,525,433
Total current liabilities	<u>828,834,035</u>	<u>800,505,403</u>
Total liabilities	<u>1,263,832,099</u>	<u>1,257,267,482</u>
Total equity and liabilities	<u>11,804,902,349</u>	<u>11,792,772,352</u>

This is a free translation from the Romanian version. In case of any differences between the Romanian and English version, the Romanian version prevails.

Appendix 2 - Statement of profit and loss for the 6 month period ended on 30 June 2023

	3-month period ended on 30 June 2023 (not reviewed)	3-month period ended on 30 June 2022 (not reviewed)	6-month period ended on 30 June 2023 (reviewed)	6-month period ended on 30 June 2022 (reviewed)
Income				
Income from the sale of electricity	1,605,760,227	1,244,714,494	3,699,193,687	3,089,082,186
Income from the transport of electricity	8,687,592	5,034,132	15,695,446	9,190,035
Total income	1,614,447,819	1,249,748,626	3,714,888,133	3,098,272,221
Other income	45,505,622	23,217,966	64,758,601	42,062,711
Operating expenses				
Depreciation and impairment	(159,843,601)	(151,714,957)	(316,003,186)	(302,618,886)
Personnel costs	(142,825,865)	(123,506,916)	(282,595,556)	(243,061,318)
Cost of electricity purchased	(11,835,605)	(244,756,703)	(14,079,120)	(252,870,464)
Repairs and maintenance	(25,801,687)	(28,055,384)	(40,556,726)	(42,680,899)
Expenses with the transmission of electricity	(8,687,592)	(5,034,132)	(15,694,446)	(9,190,035)
Expenses with spare parts	(10,434,206)	(11,994,536)	(13,059,885)	(15,527,628)
Costs of nuclear fuel	(34,569,326)	(28,065,169)	(79,365,675)	(72,021,838)
Expenses with the energetic transition	(620,848,761)	(126,633,872)	(1,461,690,999)	(585,810,573)
fund/tax on excess income	(133,936,667)	(104,051,067)	(245,457,011)	(211,272,679)
Other operating expenses	(133,936,667)	(104,051,067)	(245,457,011)	(211,272,679)
Operating expenses - Total	(1,148,783,310)	(823,812,736)	(2,468,502,604)	(1,735,054,320)
Operating result	511,170,131	449,153,856	1,311,144,130	1,405,280,612
Financial expenses	(7,603,319)	(8,527,636)	(13,253,303)	(14,939,308)
Financial income	109,420,445	40,123,962	222,801,322	65,232,183
Net financial result	101,817,126	31,596,326	209,548,019	50,292,875
Profit before corporate tax	612,987,257	480,750,182	1,520,692,149	1,455,573,487
Net corporate income tax expenses	(90,724,214)	(78,859,361)	(231,911,103)	(234,781,278)
Profit of the period	522,263,043	401,890,821	1,288,781,046	1,220,792,209

Appendix 3 - Execution of the Income and Expenditure Budget as at 30 June 2023

0	1	2	3	4	5	6	7	8
		Ratios	Line no.	IEB 2023 Q II 2023 aggregate (approved by the OGMS Resolution no. 1/15.02.2023)	Actual Q II aggregate 2023	% Actual v. Approved [Col. 5/Col. 4]	Variation (abs.) [Col. 5-Col. 4]	Variation (%) [Col. 7/Col. 4]
I.		TOTAL INCOME (Line 2 + Line 5)	1	3,824,657	4,002,222	104.64%	177,565	4.64%
	1.	Total operating income, of which:	2	3,663,460	3,779,421	103.17%	115,961	3.17%
		c1 Subsidies, acc. to the legal provisions in force	-	-	-	-	-	-
		c2 Transfers, acc. to the legal provisions in force	-	-	-	-	-	-
	2.	Financial income	5	161,197	222,801	138.22%	61,604	38.22%
II.		TOTAL EXPENSES (Line 7 + Line 21)	6	2,823,424	2,481,530	87.89%	(341,894)	(12.11%)
	1.	Operating expenses (Line 8 + Line 9 + Line 10 + Line 20)	7	2,803,562	2,468,276	88.04%	(335,285)	(11.96%)
		A. Expenses with goods and services	8	662,467	328,602	49.60%	(333,866)	(50.40%)
		B. Expenses with taxes, duties and similar payments	9	1,404,305	1,520,128	108.25%	115,823	8.25%
		C. Payroll costs (Line 11 + Line 14 + Line 18 + Line 19)	10	372,011	277,864	74.69%	(94,147)	(25.31%)
		C0 Payroll expenses (Line 12 + Line 13)	11	335,189	246,896	73.66%	(88,292)	(26.34%)
		C1 Expenses with salaries and wages	12	297,124	217,480	73.19%	(79,644)	(26.81%)
		C2 Bonuses	13	38,065	29,416	77.28%	(8,648)	(22.72%)
		C3 Other personnel cost, of which:	14	-	1,993	-	1,993	-
		a) Expenses with severance payments for layoffs	15	-	-	-	-	-
		b) Expenses with salary entitlements due under court judgments	16	-	1,993	-	1,993	-
		c) Payroll expenses related to restructuring, privatization, special administration, other commissions and committees	17	-	-	-	-	-
		C4 Expenses under the mandate contract and of other management and control bodies, commissions and committees	18	2,243	1,138	50.75%	(1,105)	(49.25%)
		C5 Expenses with social insurance and security, special funds and other statutory obligations	19	34,580	27,837	80.50%	(6,743)	(19.50%)
		D. Other operating expenses	20	364,778	341,682	93.67%	(23,096)	(6.33%)
	2.	Financial expenses	21	19,862	13,253	66.73%	(6,609)	(33.27%)
III.		GROSS RESULT (profit/loss) (Line 1 - Line 6)	22	1,001,233	1,520,692	151.88%	519,459	51.88%
IV.		CORPORATE INCOME TAX	23	158,218	231,911	146.58%	73,693	46.58%
V.		BOOK PROFIT AFTER INCOME TAX (Line 22 - Line 23)	24	843,015	1,288,781	152.88%	445,766	52.88%

Appendix 4.a. - Transactions subject to the obligation to inform the GMS according to art. 52 para. (3) letter a) of Government Emergency Ordinance 109/2011 as amended

1. Purchase transactions:

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Object description	Total value (RON or other currencies)	Mutual claims	Securities established	Payment terms and means	Other significant elements
1	SNN S.A. through its NFP Pitești Branch - THE TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, through its branch INSTITUTE FOR NUCLEAR RESEARCH (RATEN ICN PITEȘTI)	05.01.2023/3	Addendum no. 1 to Agreement no. 1453/27.09.2022	Adjustment of tariffs - Utilities distribution services	22,010.87 RON	Liabilities RON 3,107,712.97 Receivables = RON 0	Securities established RON 129,264.34	Monthly, within 30 calendar days from the receipt of the invoice, based on the invoice and the Services Acceptance Protocol, signed without objections	
2	SNN S.A. through its NFP Pitești Branch - THE TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, through its branch INSTITUTE FOR NUCLEAR RESEARCH (RATEN ICN PITEȘTI)	10.01.2023/29	Addendum no. 1 to Framework agreement no. 816/23.05.2022	Change of tariff for the P1b component (industrial water) - Radioactive water treatment services	RON 36,460.53	Liabilities RON 1,492,544.97 Receivables = RON 0	Securities established RON 129,264.34	Monthly, within 30 days from the receipt of the invoice, based on the invoice and the Services Acceptance Protocol, signed without objections	
3	SNN S.A. - COMPANIA NAȚIONALĂ ADMINISTRAȚIA CANALELOR NAVIGABILE S.A.	11.01.2023/ 34	Addendum no. 5 to Services Agreement no. 270/2019 (RUEC No. 437/16.05.2019)	Water transit services in Reach I of the Danube-Black Sea Canal (DBSC) through a water intake from the Danube into the distribution basin of Cernavodă NPP	RON 568,294	Liabilities RON 116,069.74 Receivables RON 1208.46	Securities established RON 0	Within 30 days from the date of receipt of the invoice	
4	SNN S.A. - COMPANIA NAȚIONALĂ ADMINISTRAȚIA CANALELOR NAVIGABILE S.A.	12.01.2023/ 38	Addendum no. 5 to Services Agreement no. 271/2019 (RUEC No. 438/16.05.2019)	Transit and sea discharge services for the cooling water discharged by Cernavodă NPP in Reach II DBSC	RON 106,580	Liabilities RON 116,069.74 Receivables RON 1208.46	Securities established RON 0	Within 30 days from the date of receipt of the invoice	

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Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Object description	Total value (RON or other currencies)	Mutual claims	Securities established	Payment terms and means	Other significant elements
5	SNN S.A. – RASIROM STATE-OWNED COMPANY	17.01.2023/ 56	Sectoral works agreement	Technical surveillance system installation works - video evaluation, access control and anti-burglary	RON 800,356.33)	Liabilities RON 117,978.98 Receivables = RON 0	Securities established RON 0	Payment shall be made within 30 days from the receipt of the invoice, based on the Works Completion Acceptance Protocol, signed without comments	
6	SNN S.A., through its Cernavodă NPP Branch - COMPANIA NAȚIONALĂ POȘTA ROMÂNĂ S.A.	17.01.2023/ 65	Services agreement	Postal charges and subscription to a nominal box for the year 2023	RON 24,000	Liabilities RON 2,737.11 Receivables = RON 0	Securities established RON 0	Payment for the services shall be made within 30 days from receipt of the invoice	
7	SNN SA, through its Cernavodă NPP Branch - TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, through its Branch CENTER OF TECHNOLOGY AND ENGINEERING FOR NUCLEAR PROJECTS (RATEN – CITON)	19.01.2023/71	Subsequent agreement no. 45 to the Framework Services Agreement no. 205/18.03.2019	Engineering services for complete design activities, at Cernavodă NPP (Units 0, 1 and 2) - Cost-benefit benchmarking for issuing a conceptual solution regarding the cooling of the equipment in the Integrated Building – Electric Body quota 100.00 (inverters), 111.500 (MCC) and 121.500 (MCC) as a result of the unavailability of the primary cooling source generated by a HELB type event (pressure steam pipeline rupture or water supply) in the Machines Room U1/U2	EUR 46,081.20	Debts RON 0 Receivables = RON 550	Securities established RON 338,142.12	Within 30 days of taking-over in full the deliverables and signing the Services Acceptance Protocol (PVRS), without objections	
8	SNN SA, through its Cernavodă NPP Branch - "ROMANIAN WATERS" NATIONAL ADMINISTRATION - DOBROGEA SEASIDE	20.01.2023/77	Addendum no. 3 to the Subscription for the use of water resources 808/02.07.2021	Use of underground water for the industry for the year 2023	RON 29,312	Debts = RON 1,615,144.19 Receivables = RON 0	Securities established RON 0	Within 30 days from the registration of the invoice at Cernavodă NPP. Invoicing is done according to the amount of resources used monthly	

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	WATER BASIN ADMINISTRATION		(RUEC No. 843/08.07.2021)						
9	SNN S.A. - FABRICA DE PRELUCRARE A CONCENTRATELOR DE URANIU - FELDIOARA S.R.L.	26.01.2023/86	Sectoral Services Agreement	Processing services of natural technical uranium concentrate with a minimum uranium content of 65%, to obtain sinterable UO ₂ powder, including storage services for the concentrate to be purchased by the Purchaser	RON 300,000,000	Debts = RON 0 Receivables = RON 0	Securities established RON 0	Within 5 days after receiving the original invoice and the acceptance documents	
10	SNN S.A., through its Cernavodă NPP Branch - RASIROM STATE OWNED COMPANY	31.01.2023/108	Order	Computer programs for the SI-CER Computer System	RON 21,311.86	Debts = RON 0 Receivables RON 5,037.61	Securities established RON 0	Within 30 days from the receipt of the products, based on the invoice and the accompanying documents and the Note of Receipt and Defects, signed without non-conformities	
11	SNN SA, through its Cernavodă NPP Branch - "ROMANIAN WATERS" NATIONAL ADMINISTRATION - DOBROGEA SEASIDE WATER BASIN ADMINISTRATION	02.02.2023/131	Addendum no. 4 to the subscription for the use of water resources 809/02.07.2021 (RUEC No. 871/14.07.2021)	Receipt of resource waste water coming from the Nuclear Power Plant - Unit 1 and Unit 2 in 2023	RON 16,254,585.90	Debts = RON 1,615,144.19 Receivables = RON 0	Securities established RON 0	Within 30 days from invoice issue	
12	SNN S.A., through its Cernavodă NPP Branch - RAJA SA	02.02.2023/139	Addendum no. 4 to Agreement no. RAJA 22V	Change of tariffs for the water supply service, as per the ANRSC decision no. 202 dated 22.11.2022	RON 4,200,000	Liabilities RON 697,155.23 Receivables RON 0	Securities established RON 0	15 days from the invoice issue date	
13	SNN SA, through its Cernavodă NPP Branch - TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED	07.02.2023/151	Subsequent agreement no. 48 to the Framework Services	Engineering services for complete design activities, at Cernavodă NPP (Units 0, 1 and 2) -	EUR 63,431.47	Debts = RON 0 Receivables RON 600	Securities established RON 338,142.12	Within 30 days of taking-over in full the deliverables and signing the Services Acceptance Protocol (PVRS), without objections	

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Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Object description	Total value (RON or other currencies)	Mutual claims	Securities established	Payment terms and means	Other significant elements
	COMPANY, through its Branch CENTER OF TECHNOLOGIES AND ENGINEERING FOR NUCLEAR PROJECTS (RATEN – CITON)		Agreement no. 205/18.03.2019	Engineering Services (SPSI) U1/U2-75100-SPSI-015 - Solution to redesign the route of the Instrumental Air System lines U1 and U2 against the pipe whip produced in case of a high energy line breakage event (HELB) in the Integrated Building, in the areas where these systems are close					
14	SNN SA, through its Cernavodă NPP Branch - TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, through its Branch CENTER OF TECHNOLOGIES AND ENGINEERING FOR NUCLEAR PROJECTS (RATEN – CITON)	21.02.2023/211	Subsequent agreement no. 49 to the Framework Services Agreement no. 205/18.03.2019	Engineering services for complete design activities, at Cernavodă NPP (Units 0, 1 and 2) - Engineering Services (SPSI) U1/U2-01347-SPSI-064 - Verification of system designs BSI 31700 (U1/U2) / 32510 (U1) / 35311 (U2) / 36110 (U1) / 79140 (U2) in terms of over-voltage protection	EUR 45,033.90	Debts = RON 0 Receivables RON 300	Securities established RON 338,142.12	Within 30 days of taking-over in full the deliverables and signing the Services Acceptance Protocol (PVRS), without objections	
15	SNN S.A - NUCLEARELECTRICA SERV S.R.L. – SNN branch	24.02.2023/248	Services agreement	Services of works evaluation, development of simple engineering solutions, technical and support services for the DIR and DCL Departments in Cernavodă NPP	RON 61,045,880	Liabilities RON 239,522.35 Receivables RON 2705.05	Securities established RON 0	Monthly, within 10 days from the receipt of the invoice, based on the invoice and the Services Acceptance Protocol, signed without comments	

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Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Object description	Total value (RON or other currencies)	Mutual claims	Securities established	Payment terms and means	Other significant elements
16	SNN S.A. - JOINT VENTURE composed of: CEPSTRA GRUP SRL TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY (RATEN) - BRANCH INSTITUTE FOR NUCLEAR RESEARCH (ICN) PITEȘTI UNITATEA DE SUPORT PENTRU INTEGRARE SRL	27.02.2023/255	Sectoral Services Agreement	Development of a proposal regarding the aspects relevant for environmental protection that must be developed in the Environmental Impact Report and preparation of the Environmental Impact Report for the Project Refurbishment of Unit 1 of Cernavodă NPP and expansion of the Interim Storage of Spent Fuel with MACSTOR 400 type modules	RON 8,340,000 of which RATEN ICN (share 26%): RON 2,168,400	CEPSTRA GRUP SRL Debts = RON 0 Receivables RON 0 RATEN ICN Debts = RON 0 Receivables RON 2705.05 UNITATEA DE SUPORT PENTRU INTEGRARE SRL Debts = RON 0 Receivables RON 0	CEPSTRA GRUP SRL Securities established RON 0 RATEN ICN Securities established RON 120,707.34 UNITATEA DE SUPORT PENTRU INTEGRARE SRL Securities established RON 0	The Purchaser, through the Cernavodă NPP Branch, shall pay for the services within 30 days from the receipt of the Supplier's invoice, as follows: -70% of the price of each deliverable shall be paid after its acceptance/taking-over by the beneficiary (DRT-U1), based on the invoice and the Services Acceptance Protocol (PVRS) signed without comments; -30% of the price of each deliverable shall be paid after its acceptance by the environmental authority, based on the invoice and the acceptance document	
17	SNN SA, through its Cernavodă NPP Branch - TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, through its Branch CENTER OF TECHNOLOGY AND ENGINEERING FOR NUCLEAR PROJECTS (RATEN – CITON)	07.03.2023/300	Subsequent agreement no. 51 to the Framework Services Agreement no. 205/18.03.2019	Engineering services for complete design activities, at Cernavodă NPP (Units 0, 1 and 2) - Engineering Services 79/82-76110-SPSI-090 - Analysis for the seismic qualification by direct method and solutions for upgrading the design of bridge cranes in the reactor buildings in U1 and U2 of Cernavodă NPP 1/2-76110-CR2 and 1/2-76110-CR12	EUR 58,648.80	Debts - RON 183,951.96 Receivables: RON 0	RON 475,405.02	Within 30 days from the acceptance of the services and the issuance of the Services Acceptance Protocol (PVRS), based on the supplier's invoice, the PVRS without comments and the PVRS accompanying documents	
18	SNN S.A., through its Cernavodă NPP Branch - JOINT VENTURE composed of:	09.03.2023/311	Services agreement	Development services for "Ecotoxicological impact study for	RON 830,000, of which cost of services	MATE-FIN – Debts: RON 1,502,305.62	MATE-FIN – RON 1,275,126.41	Payment shall be made within 30 days from the receipt of the invoice, which will be drawn up	

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	MATE-FIN SRL and SOCIETATEA DE CERCETARE A BIODIVERSITĂȚII SI INGINERIA MEDIULUI – AON SRL and NATIONAL INSTITUTE FOR RESEARCH AND DEVELOPMENT FOR INDUSTRIAL ECOLOGY ECOIND			establishing the discharge limit and the analytical method for determining the concentration of the new product ODACON@F (corrosion inhibitor) to be used in the Cernavodă NPP installation"	provided by ECOIND RON 415,000	Receivables: RON 0 AON – Debts: RON 0 Receivables: RON 0 ECOIND – Debts: RON 1,361.59 Receivables: RON 0	AON – RON 0 ECOIND – RON 5,705.58	after both parties have signed, without comments, the Services Acceptance Protocol	
19	SNN SA, through its Cernavodă NPP Branch - JOINT VENTURE: TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, through its branch CENTER OF TECHNOLOGY AND ENGINEERING FOR NUCLEAR PROJECTS (RATEN - CITON) TOPOGEODESIS	14.03.2023/332	Addendum no. 1 to Sectoral Services Agreement no. 1499/06.10.2022	Agreement increase by RON 12,600 (from RON 128,000 to RON 140,600) and extension of agreement duration by 6 months (from 10.04.2023 to 10.10.2023) - Services for preparation of layout, site and area plans, land surveying measurements, and coordinate determination for Cernavodă NPP U1 Refurbishment Infrastructure and DICA with MACSTOR400 Modules	RON 12,600	RATEN CITON - Debts: RON 183,951.96 Receivables: RON 0 TOPOGEODESIS Debts: RON 0 Receivables: RON 0	RATEN CITON – RON 475,405.02 TOPOGEODESIS – RON 53,775	Within 30 days from the date of receipt of the original fiscal invoice, which will be drawn up after both parties have signed, without comments, the Services Acceptance Protocol	
20	SNN S.A., through NPP Branch - NATIONAL INSTITUTE FOR RESEARCH AND DEVELOPMENT FOR MINING SECURITY AND ANTI-EXPLOSIVE PROTECTION - INSEMEX	16.03.2023/353	Sectoral Services Agreement	Training and assessment services for 50 persons within Cernavodă NPP in order to authorize personnel with responsibilities for explosion-protected	RON 90,250	Debts: RON 2,618 Receivables: RON 0	RON 9,820.98	The purchaser shall pay the services provided within 30 days from the date of receipt of the Supplier's tax invoice, which shall be drawn up after each training and/or examination session, after the Services	

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Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Object description	Total value (RON or other currencies)	Mutual claims	Securities established	Payment terms and means	Other significant elements
				equipment and installations				Acceptance Protocol (PVRS) has been signed by both parties, without comments. Supporting documents must be attached to the PVRS	
21	SNN S.A - NUCLEARELECTRICA SERV S.R.L. – SNN branch	17.03.2023/358	Services agreement	Maintenance and repair of sanitary installations in the protected premises of Cernavodă NPP U1, U2 and DICA	RON 8,215,880	Debts: RON 812,152.77 Receivables: RON 3,087.73	RON 0	Payment shall be made monthly, within 30 days from the receipt of the invoice, based on the Services Acceptance Protocol, signed without comments	
22	SNN S.A - NUCLEARELECTRICA SERV S.R.L. – SNN branch	17.03.2023/359	Services agreement	Maintenance and repair of air conditioning installations in the protected premises of Cernavodă NPP U1/U2/DICA	RON 12,964,520	Debts: RON 812,152.77 Receivables: RON 3,087.73	RON 0	Payment shall be made monthly, within 30 days from the receipt of the invoice, based on the Services Acceptance Protocol, signed without comments	
23	SNN S.A - NUCLEARELECTRICA SERV S.R.L. – SNN branch	17.03.2023/360	Services agreement	Decontamination and cleaning of technological areas in the protected premises U1/U2/DICA of Cernavodă NPP	RON 84,357,600	Debts: RON 812,152.77 Receivables: RON 3,087.73	RON 0	Payment shall be made monthly, within 30 days from the receipt of the invoice, based on the Services Acceptance Protocol, signed without comments	
24	SNN S.A. - TRAVEL TIME D&R SRL and ROMANIAN AIR TRANSPORT COMPANY TAROM SA OLIMPIC INTERNATIONAL TOURISM S.R.L. WECO T.M.C. SRL BBOOK BED&BREAKFAST SRL	17.03.2023/363	Framework Services Agreement	Air transport services for the managerial staff and employees of Societatea Națională "Nuclearelectrica" S.A.	EUR 1,400,000	TRAVEL TIME Debts: RON 113,022.62 Receivables: RON 0 ROMANIAN AIR TRANSPORT COMPANY TAROM SA Debts: RON 0 Receivables: RON 0 OLIMPIC INTERNATIO	RON 0	Payment shall be made within 30 days from the receipt of the Supplier's invoice, based on the invoice and the supporting documents	

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						NAL TURISM S.R.L. Debts: RON 0 Receivables: RON 0 WECO T.M.C. SRL Debts: RON 0 Receivables: RON 0 BBOOK BED&BREAK FAST SRL Debts: RON 26,238.27 Receivables: RON 0			
25	SNN S.A., through its Cernavodă NPP Branch - CONSTANTA COUNTY PUBLIC HEALTH AUTHORITY	21.03.2023/377	Services agreement	Audit monitoring services for the objective "Centralized drinking water supply system Cernavodă NPP"	RON 9,116	Debts: RON 564 Receivables: RON 0	RON 0	Payment will be made by payment order within maximum 30 days of issuing the invoice	
26	SNN S.A., through its Cernavodă NPP Branch - NUCLEARELECTRICA SERV S.R.L. – SNN branch	21.03.2023/381	Addendum no. 2 to Services Agreement no. 442/31.03.2022	Adjustment of tariffs - Fire Prevention Services on the site of the Cernavodă NPP and in the outside objectives of the Cernavodă NPP	RON 1,257,965.84	Debts = RON 515,553.91 Receivables: RON 3,087.73	RON 0	Monthly, within 30 days from the receipt of the invoice, based on the invoice and the Services Acceptance Protocol, signed without comments	
27	SNN S.A., through its Cernavodă NPP Branch - NATIONAL ADMINISTRATION OF STATE RESERVES AND SPECIAL PROBLEMS - TERRITORIAL UNIT 515 BUCHAREST	23.03.2023/396	Supply agreement	Heavy water required to fill the reserve for Units 1 and 2 from Cernavodă NPP – 6,500 kg	RON 16,805,945	Debts: RON 0 Receivables: RON 0	RON 0	Payment shall be made 100% upon delivery	
28	SNN SA, through its Cernavodă NPP Branch - NATIONAL INSTITUTE FOR RESEARCH AND DEVELOPMENT FOR	24.03.2023/401	Addendum no. 2 to Sectoral Services Agreement no. 259/08.03.2021	Adjustment of unit rates - Analysis services of the physical and chemical parameters	RON 1,080.24	Debts: RON 80.92 Receivables: RON 0	RON 5,705.58	Payment shall be made within 30 days from receipt of the original invoice. The invoice shall be drafted after both parties have	

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	INDUSTRIAL ECOLOGY (ECOIND)			of cooling water (influent and effluent), household water and rainwater samples taken by Cernavodă NPP				signed, without comments, the Services Acceptance Protocol (PVRS) corresponding to the month during which services were delivered. Settlement shall be on a monthly basis.	
29	SNN S.A., through its NFP Pitești branch - COMPANIA NAȚIONALĂ A URANIULUI SA INSOLVENCY	31.03.2023/453	Addendum no. 4 to Framework Agreement no. 773/06.08.2019	Tariff adjustment - Storage services through final disposal of Non-Incinerable Solid Radioactive Waste (DSR-N) contaminated with natural uranium, originating from the activities of the NFP Pitești Branch	RON 19,123.56	Debts: RON 958,521.76 Receivables: RON 6,564,571.84	RON 0	30 days from the issuance of the Services Acceptance Protocol corresponding to each transport, based on the original tax invoice and the Services Acceptance Protocol, signed, without comments, by both contracting parties	
30	SNN S.A., through its NFP Pitești branch - COMPANIA NAȚIONALĂ A URANIULUI SA INSOLVENCY	31.03.2023/454	Subsequent agreement no. 5 to Framework Agreement no. 773/06.08.2019	Storage services through final disposal of Non-Incinerable Solid Radioactive Waste (DSR-N) contaminated with natural uranium, originating from the activities of the NFP Pitești Branch	RON 680,000	Debts: RON 958,521.76 Receivables: RON 6,564,571.84	RON 0	Within 30 days from the issuance of the Services Acceptance Protocol corresponding to each transport, based on the original tax invoice	
31	SNN S.A., through its Cernavodă NPP Branch - S.P.E.E.H. Hidroelectrică S.A.	31.03.2023/455	Framework agreement for the supply of electricity to end customers no. 2023.826/29.03.2023	Supply of electricity	Estimated value RON 3,276,500	Debts: RON 0 Receivables: RON 0	RON 0	a) an advance invoice for the quantity of energy forecast 100% to be consumed in the month of consumption, to be issued between the 20th and 25th of the month preceding the month of consumption, due on the last working day of the month in which it is issued; failure to pay this invoice by the due date will result in the interruption of electricity supply	

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								b) the regularization invoice will be issued in the month following the month of consumption, which will include the consumption of the previous month, based on the reading of the energy metering equipment	
32	SNN S.A., through its Cernavodă NPP Branch - RASIROM STATE OWNED COMPANY	04.04.2023/484	Addendum no. 3 to Services Agreement no. 1847/ 23.12.2021	Indexation of hourly rates - Design services for the extension of the technical system of physical protection and reconfiguration of alarm processing equipment and firmware update, software control and configuration of the parameters of the alarm detection elements and commissioning of the physical protection system related to the DICA 9 -17 spent fuel storage modules	RON 41,120.71	Debts: RON 0 Receivables: RON 5,037.61	RON 87,400.76	Payment shall be made within 30 days of the acceptance, without comments, of each deliverable/service	
33	SNN SA, through its NFP Pitești Branch - TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, through its branch INSTITUTE FOR NUCLEAR RESEARCH PITEȘTI (RATEN ICN)	12.04.2023/558	Addendum no. 4 to Services Agreement no. 828/30.08.2019	Decrease of agreement value by RON 590.43 (increase of number of tests for item 6 in the appendix to the agreement and decrease of number of tests for item 4 in the appendix to the agreement) - Environment monitoring services	- RON 590.43	Debts: RON 1,385,752.66 Receivables: RON 355,907.23	RON 562,358.4	Payment for the services rendered during one quarter shall be made within 30 days of issuing the Services Acceptance Protocol accompanied by the supporting documents listed at Article 14.3 of the Agreement	

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				(water and sediments)					
34	SNN SA, through its Cernavodă NPP Branch - MILITARY UNIT 0495 CERNAVODA	13.04.2023/574	Addendum no. 4 to Agreement no. 1708/ 08.12.2020	Gendarme security services for transports of products of a special nature, consisting in heavy water (D2O), from the National Heavy Water Management Center (C.N.M.A.G.) Drobeta Turnu Severin to Cernavodă NPP	RON 1,500	Debts: RON 0 Receivables: RON 0	RON 0	Payment shall be made after the services have been provided, within 30 days from the receipt of invoices	
35	SNN S.A. – KINECTRICS NUCLEAR ROMANIA SRL and TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY - RATEN, through its branch CENTER OF TECHNOLOGY AND ENGINEERING FOR NUCLEAR PROJECTS (RATEN - CITON)	19.04.2023/578	Framework Services Agreement	Engineering services for complete design activities, at Cernavodă NPP (Unit 0, 1 and 2)	Maximum estimated value EUR 7,789,140	Debts: RON 438,036.48 Receivables: RON 0	KINECTRICS NUCLEAR ROMANIA SRL – RON 1,479,631.15 RATEN CITON – RON 504,291.31	Payment of the services provided in each subsequent agreement within 30 days from the receipt of the invoice, based on the invoice and the Services Acceptance Protocol, signed without comments by NPP representatives	
36	SNN S.A. – RASIROM STATE-OWNED COMPANY	21.04.2023/591	Sectoral Services Agreement	Maintenance of Physical protection System NFP Pitești	RON 975,776	Debts: RON 0 Receivables: RON 5,037.61	RON 87,400.76	The Purchaser, by NFP Pitești branch, shall make the payment of services and spare parts used in providing the services within 30 days as of the receipt of the invoice, based on the invoice and the Services Acceptance Protocol corresponding to the services rendered and completed without non-conformities	

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S.N. Nuclearelectrica S.A.

Half-year report of the Board of Directors for the first half-year of 2023

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

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Object description	Total value (RON or other currencies)	Mutual claims	Securities established	Payment terms and means	Other significant elements
37	SNN S.A., through its Cernavodă NPP Branch - NATIONAL ADMINISTRATION OF STATE RESERVES AND SPECIAL PROBLEMS - TERRITORIAL UNIT 515 BUCHAREST	24.04.2023/594	Addendum no. 1 to Agreement no. 396/23.03.2023	Price update of heavy water according to Resolution no. 669/2001 - Heavy water required to fill the reserve for Units 1 and 2 from Cernavodă NPP	RON 317,590	Debts: RON 0 Receivables: RON 0	RON 0	Payment shall be made within 2 business days from signing the preliminary services acceptance protocol (PV)	
38	SNN S.A., through its Cernavodă NPP Branch - ROMANIAN BUREAU OF LEGAL METROLOGY	25.04.2023/611	Order	Calibration services of measuring instruments/testing equipment/standards from Cernavodă NPP	RON 73,095	Debts: RON 5,194.35 Receivables: RON 0	RON 0	Payment of services provided shall be made within 30 days from the date of acceptance, based on a Delivery-Receipt Protocol	
39	SNN SA, through its Cernavodă NPP Branch - TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, through its branch INSTITUTE FOR NUCLEAR RESEARCH PITESTI (RATEN ICN)	27.04.2023/626	Addendum no. 1 to Sectoral Services Agreement no. 537/29.04.2021	Adjustment of hourly rates - Services for checking the tightness of reactivity control units by mass spectrometry (He) method	RON 19,280.88	Debts = RON 1,557,436.34 Receivables: RON 355,907.23	RON 562,358.4	Payment shall be made within 30 days from the receipt of the original fiscal invoice, which will be drawn up after both parties have signed, without comments, the Services Acceptance Protocol	
40	SNN S.A., through its Cernavodă NPP Branch - PUBLIC UTILITIES - COMMON MANAGEMENT SERVICES (UTILITĂȚI PUBLICE - GOSPODĂRIA COMUNALĂ) SRL	02.05.2023/640	Contract	Collection, transport, storage, neutralization of non-radioactive mixed municipal waste inside and outside the protected area U1/U2 Cernavodă NPP	RON 424,035	Debts: RON 120 Receivables: RON 0	RON 0	Invoicing shall be made on a monthly basis, based on the Services Acceptance Protocol, signed by both parties. Payment shall be made within 30 days from the receipt of the invoice in electronic format, using the national Ro eFactura system	
41	SNN S.A., through its Cernavodă NPP Branch - PUBLIC UTILITIES - COMMON MANAGEMENT SERVICES (UTILITĂȚI PUBLICE - GOSPODĂRIA COMUNALĂ) SRL	02.05.2023/641	Contract	Collection, transport, storage, neutralization of non-radioactive recyclable waste inside and outside the protected area U1/U2 Cernavodă NPP	RON 0.10	Debts: RON 120 Receivables: RON 0	RON 0	N/A	

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

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Object description	Total value (RON or other currencies)	Mutual claims	Securities established	Payment terms and means	Other significant elements
42	SNN SA, through its Cernavodă NPP Branch - NATIONAL METEOROLOGICAL ADMINISTRATION, through its REGIONAL METEOROLOGICAL CENTER DOBROGEA	04.05.2023/660	Addendum no. 1 to Services Agreement no. 166/ 03.02.2022	Price adjustment - Weather forecasting/diagnosis/warning services for the Cernavodă NPP/Dobrogea area and monitoring of fixed air sampling stations (CAS)	RON 50,384.09	Debts: RON 15,684.80 Receivables: RON 0	RON 0	Payment shall be made within 30 days of receiving the original fiscal invoice	
43	SNN S.A - NUCLEARELECTRICA SERV S.R.L. – SNN branch	10.05.2023/697	Services agreement	Data entry, processing and validation	RON 44,136,720	Debts = RON 284,144.11 Receivables: RON 0	RON 0	Monthly, within 10 days from the receipt of the Supplier's invoice, based on the invoice and the PVRS corresponding to the services provided in the reference month, issued according to article 11.3 of the agreement.	

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Half-year report of the Board of Directors for the first half-year of 2023

*(All amounts are expressed in RON, unless otherwise expressly provided for.)***Appendix 4.a. - Transactions subject to the obligation to inform the GMS according to art. 52 para. (3) letter a) of Government Emergency Ordinance 109/2011 as amended****2. Energy delivery transactions:**

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Description of the subject-matter	Total value (RON or other currencies) (T_G included)	Mutual claims	Securities established	Payment terms and means	Other significant elements
1	SNN S.A. with the Romanian Electricity and Gas Market Operator.	27.01.2023 RUEC no. 83	Addendum no. 1 to the Contract	Sale of electricity Period: 01.01.2023-31.12.2023	Current contract value updated based on Addendum no. 1: RON 1,304,580,285.00 (supplementation of RON 86,483,385.00, related to the amount allocated in February)	Receivables as at 27 January 2023 RON 0.00 Debts as at as at 27 January 2023: RON 0.00	0.00 RON	The Seller's collection entitlements for the quantities of electricity sold shall be paid by the Purchaser by payment orders on the first 15 days of the calendar month following the delivery month.	Addendum no. 1 to the Contract concluded via the Centralized Electricity Purchase Mechanism (MACEE), required by the Government Emergency Ordinance no. 153/2022 between S.N. Nuclearelectrica S.A. and the Romanian Electricity and Gas Market Operator. Under the Government Emergency Ordinance no. 192/28.12.2022 for amending and supplementing the Government Emergency Ordinance no. 27/2022, as well as the calendar for organizing in 2023 the monthly procedures for the centralized purchase of electricity organized based on the Monthly Centralized Purchase Mechanism, on 23 January 2023 the additional amount of electricity for the delivery month of February 2023 was allocated
2	SNN S.A. with the Romanian Electricity and Gas Market Operator.	27.02.2023 RUEC no. 228	Addendum no. 2 to Contract	Sale of electricity Period: 01.01.2023-31.12.2023	Current contract value updated based on Addendum no. 1: RON 1,400,464,755.00 (supplementation of RON 95,884,470.00, related to the amount allocated in March)	Receivables as at 27 February 2023 RON 0.00 Debts as at 27 February 2023: RON 0.00	0.00 RON	The Seller's collection entitlements for the quantities of electricity sold shall be paid by the Purchaser by payment orders on the first 15 days of the calendar month following the delivery month.	Addendum no. 2 to the Contract concluded via the Centralized Electricity Purchase Mechanism (MACEE), required by the Government Emergency Ordinance no. 153/2022 between S.N. Nuclearelectrica S.A. and the Romanian Electricity and Gas Market Operator. Under the Government Emergency Ordinance no. 192/28.12.2022 for amending and supplementing the Government Emergency Ordinance no. 27/2022, as well as the calendar for organizing in 2023 the monthly procedures

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

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Description of the subject-matter	Total value (RON or other currencies) (T _G included)	Mutual claims	Securities established	Payment terms and means	Other significant elements
									for the centralized purchase of electricity organized based on the Monthly Centralized Purchase Mechanism, on 22 February 2023 the additional amount of electricity for the delivery month of March 2023 was allocated
3	SNN S.A. with the National Company for the Transmission of Electricity "Transelectrica" S.A.	28.12.2022 RUEC 1957	Addendum no. 5 Agreement no. 189/12.09.2018	Supply of electricity 01.01.2023 – 31.03.2025	Current transaction value: RON 491,175.06 Cumulated value 151,160,925.06			The invoice shall be issued within the first 10 days of the following delivery month. The Seller's collection entitlements for the quantities of electricity sold shall be paid by the Purchaser by payment orders within the first 15 business days from receipt of the invoice	Addendum no. 5 concluded based on the request from Transelectrica SNN IN number 14146/05.12.2022
4	SNN S.A. with the Romanian Electricity and Gas Market Operator.	30.03.2023 RUEC no. 414	Addendum no. 3 to Agreement	Sale of electricity Period: 01.01.2023-31.12.2023	Current agreement value updated based on Addendum no. 3: RON 1,493,775,990.00 (supplementation of RON 93,311,235.00, related to the amount allocated in April)	Receivables as at 30 March 2023 RON 0.00 Debts as at 30 March 2023: RON 123,376.26	0.00 RON	The Seller's collection entitlements for the quantities of electricity sold shall be paid by the Purchaser by payment orders on the first 15 days of the calendar month following the delivery month.	Addendum no. 3 to the Agreement concluded via the Centralized Electricity Purchase Mechanism (MACEE), required by the Government Emergency Ordinance no. 153/2022 between S.N. Nuclearelectrica S.A. and the Romanian Electricity and Gas Market Operator. Under the Government Emergency Ordinance no. 192/28.12.2022 for amending and supplementing the Government Emergency Ordinance no. 27/2022, as well as the calendar for organizing in 2023 the monthly procedures for the centralized purchase of electricity organized based on the Monthly Centralized Purchase Mechanism, on 27 March 2023 the additional amount of electricity for the delivery month of April 2023 was allocated

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

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Description of the subject-matter	Total value (RON or other currencies) (Tc included)	Mutual claims	Securities established	Payment terms and means	Other significant elements
5	SNN S.A. with the Romanian Electricity and Gas Market Operator.	27.04.2023 RUEC no. 600	Addendum no. 4 to Agreement	Sale of electricity Period: 01.01.2023-31.12.2023	Current agreement value updated based on Addendum no. 4: RON 1,544,819,580.00 (supplementation of RON 51,043,590.00, related to the amount allocated in April)	Receivables as at 27 April 2023 RON 0.00 Debts as at 27 April 2023: RON 0.00	0.00 RON	The Seller's collection entitlements for the quantities of electricity sold shall be paid by the Purchaser by payment orders on the first 15 days of the calendar month following the delivery month.	Addendum no. 4 to the Agreement concluded via the Centralized Electricity Purchase Mechanism (MACEE), required by the Government Emergency Ordinance no. 153/2022 between S.N. Nuclearelectrica S.A. and the Romanian Electricity and Gas Market Operator. Under the Government Emergency Ordinance no. 192/28.12.2022 for amending and supplementing the Government Emergency Ordinance no. 27/2022, as well as the calendar for organizing in 2023 the monthly procedures for the centralized purchase of electricity organized based on the Monthly Centralized Purchase Mechanism, on 24 April 2023 the additional amount of electricity for the delivery month of May 2023 was allocated
6	SNN S.A. with the Romanian Electricity and Gas Market Operator.	30.05.2023 RUEC no. 780	Addendum no. 5 to Agreement	Sale of electricity Period: 01.01.2023-31.12.2023	Current agreement value updated based on Addendum no. 4: RON 1,595,257,830.00 (supplementation of RON 50,438,250.00, related to the amount allocated in May)	Receivables as at 30 May 2023 RON 0.00 Debts as at 30 May 2023: RON 67,500.37	0.00 RON	The Seller's collection entitlements for the quantities of electricity sold shall be paid by the Purchaser by payment orders on the first 15 days of the calendar month following the delivery month.	Addendum no. 5 to the Agreement concluded via the Centralized Electricity Purchase Mechanism (MACEE), required by the Government Emergency Ordinance no. 153/2022 between S.N. Nuclearelectrica S.A. and the Romanian Electricity and Gas Market Operator. Under the Government Emergency Ordinance no. 192/28.12.2022 for amending and supplementing the Government Emergency Ordinance no. 27/2022, as well as the calendar for organizing in 2023 the monthly procedures for the centralized purchase of electricity organized based on the Monthly Centralized Purchase Mechanism, on 25 May 2023 the additional amount of electricity for the delivery month of June 2023 was allocated.
7	SNN S.A. with the Romanian Electricity and Gas Market Operator.	28.06.2023 RUEC no. 938	Addendum no. 6 to Agreement	Sale of electricity Period: 01.01.2023-31.12.2023	Current agreement value updated based on Addendum no. 6:	Receivables as at 28 June 2023 RON 0.00 Debts as at 28 June 2023:	0.00 RON	The Seller's collection entitlements for the quantities of electricity sold	Addendum no. 6 to the Agreement concluded via the Centralized Electricity Purchase Mechanism (MACEE), required by the Government Emergency Ordinance no. 153/2022 between S.N.

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

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Description of the subject-matter	Total value (RON or other currencies) (T _G included)	Mutual claims	Securities established	Payment terms and means	Other significant elements
					RON 1,671,671,115.00 (supplementation of RON 76,413,285.00, related to the amount allocated in June)	RON 0.00		shall be paid by the Purchaser by payment orders on the first 15 days of the calendar month following the delivery month.	Nuclearelectrica S.A. and the Romanian Electricity and Gas Market Operator. Under the Government Emergency Ordinance no. 192/28.12.2022 for amending and supplementing the Government Emergency Ordinance no. 27/2022, as well as the calendar for organizing in 2023 the monthly procedures for the centralized purchase of electricity organized based on the Monthly Centralized Purchase Mechanism, on 26 June 2023 the additional amount of electricity for the delivery month of July 2023 was allocated

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*(All amounts are expressed in RON, unless otherwise expressly provided for.)***Appendix 4.a. - Transactions subject to the obligation to inform the GMS according to art. 52 para. (3) letter a) of Government Emergency Ordinance 109/2011 as amended****3. Deposits established and bonds purchased**

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Description of the subject-matter	Total value (RON or other currencies)	Mutual claims	Securities established	Payment terms and means	Other significant elements
1.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 25 January 2023	Deposit	Setting up a term deposit	RON 192,170,000	-	-	The deposit matures on 25.07.2023.	Interest applied: 7.90% per year
2.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 26 January 2023	Deposit	Setting up a term deposit	RON 105,065,000	-	-	The deposit matures on 25.07.2023.	Interest applied: 7.55% per year
3.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 06 February 2023	Deposit	Setting up a term deposit	RON 209,020,000	-	-	The deposit matures on 07.08.2023.	Interest applied: 7.50% per year
4.	SNN with CEC BANK S.A.	Purchase of bonds 07.02.2023	Purchase of bonds	Purchase of bonds issued by CEC	EUR 45,000,000	-	-	5 YEARS	Fixed yield: 7.50% per year
5.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 13 February 2023	Deposit	Setting up a term deposit	RON 183,720,000	-	-	The deposit matures on 16.08.2023.	Interest applied: 7.35% per year
6.	SNN with CEC BANK SA	Deposit dated 15 March 2023	Deposit	Setting up a term deposit	RON 104,500,000	-	-	The deposit matures on 21 June 2023.	Interest applied: 6.75% per year
7.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 15 March 2023	Deposit	Setting up a term deposit	RON 104,760,000	-	-	The deposit matures on 21 June 2023.	Interest applied: 6.75% per year
8.	SNN with CEC BANK SA	Deposit dated 23 March 2023	Deposit	Setting up a term deposit	RON 64,000,000	-	-	The deposit matures on 21 June 2023.	Interest applied: 6.75% per year
9.	SNN with CEC BANK SA	Deposit dated 31 March 2023	Deposit	Setting up a term deposit	RON 107,600,000	-	-	The deposit matures on 21 June 2023.	Interest applied: 6.70% per year
10.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 24 April 2023	Deposit	Setting up a term deposit	RON 130,141,000	-	-	The deposit matures on 24 August 2023.	Interest applied: 6.60% per year
11.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 12 June 2023	Deposit	Setting up a term deposit	93,835,000	-	-	The deposit matures on 12 December 2023.	Interest applied: 6.65% per year

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Half-year report of the Board of Directors for the first half-year of 2023

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

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Description of the subject-matter	Total value (RON or other currencies)	Mutual claims	Securities established	Payment terms and means	Other significant elements
12.	SNN with CEC BANK SA	Deposit dated 21 June 2023	Deposit	Setting up a term deposit	287,500,000	-	-	The deposit matures on 21 December 2023	Interest applied: 6.70% per year
13.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 25 July 2023	Deposit	Setting up a term deposit	248,850,000	-	-	The deposit matures on 25 January 2024.	Interest applied: 6.68% per year

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*(All amounts are expressed in RON, unless otherwise expressly provided for.)***Appendix 4.b. - Transactions worth at least EUR 100,000 subject to the obligation to inform the GMS according to art. 52 para. (3) letter b) of Government Emergency Ordinance 109/2011 as amended****1. Purchase transactions**

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Object description	Total value (RON and EUR equivalent)	Mutual claims	Securities established	Payment terms and means	Other significant elements	Aggregate value of the last 12 months in a series of transactions (if the individual value < EUR 100,000)
1	SNN S.A. through its NFP Pitești Branch - THE TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, BRANCH INSTITUTE FOR NUCLEAR RESEARCH (RATEN ICN PITEȘTI)	05.01.2023/3	Addendum no. 1 to Agreement no. 1453/27.09.2022	Adjustment of tariffs - Utilities distribution services	RON 22,010.87/ EUR 4,472.94	Liabilities RON 3,107,712.97 Receivables = RON 0	Securities established RON 129,264.34	Monthly, within 30 calendar days from the receipt of the invoice, based on the invoice and the Services Acceptance Protocol, signed without objections		RON 14,997,350.71/ EUR 3,047,684.51 (of which RATEN ICN Branch: RON 10,095,041.52/ EUR 2,051,462.44
2	SNN S.A. through its NFP Pitești Branch - THE TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, BRANCH INSTITUTE FOR NUCLEAR RESEARCH (RATEN ICN PITEȘTI)	10.01.2023/29	Addendum no. 1 to Framework agreement no. 816/23.05.2022	Change of tariff for the P1b component (industrial water) - Radioactive water treatment services	RON 36,460.53/ EUR 7,409.32	Liabilities RON 1,492,544.97 Receivables = RON 0	Securities established RON 129,264.34	Monthly, within 30 days from the receipt of the invoice, based on the invoice and the Services Acceptance Protocol, signed without objections		RON 15,033,811.24/ EUR 3,055,093.83/ (of which RATEN ICN Branch: RON 10,131,502.05/ EUR 2,265.74 0.41

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

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Object description	Total value (RON and EUR equivalent)	Mutual claims	Securities established	Payment terms and means	Other significant elements	Aggregate value of the last 12 months in a series of transactions (if the individual value < EUR 100,000)
3	SNN S.A. - COMPANIA NAȚIONALĂ ADMINISTRAȚIA CANALELOR NAVIGABILE S.A.	11.01.2023/ 34	Addendum no. 5 to Services Agreement no. 270/2019 (RUEC No. 437/16.05.2019)	Water transit services in Reach I of the Danube-Black Sea Canal (DBSC) through a water intake from the Danube into the distribution basin of Cernavodă NPP	RON 568,294/ EUR 115,485.79	Liabilities RON 116,069.74 Receivables RON 1208.46	Securities established RON 0	Within 30 days from the date of receipt of the invoice		n/a
4	SNN S.A. - COMPANIA NAȚIONALĂ ADMINISTRAȚIA CANALELOR NAVIGABILE S.A.	12.01.2023/ 38	Addendum no. 5 to Services Agreement no. 271/2019 (RUEC No. 438/16.05.2019)	Transit and sea discharge services for the cooling water discharged by Cernavodă NPP in Reach II DBSC	RON 106,580/ EUR 21,658.64	Liabilities RON 116,069.74 Receivables RON 1208.46	Securities established RON 0	Within 30 days from the date of receipt of the invoice		RON 674,874/ EUR 137,144.42
5	SNN S.A. – RASIROM STATE-OWNED COMPANY	17.01.2023/ 56	Sectoral works agreement	Technical surveillance system installation works - video evaluation, access control and anti-burglary	RON 800,356.33/ EUR 162,644.30	Liabilities RON 117,978.98 Receivables = RON 0	Securities established RON 0	Payment shall be made within 30 days from the receipt of the invoice, based on the Works Completion Acceptance Protocol, signed without comments		n/a

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Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Object description	Total value (RON and EUR equivalent)	Mutual claims	Securities established	Payment terms and means	Other significant elements	Aggregate value of the last 12 months in a series of transactions (if the individual value < EUR 100,000)
6	SNN SA, through its Cernavodă NPP Branch - TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, BRANCH CENTER OF TECHNOLOGY AND ENGINEERING FOR NUCLEAR PROJECTS (RATEN – CITON)	19.01.2023/71	Subsequent agreement no. 45 to the Framework Services Agreement no. 205/18.03.2019	Engineering services for complete design activities, at Cernavodă NPP (Units 0, 1 and 2) - Cost-benefit benchmarking for issuing a conceptual solution regarding the cooling of the equipment in the Integrated Building – Electric Body quota 100.00 (inverters), 111.500 (MCC) and 121.500 (MCC) as a result of the unavailability of the primary cooling source generated by a HELB type event (pressure steam pipeline rupture or water supply) in the Machines Room U1/U2	EUR 46,081.20	Debts RON 0 Receivables- RON 550	Securities established RON 338,142.12	Within 30 days of taking-over in full the deliverables and signing the Services Acceptance Protocol (PVRs), without objections		<i>RON 15,261,245/ EUR 3,101,311.75 (of which RATEN CITON Branch: RON 5,129,742.95/ EUR 1,042,439.99)</i>

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Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Object description	Total value (RON and EUR equivalent)	Mutual claims	Securities established	Payment terms and means	Other significant elements	Aggregate value of the last 12 months in a series of transactions (if the individual value < EUR 100,000)
7	SNN SA, through its Cernavodă NPP Branch - "ROMANIAN WATERS" NATIONAL ADMINISTRATION - DOBROGEA SEASIDE WATER BASIN ADMINISTRATION	20.01.2023/77	Addendum no. 3 to the Subscription for the use of water resources 808/02.07.2021 (RUEC No. 843/08.07.2021)	Use of underground water for the industry for the year 2023	RON 29,312/ EUR 5,956.63	Debts = RON 1,615,144.19 Receivables = RON 0	Securities established RON 0	Within 30 days from the registration of the invoice at Cernavodă NPP. Invoicing is done according to the amount of resources used monthly		RON 70,704,372.20/ EUR 14,368,179.03 (of which DOBROGEA SEASIDE WATER BASIN ADMINISTRATION: RON 714,712.20/ EUR 145,240.14
8	SNN S.A - FABRICA DE PRELUCRARE A CONCENTRATELOR DE URANIU - FELDIOARA S.R.L.	26.01.2023/86	Sectoral Services Agreement	Processing services of natural technical uranium concentrate with a minimum uranium content of 65%, to obtain sinterable UO2 powder, including storage services for the concentrate to be purchased by the Purchaser	RON 300,000,000/ EUR 60,964,457.72	Debts = RON 0 Receivables = RON 0	Securities established RON 0	Within 5 days after receiving the original invoice and the acceptance documents		n/a

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9	SNN S.A., through its Cernavodă NPP Branch - RASIROM STATE OWNED COMPANY	31.01.2023/108	Order	Computer programs for the SI-CER Computer System	RON 21,311.86/ EUR 4,330.89	Debts = RON 0 Receivables RON 5037.61	Securities established RON 0	Within 30 days from the receipt of the products, based on the invoice and the accompanying documents and the Note of Receipt and Defects, signed without non-conformities		RON 1,249,997.75/ EUR 254,018.12
10	SNN SA, through its Cernavodă NPP Branch - "ROMANIAN WATERS" NATIONAL ADMINISTRATION - DOBROGEA SEASIDE WATER BASIN ADMINISTRATION	02.02.2023/131	Addendum no. 4 to the subscription for the use of water resources 809/02.07.2021 (RUEC No. 871/14.07.2021)	Receipt of resource waste water coming from the Nuclear Power Plant - Unit 1 and Unit 2 in 2023	RON 16,254,585.90/ EUR 3,303,173.88	Debts = RON 1,615,144.19 Receivables = RON 0	Securities established RON 0	Within 30 days from invoice issue		n/a

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11	SNN S.A., through its Cernavodă NPP Branch - RAJA SA	02.02.2023/139	Addendum no. 4 to Agreement no. RAJA 22V	Change of tariffs for the water supply service, as per the ANRSC decision no. 202 dated 22.11.2022	RON 4,200,000/ EUR 853,502.41	Liabilities RON 697,155.23 Receivables RON 0	Securities established RON 0	15 days from the invoice issue date		n/a
12	SNN SA, through its Cernavodă NPP Branch - TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, BRANCH CENTER OF TECHNOLOGY AND ENGINEERING FOR NUCLEAR PROJECTS (RATEN – CITON)	07.02.2023/151	Subsequent agreement no. 48 to the Framework Services Agreement no. 205/18.03.2019	Engineering services for complete design activities, at Cernavodă NPP (Units 0, 1 and 2) - Engineering Services (SPSI) U1/U2-75100-SPSI-015 - Solution to redesign the route of the Instrumental Air System lines U1 and U2 against the pipe whip produced in case of a high energy line breakage event (HELB) in the Integrated Building, in the areas where these systems are close	EUR 63,431.47	Debts = RON 0 Receivables RON 600	Securities established RON 338,142.12	Within 30 days of taking-over in full the deliverables and signing the Services Acceptance Protocol (PVRS), without objections		RON 14,838,061.06/ EUR 3,015,314.49 (of which RATEN CITON: RON 4,706,559.01/ EUR 956,442.73)

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13	SNN SA, through its Cernavodă NPP Branch - TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, BRANCH CENTER OF TECHNOLOGY AND ENGINEERING FOR NUCLEAR PROJECTS (RATEN – CITON)	21.02.2023/211	Subsequent agreement no. 49 to the Framework Services Agreement no. 205/18.03.2019	Engineering services for complete design activities, at Cernavodă NPP (Units 0, 1 and 2) - Engineering Services (SPSI) U1/U2-01347-SPSI-064 - Verification of system designs BSI 31700 (U1/U2) / 32510 (U1) / 35311 (U2) / 36110 (U1) / 79140 (U2) in terms of over-voltage protection	EUR 45,033.90	Debts = RON 0 Receivables RON 300	Securities established RON 338,142.12	Within 30 days of taking-over in full the deliverables and signing the Services Acceptance Protocol (PVRs), without objections		<i>RON 14,794,074.78/ EUR 3,006,375.82 (of which RATEN CITON: RON 4,662,572.73/ EUR 947,504.06</i>
14	SNN S.A - NUCLEARELECTRICA SERV S.R.L. – SNN branch	24.02.2023/248	Services agreement	Services of works evaluation, development of simple engineering solutions, technical and support services for the DIR and DCL Departments in Cernavodă NPP	RON 61,045,880/ EUR 12,405,429.90	Liabilities RON 239,522.35 Receivables RON 2705.05	Securities established RON 0	Monthly, within 10 days from the receipt of the invoice, based on the invoice and the Services Acceptance Protocol, signed without comments		<i>n/a</i>

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15	SNN S.A. JOINT VENTURE composed of: CEPSTRA GRUP SRL TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY (RATEN) - BRANCH INSTITUTE FOR NUCLEAR RESEARCH (ICN) PITEȘTI UNITATEA DE SUPORT PENTRU INTEGRARE SRL	27.02.2023/255	Sectoral Services Agreement	Development of a proposal regarding the aspects relevant for environmental protection that must be developed in the Environmental Impact Report and preparation of the Environmental Impact Report for the Project Refurbishment of Unit 1 of Cernavodă NPP and expansion of the Interim Storage of Spent Fuel with MACSTOR 400 type modules	RON 8,340,000/ EUR 1,694,811.92, of which RATEN ICN (share 26%): RON 2,168,400 (EUR 440,767)	CEPSTRA GRUP SRL Debts = RON 0 Receivables RON 0 RATEN ICN Debts = RON 0 Receivables RON 2705.05 UNITATEA DE SUPORT PENTRU INTEGRARE SRL Debts = RON 0 Receivables RON 0	CEPSTRA GRUP SRL Securities established RON 0 RATEN ICN Securities established RON 120,707.34 UNITATEA DE SUPORT PENTRU INTEGRARE SRL Securities established RON 0	The Purchaser, through the Cernavodă NPP Branch, shall pay for the services within 30 days from the receipt of the Supplier's invoice, as follows: -70% of the price of each deliverable shall be paid after its acceptance/taking-over by the beneficiary (DRT-U1), based on the invoice and the Services Acceptance Protocol (PVRS) signed without comments; -30% of the price of each deliverable shall be paid after its acceptance by the environmental authority, based on the invoice and the acceptance document		n/a
16	SNN SA, through its Cernavodă NPP Branch - TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, through its Branch CENTER OF TECHNOLOGY AND ENGINEERING FOR NUCLEAR PROJECTS (RATEN – CITON)	07.03.2023/300	Subsequent agreement no. 51 to the Framework Services Agreement no. 205/18.03.2019	Engineering services for complete design activities, at Cernavodă NPP (Units 0, 1 and 2) - Engineering Services 79/82-76110-SPSI-090 - Analysis for the seismic qualification by direct method and solutions for upgrading the	EUR 58,648.80	Debts - RON 183,951.96 Receivables: RON 0	RON 475,405.02	Within 30 days from the acceptance of the services and the issuance of the Services Acceptance Protocol (PVRS), based on the supplier's invoice, the PVRS without comments and the PVRS accompanying documents		16,577,834.72 RON / EUR 3,351,630.49 (of which RATEN CITON Branch: RON 4,812,461.04/ EUR 972,961.27

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				design of bridge cranes in the reactor buildings in U1 and U2 of Cernavodă NPP 1/2-76110-CR2 and 1/2-76110-CR12						
17	SNN SA, through its Cernavodă NPP Branch - JOINT VENTURE: TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, through its branch CENTER OF TECHNOLOGY AND ENGINEERING FOR NUCLEAR PROJECTS (RATEN - CITON) TOPOGEODESIS	14.03.2023/332	Addendum no. 1 to Sectoral Services Agreement no. 1499/06.10.2022	Agreement increase by RON 12,600 (from RON 128,000 to RON 140,600) and extension of agreement duration by 6 months (from 10.04.2023 to 10.10.2023) - Services for preparation of layout, site and area plans, land surveying measurements, and coordinate determination for Cernavodă NPP U1 Refurbishment Infrastructure and DICA with MACSTOR400 Modules	RON 12,600/ EUR 2,547.41	RATEN CITON - Debts: RON 183,951.96 Receivables: RON 0 TOPOGEODESIS Debts: RON 0 Receivables: RON 0	RATEN CITON – RON 475,405.02 TOPOGEODESIS – RON 53,775	Within 30 days from the date of receipt of the original fiscal invoice, which will be drawn up after both parties have signed, without comments, the Services Acceptance Protocol		<i>RON 16,590,434.72/ EUR 3,354,177.90 (of which RATEN CITON Branch: RON 4,825,061.04/ EUR 975,508.68)</i>

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18	SNN S.A - NUCLEARELECTRICA SERV S.R.L. – SNN branch	17.03.2023/358	Services agreement	Maintenance and repair of sanitary installations in the protected premises of Cernavodă NPP U1, U2 and DICA	RON 8,215,880/ EUR 1,661,048.89	Debts: RON 812,152.77 Receivables: RON 3,087.73	RON 0	Payment shall be made monthly, within 30 days from the receipt of the invoice, based on the Services Acceptance Protocol, signed without comments		n/a
19	SNN S.A - NUCLEARELECTRICA SERV S.R.L. – SNN branch	17.03.2023/359	Services agreement	Maintenance and repair of air conditioning installations in the protected premises of Cernavodă NPP U1/U2/DICA	RON 12,964,520/ EUR 2,621,107.11	Debts: RON 812,152.77 Receivables: RON 3,087.73	RON 0	Payment shall be made monthly, within 30 days from the receipt of the invoice, based on the Services Acceptance Protocol, signed without comments		n/a
20	SNN S.A - NUCLEARELECTRICA SERV S.R.L. – SNN branch	17.03.2023/360	Services agreement	Decontamination and cleaning of technological areas in the protected premises U1/U2/DICA of Cernavodă NPP	RON 84,357,600/ EUR 17,055,032.15	Debts: RON 812,152.77 Receivables: RON 3,087.73	RON 0	Payment shall be made monthly, within 30 days from the receipt of the invoice, based on the Services Acceptance Protocol, signed without comments		n/a

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21	SNN S.A. - TRAVEL TIME D&R SRL and ROMANIAN AIR TRANSPORT COMPANY TAROM SA OLIMPIC INTERNATIONAL TURISM S.R.L. WECO T.M.C. SRL BBOOK BED&BREAKFAST SRL	17.03.2023/363	Framework Services Agreement	Air transport services for the managerial staff and employees of Societatea Națională "Nuclearelectrica" S.A.	EUR 1,400,000	TRAVEL TIME Debts: RON 113,022.62 Receivables: RON 0 ROMANIAN AIR TRANSPORT COMPANY TAROM SA Debts: RON 0 Receivables: RON 0 OLIMPIC INTERNATIONAL TURISM S.R.L. Debts: RON 0 Receivables: RON 0 WECO T.M.C. SRL Debts: RON 0 Receivables: RON 0 BBOOK BED&BREAKFAST SRL Debts: RON 26,238.27 Receivables: RON 0	RON 0	Payment shall be made within 30 days from the receipt of the Supplier's invoice, based on the invoice and the supporting documents		n/a
22	SNN S.A., through its Cernavodă NPP Branch - NUCLEARELECTRICA SERV S.R.L. – SNN branch	21.03.2023/381	Addendum no. 2 to Services Agreement no. 442/31.03.2022	Adjustment of tariffs - Fire Prevention Services on the site of the Cernavodă NPP and in the outside objectives of the Cernavodă NPP	RON 1,257,965.84/ EUR 254,329.76	Debts = RON 515,553.91 Receivables: RON 3,087.73	RON 0	Monthly, within 30 days from the receipt of the invoice, based on the invoice and the Services Acceptance Protocol, signed without comments		n/a

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23	SNN S.A., through its Cernavodă NPP Branch - NATIONAL ADMINISTRATION OF STATE RESERVES AND SPECIAL PROBLEMS - TERRITORIAL UNIT 515 BUCHAREST	23.03.2023/396	Supply agreement	Heavy water required to fill the reserve for Units 1 and 2 from Cernavodă NPP – 6,500 kg	RON 16,805,945/ EUR 3,397,748.78	Debts: RON 0 Receivables: RON 0	RON 0	Payment shall be made 100% upon delivery		n/a
24	SNN S.A., through its NFP Pitești branch - COMPANIA NAȚIONALĂ A URANIULUI SA INSOLVENCY	31.03.2023/453	Addendum no. 4 to Framework Agreement no. 773/06.08.2019	Tariff adjustment - Storage services through final disposal of Non-Incinerable Solid Radioactive Waste (DSR-N) contaminated with natural uranium, originating from the activities of the NFP Pitești Branch	RON 19,123.56/ EUR 3,866.31	Debts: RON 958,521.76 Receivables: RON 6,564,571.84	RON 0	30 days from the issuance of the Services Acceptance Protocol corresponding to each transport, based on the original tax invoice and the Services Acceptance Protocol, signed, without comments, by both contracting parties		RON 74,219,012.60/ EUR 15,005,259.11
25	SNN S.A., through its NFP Pitești branch - COMPANIA NAȚIONALĂ A URANIULUI SA INSOLVENCY	31.03.2023/454	Subsequent agreement no. 5 to Framework Agreement no. 773/06.08.2019	Storage services through final disposal of Non-Incinerable Solid Radioactive Waste (DSR-N) contaminated with natural uranium, originating from the activities of the NFP Pitești Branch	RON 680,000/ EUR 137,479.28	Debts: RON 958,521.76 Receivables: RON 6,564,571.84	RON 0	Within 30 days from the issuance of the Services Acceptance Protocol corresponding to each transport, based on the original tax invoice		RON 74,899,012.60/ EUR 15,142,738.39

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26	SNN S.A., through its Cernavodă NPP Branch - S.P.E.E.H. Hidroelectrică S.A.	31.03.2023/455	Framework agreement for the supply of electricity to end customers no. 2023.826/29.03.2023	Supply of electricity	Estimated value RON 3,276,500/ EUR 662,427.72	Debts: RON 0 Receivables: RON 0	RON 0	a) an advance invoice for the quantity of energy forecast 100% to be consumed in the month of consumption, to be issued between the 20th and 25th of the month preceding the month of consumption, due on the last working day of the month in which it is issued; failure to pay this invoice by the due date will result in the interruption of electricity supply b) the regularization invoice will be issued in the month following the month of consumption, which will include the consumption of the previous month, based on the reading of the energy metering equipment		n/a

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27	SNN S.A., through its Cernavodă NPP Branch - RASIROM STATE OWNED COMPANY	04.04.2023/484	Addendum no. 3 to Services Agreement no. 1847/23.12.2021	Indexation of hourly rates - Design services for the extension of the technical system of physical protection and reconfiguration of alarm processing equipment and firmware update, software control and configuration of the parameters of the alarm detection elements and commissioning of the physical protection system related to the DICA 9 -17 spent fuel storage modules	RON 41,120.71/ EUR 8,313.60	Debts: RON 0 Receivables: RON 5,037.61	RON 87,400.76	Payment shall be made within 30 days of the acceptance, without comments, of each deliverable/service		RON 1,291,118.46/ EUR 261,032.40
28	SNN SA, through its NFP Pitești Branch - TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, through its branch INSTITUTE FOR NUCLEAR RESEARCH PITEȘTI (RATEN ICN)	12.04.2023/558	Addendum no. 4 to Services Agreement no. 828/30.08.2019	Decrease of agreement value by RON 590.43 (increase of number of tests for item 6 in the appendix to the agreement and decrease of number of tests for item 4 in the appendix to the agreement) - Environment monitoring	- RON 590.43/ - EUR 119.37	Debts: RON 1,385,752.66 Receivables: RON 355,907.23	RON 562,358.4	Payment for the services rendered during one quarter shall be made within 30 days of issuing the Services Acceptance Protocol accompanied by the supporting documents listed at Article 14.3 of the Agreement		RON 15,258,029.64/ EUR 3,084,798.36 (of which RATEN ICN Branch: RON 10,922,785.92/ EUR 2,208,318.69)

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				services (water and sediments)						
29	SNN S.A. – KINECTRICS NUCLEAR ROMANIA SRL and TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY - RATEN, through its branch CENTER OF TECHNOLOGY AND ENGINEERING FOR NUCLEAR PROJECTS (RATEN - CITON)	19.04.2023/578	Framework Services Agreement	Engineering services for complete design activities, at Cernavodă NPP (Unit 0, 1 and 2)	Maximum estimated value EUR 7,789,140	Debts: RON 438,036.48 Receivables: RON 0	KINECTRICS NUCLEAR ROMANIA SRL – RON 1,479,631.15 RATEN CITON – RON 504,291.31	Payment of the services provided in each subsequent agreement within 30 days from the receipt of the invoice, based on the invoice and the Services Acceptance Protocol, signed without comments by NPP representatives		n/a

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30	SNN S.A. – RASIROM STATE-OWNED COMPANY	21.04.2023/591	Sectoral Services Agreement	Maintenance of Physical protection System NFP Pitești	RON 975,776/ EUR 197,277.91	Debts: RON 0 Receivables: RON 5,037.61	RON 87,400.76	The Purchaser, by NFP Pitești branch, shall make the payment of services and spare parts used in providing the services within 30 days as of the receipt of the invoice, based on the invoice and the Services Acceptance Protocol corresponding to the services rendered and completed without non-conformities		<i>n/a</i>
31	SNN S.A., through its Cernavodă NPP Branch - NATIONAL ADMINISTRATION OF STATE RESERVES AND SPECIAL PROBLEMS - TERRITORIAL UNIT 515 BUCHAREST	24.04.2023/594	Addendum no. 1 to Agreement no. 396/23.03.2023	Price update of heavy water according to Resolution no. 669/2001 - Heavy water required to fill the reserve for Units 1 and 2 from Cernavodă NPP	RON 317,590/ EUR 64,208.89	Debts: RON 0 Receivables: RON 0	RON 0	Payment shall be made within 2 business days from signing the preliminary services acceptance protocol (PV)		<i>RON 17,123,535/ EUR 3,461,957.66</i>

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32	SNN SA, through its Cernavodă NPP Branch - TECHNOLOGIES FOR NUCLEAR ENERGY STATE OWNED COMPANY, through its branch INSTITUTE FOR NUCLEAR RESEARCH PITESTI (RATEN ICN)	27.04.2023/626	Addendum no. 1 to Sectoral Services Agreement no. 537/29.04.2021	Adjustment of hourly rates - Services for checking the tightness of reactivity control units by mass spectrometry (He) method	RON 19,280.88/ EUR 3,898.12	Debts = RON 1,557,436.34 Receivables: RON 355,907.23	RON 562,358.4	Payment shall be made within 30 days from the receipt of the original fiscal invoice, which will be drawn up after both parties have signed, without comments, the Services Acceptance Protocol		RON 15,128,512.89/ EUR 3,058,613.26 (of which RATEN ICN Branch: RON 10,942,066.80/ EUR 2,212,216.81)
33	SNN S.A., through its Cernavodă NPP Branch - PUBLIC UTILITIES - COMMON MANAGEMENT SERVICES (UTILITĂȚI PUBLICE - GOSPODĂRIA COMUNALĂ) SRL	02.05.2023/640	Contract	Collection, transport, storage, neutralization of non-radioactive mixed municipal waste inside and outside the protected area U1/U2 Cernavodă NPP	RON 424,035/ EUR 85,729.45	Debts: RON 120 Receivables: RON 0	RON 0	Invoicing shall be made on a monthly basis, based on the Services Acceptance Protocol, signed by both parties. Payment shall be made within 30 days from the receipt of the invoice in electronic format, using the national Ro eFactura system		RON 579,583.37/ EUR 117,177.50
34	SNN S.A - NUCLEARELECTRICA SERV S.R.L. – SNN branch	10.05.2023/697	Services agreement	Data entry, processing and validation	RON 44,136,720/ EUR 8,923,359.34	Debts = RON 284,144.11 Receivables: RON 0	RON 0	Monthly, within 10 days from the receipt of the Supplier's invoice, based on the invoice and the PVRS corresponding to the services provided in the reference month, issued according to article 11.3 of the agreement.		n/a

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S.N. Nuclearelectrica S.A.

Half-year report of the Board of Directors for the first half-year of 2023

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

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Object description	Total value (RON and EUR equivalent)	Mutual claims	Securities established	Payment terms and means	Other significant elements	Aggregate value of the last 12 months in a series of transactions (if the individual value < EUR 100,000)
35	SNN S.A. - KOREA HYDRO & NUCLEAR POWER Co., Ltd. (KHNP)	28.06.2023/961	Sectoral works contract, design and execution type. The model used is FIDIC Yellow (Plant and Design-Build) ed. 1999	Execution works for the Detrition facility within Cernavodă NPP	EUR 195,324,868	Receivables = RON 52,690.24 Debts = EUR 9,110.80 Debts = USD 1,592.12 Receivables = EUR 9,110.80 Receivables = USD 1,592.12		The buyer will pay an advance of 15% of the contract price (without the provision amount and consumables), conditional on the submission of a guarantee for the payment of the advance. During the execution of the Contract, payments will be made for services and works carried out by the Contractor and confirmed by the Engineer/Employer according to clause GCC 14.7 based on Intermediate Payment Certificates and Final Payment Certificates, within 56 days from the Engineer's receipt of the Works Progress Report and supporting documents.	According to the FIDIC contract "Conditions of Contract for Plant and Design-Build" First Edition 1999" GCC clauses 2.5, 8.7, 11.4, 12.4, 4.2 For both parties, the aggregate amount of the penalties shall not exceed 100% of the contract price	n/a

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Appendix 4.b. - Transactions worth at least EUR 100,000 subject to the obligation to inform the GMS according to art. 52 para. (3) letter b) of Government Emergency Ordinance 109/2011 as amended
2. Deposits established and bonds purchased

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Description of the subject-matter	Total value (RON or other currencies)	Mutual claims	Securities established	Payment terms and means	Other significant elements
1.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 25 January 2023	Deposit	Setting up a term deposit	RON 192,170,000	-	-	The deposit matures on 25.07.2023.	Interest applied: 7.90% per year
2.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 26 January 2023	Deposit	Setting up a term deposit	RON 105,065,000	-	-	The deposit matures on 25.07.2023.	Interest applied: 7.55% per year
3.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 06 February 2023	Deposit	Setting up a term deposit	RON 209,020,000	-	-	The deposit matures on 07.08.2023.	Interest applied: 7.50% per year
4.	SNN with CEC BANK S.A.	Purchase of bonds 07.02.2023	Purchase of bonds	Purchase of bonds issued by CEC	EUR 45,000,000	-	-	5 YEARS	Fixed yield: 7.50% per year
5.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 13 February 2023	Deposit	Setting up a term deposit	RON 183,720,000	-	-	The deposit matures on 16.08.2023.	Interest applied: 7.35% per year
6.	SNN with CEC BANK SA	Deposit dated 15 March 2023	Deposit	Setting up a term deposit	RON 104,500,000	-	-	The deposit matures on 21 June 2023.	Interest applied: 6.75% per year
7.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 15 March 2023	Deposit	Setting up a term deposit	RON 104,760,000	-	-	The deposit matures on 21 June 2023.	Interest applied: 6.75% per year
8.	SNN with CEC BANK SA	Deposit dated 23 March 2023	Deposit	Setting up a term deposit	RON 64,000,000	-	-	The deposit matures on 21 June 2023.	Interest applied: 6.75% per year
9.	SNN with CEC BANK SA	Deposit dated 31 March 2023	Deposit	Setting up a term deposit	RON 107,600,000	-	-	The deposit matures on 21 June 2023.	Interest applied: 6.70% per year
10.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 24 April 2023	Deposit	Setting up a term deposit	RON 130,141,000	-	-	The deposit matures on 24 August 2023.	Interest applied: 6.60% per year

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

Item no.	Parties to the legal deed	Date of conclusion and deed number	Nature of the legal deed	Description of the subject-matter	Total value (RON or other currencies)	Mutual claims	Securities established	Payment terms and means	Other significant elements
11.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 12 June 2023	Deposit	Setting up a term deposit	93,835,000	-	-	The deposit matures on 12 December 2023.	Interest applied: 6.65% per year
12.	SNN with CEC BANK SA	Deposit dated 21 June 2023	Deposit	Setting up a term deposit	287,500,000	-	-	The deposit matures on 21 December 2023	Interest applied: 6.70% per year
13.	SNN with Eximbank SA Bucharest	Framework Agreement no. 499S1/30.04.2014 Deposit dated 25 July 2023	Deposit	Setting up a term deposit	248,850,000	-	-	The deposit matures on 25 January 2024.	Interest applied: 6.68% per year

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Appendix 5 - Major litigations in progress as at 30 June 2023 (in excess of RON 500 thousand), including the non-monetary valued ones

Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
SNN Executive								
1.	9089/101/2013	Civil Mehedinți Tribunal	Creditor	Autonomous Authority for Nuclear Activities (RAAN)	Insolvency. Bankruptcy, liquidator appointed. Receivable RON 7,828,405.48	merits	Merits. Liquidation procedure in progress.	05.10.2023
2.	873/1259/2008	Civil Argeș Tribunal / Pitești Court of Appeal	Creditor	Termoficare 2000 S.A.	Insolvency. Bankruptcy. Receivable RON 2,713,986.71	higher appeal	<p>Solution on substance: 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 ARGEȘ, - 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. Judgment 481/2022 25 October 2022</p> <p>Solution on the higher appeal: ANAF's appeal against the sentence closing the bankruptcy procedure was rejected as unfounded. Definitive solution. Judgment 497/2023 2 May 2023</p>	completed
3.	1794/118/2016	Criminal The Court, Constanța / Constanța Court of Appeal	Civil party	Bucur Ionel Negulici Elena Olteanu Madalina Encica Ionel Nicola Laurentiu	Damage EUR 3,471,463.	appeal	Solution on substance: 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	21.08.2023

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(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
				Daramus Victor S.C. Davy Security S.R.L. party held liable for civil liability, by judicial administrator.			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 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 & 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 & 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 Constanța, as amended by conclusion no. 9/19.01.2016 of Constanța Tribunal and by Ordinance no. 279/P/2015 of 11.02.2016 of DNA - ST Constanța, 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. Appeal: the court postponed the rendering of a judgment to 21.08.2023.	

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Half-year report of the Board of Directors for the first half-year of 2023

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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	Criminal 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	Merits. Evidence management	29.09.2023
5.	5802/118/2017	Labour Constanța Tribunal	Defendant	NPP Union on behalf of 757 employees.	Money rights dangerous conditions bonus.	merits	Merits. Pending trial Submission of accounting expert report.	10.11.2023
6.	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	Solution on substance: 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. Solution on the higher appeal: 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. Retrial of merits: stayed on grounds of article 412 of the New Civil Procedure Code until the submission of the proof of capacity of heirs. Appeal of retrial of stay: Rejects the higher appeal as unfounded. Irrevocable.	postponed
7.	5462/2/2019	Administrative disputes Bucharest Court of Appeal / HCCJ	Appellant- plaintiff	Bucharest Regional General Directorate of Public Finance General Directorate for the Administration of Large Taxpayers.	Cancellation of tax documents	higher appeal	Solution on substance: 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	21.11.2023

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Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
							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 Higher appeal. Pending trial	
8.	6026/109/2019	Labour Argeş Tribunal / Piteşti Court of Appeal	Appellant-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.	appeal	Solution on substance: 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. Appeal: Regularization procedure	Appeal. Hearing pending
9.	97/2/2020	Civil Bucharest Tribunal / Bucharest Court of Appeal / HCCJ	Appellant-plaintiff.	ANRE (Romanian Energy Regulatory Authority).	Cancellation of administrative act order no. 216/11.12.2019.	higher appeal	Solution on substance: 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 available to the parties through the court's registry. Judgment no. 681/31.07.2020. Solution on the higher appeal: Rejects the higher appeal filed by the claimant Societatea Națională Nuclearelectrica SA against civil sentence no. 681 of 31 July 2020 and of the conclusion of 10 July 2020, of the Bucharest Court of Appeal - 8th Section Administrative and Fiscal Disputes, as unfounded.	

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Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
							Final. Rendered this day of 30 June 2022, the judgment being made available to the parties through the court's registry. 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. 1658D/2022 was filed with the Constitutional Court on 30 June 2022. The file is in the report stage.	
10.	3083/3/2020	Civil Bucharest Tribunal / Bucharest Court of Appeal / HCCJ	Appellant-plaintiff.	Transelectrica - National Company for the Transmission of Electricity.	RON 1,472,785	higher appeal	<p>Solution on substance: 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>Solution on appeal: 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 the parties through the court's registry. Document: Judgment 1927/2021 25 November 2021.</p> <p>Solution on the higher appeal: 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</p>	Postponed

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Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
							- 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.	
11.	1506/118/2020	Civil Constanța 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	Solution on substance: 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 Constanța Tribunal, within 30 days from communication. Judgment 1136/ 1 April 2022. Sentence on substance pending drafting	Solution on substance. Decision to be drafted
12.	1663/118/2020*	Civil Constanța 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.	substantive retrial	Solution on substance: 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 defence, 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 inadmissible. With right of appeal within 30 days from communication. Judgment no. 891/17.06.2021. Solution on appeal: 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	It will be re-registered with the court of first instance for a substantive retrial

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Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
							<p>appeal within 30 days from communication; the appeal application shall be filed with Constanța 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>Higher appeal: Rejects the higher appeal as unfounded. Final. Judgment 79/2023 26 April 2023</p>	
13.	2659/2/2020*	Administrative disputes High Court of Cassation and Justice	Claimant	ANRE	Cancellation of Order no. 12/2016.	merits	<p>Solution on substance: 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 Government Emergency Ordinance 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>Solution on the higher appeal: Upholds the higher appeal lodged by the claimant Societatea Națională 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>Case referred back for try to the first court</p> <p>Substance to be reheard after quashing: Dismisses the action as unfounded. With appeal within 15 days from communication. The appeal is submitted to the Bucharest Court of Appeal. Rendered this day of 6 June 2023, the judgment being made available to the parties through the court's registry. Document: Judgment 1002/2023 6 June 2023</p>	Judgment's drafting to follow

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Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
14.	16597/3/2020	Civil Bucharest Tribunal	Claimant- Defendant	General Concrete Cernavodă S.R.L.	Execution of works contract delay penalties RON 2,760,296.49 counterclaim RON 2,196,525.35	merits	Merits. Pending trial Administration of technical construction expert report evidence.	25.09.2023
15	13682/3/2020	Civil Bucharest Tribunal	Defendant	ISPE Proiectare si Consultanta SA	annulment of contract execution certificate	merits	Merits: based on art. 413, paragraph 1, point 1 of the Civil Procedure Code, the trial is suspended until the final resolution of file 16597/23/2020. With appeal.	postponed
16.	544/109/2015 (544/109/2016/a6)	Civil Argeş Tribunal / Piteşti Court of Appeal / HCCJ	Appellant- defendant	Goga Gheorghe	Patents.	appeal	Solution on substance: 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. Appeal: 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 Piteşti Court of Appeal. Rendered in public session this day of 4 May 2022. Document: Conclusion - Stay 4 May 2022: Solution on the higher appeal (544/109/2015/a6): Admits the appeal declared by the plaintiff Goga Gheorghe against the decision of May 4, 2022 of the Piteşti Court of Appeal – Civil Section I, pronounced in file no. 544/109/2015, in opposition to the respondents-defendants Compania Naţională a Uraniului SA Bucharest, Compania Naţională a Uraniului SA Bucharest through Administrator Judiciar Expert Insolventa S.P.R.L. Bucharest Branch and Societatea Naţională Nuclearelectrica SA Bucharest through FCN Piteşti Branch. It dismisses the appealed decision and sends the case for retrial to the same court of appeal. Final.	postponed
17.	4419/2/2021 And 1720/1/2022	Administrative disputes Bucharest Court of Appeal	Claimant	Romanian Government	Stay of enforcement and cancellation of Government Decision no. 1041/2003.	merits	Solution on substance: 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.	06.09.2023

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S.N. Nuclearelectrica S.A.

Half-year report of the Board of Directors for the first half-year of 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
							<p>Solution on higher appeal - stay of execution - Case no. 4419/2/2021: Dismisses the higher appeal lodged by the claimant Societatea Națională Nuclearelectrica S.A. against the Minutes of 13 April 2022 of Bucharest Court of Appeal - 8th Division for Administrative and Tax Disputes, as unfounded. Final</p> <p>Solution on substance - setting aside of the Government Decision no. 1041/2003 Rejects the claim as unfounded. With appeal within 15 days from communication, filed with this court. Document: Judgment 887/2022 11 May 2022.</p> <p>Solution on higher appeal - setting aside of the Government Decision no. 1041/2003 Upholds the higher appeal lodged by the claimant Societatea Națională 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>Substance to be reheard after quashing: pending trial</p>	
18.	25751/3/2021	Labour Bucharest Tribunal / Bucharest Court of Appeal	Respondent-defendant	Botea Ceciliu Lucian	challenge against decision to terminate employment	appeal	<p>Solution on substance: Dismisses the action as unfounded. Subject appeal within 10 days of service. Judgment no. 3753/31.05.2022.</p> <p>Solution on appeal: dismisses the appeal as unfounded. Final. Judgment 3207/2023 25 May 2023</p>	completed
19.	2873/120/2022	Administrative disputes Dâmbovița Tribunal /	Respondent-defendant	Ion Dragos Poescu	access to public information, Law no. 544/2001 on the S&L Study	higher appeal	<p>Solution on substance: Dismisses the statement of claims filed by the claimant Popescu Dragos Ion against S.C. Nuclearelectrica S.A., as unfounded. With right of appeal</p>	17.08.2023

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S.N. Nuclearelectrica S.A.

Half-year report of the Board of Directors for the first half-year of 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
		Ploiești Court of Appeal			regarding the SMR Site of Doicești		within 15 days from communication. Judgment 97/2023 15 February 2023 Higher appeal. Pending trial.	
20	23089/3/2022	Insolvency Bucharest Tribunal	Creditor	Compania Națională a Uraniului	receivable 7,811,840.50	merits	Merits. Procedure pending	07.11.2023
21.	35670/3/2022	Administrative disputes Bucharest Tribunal	Claimant	Dat Constructive SRL	claims 1,021,148.48	merits	Merits. Procedure pending	Hearing pending
22.	25192/3/2022	Civil Bucharest Tribunal	Defendant	SSG Fire & Rescue SRL	715,747.50	merits	Merits. Procedure pending	10.10.2023
23.	15711/3/2023	Civil Bucharest Tribunal	Claimant	Blondie Association	claims 518,502.50	merits	Merits. Regularization procedure	Hearing pending
Cernavodă NPP Branch								
	-							
NFP PITEȘTI Branch								
1.	2588/109/2020	Labour Argeș Tribunal	Defendant	FCN pensioners	obligation to do - Government Decision no. 1041/2003	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 case no. 3781/2/2020 by Bucharest Court of Appeal, 9th Division for Administrative and Tax Disputes.	Postponed
2.	8116/280/2021	Labour Argeș Tribunal	Defendant	RATEN-ICN Pitești	declaratory action - issue of employment certificates to employees, before the date of 1 February 1992	Merits	Merits: 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 1430/2023 9 March 2023	Decision to be drafted judgment on substance

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Appendix 6 - Achievement degree of key performance indicators as of 30 June 2023 – Board of directors

#	Objective/Performance indicators		Verification tool	Target Quarter IV 2023	Realised Quarter IV 2023	Accomplishment degree capped to 100%	Limity capped (%)
	Name of indicator	weight in the variable component					
Governance indicators							
1	Financial reporting transparency	11%	Publication of financial information in accordance with the financial timetable	100%	100%	100%	11%
2	SMIC standards implementation	11%	Annual report on the management internal control system	Annual indicator level. (100%)	100%	100%	11%
3	Risk management process monitoring	11%	Quarterly risk management report	Achieved	Achieved	100%	11%
4	Observance of the ethics and integrity standards	11%	Ethical Advisor quarterly report	100%	100%	100%	11%
5	Executive Management performance monitoring	11%	Quarterly report of SNN executives under contracts of mandate	Achieved	Achieved	100%	11%
Operational indicators							
1	No operational event that exceeded level 1 on the international scale of nuclear events	2%	INES scale acc. to IEAE.org website	Achieved	Achieved	100%	2%
2	Obtaining an installed power usage coefficient of at least % (since commencement of commercial operation)	10%	Obtained production MWh/Maximum theoretical production MWh	80%	87.56%	100%	10%
3	EHS - Annual collective dose	3%	Total dose, average per unit, man Sv (ALARA Quarterly Report)	Annual inidator level. (0,42 om/Sv)	0.14	100%	3%
4	EHS - Effluents in the environment	3%	MSw/NPP (ALARA Quarterly Report)	200	4.04	100%	3%
5	EHS - Maximum admissible dose	2%	mSv/person (ALARA Annual Report)	20	4.79	100%	2%
Financial indicators							
1	Gross profit	6%	Annex no. 1 IEB	80% of budgeted level	151.88%	100%	6%
2	Observance of the total budgeted operating expenditure, except for the contribution to the energy transition fund**	8%	Annex no. 1 IEB	100%	68.99%	100%	8%
3	Realization of the investment budget	6%	Annex no. 4 IEB	20%	27.61%	100%	6%
Indicators directed towards public services							
1	Company's involvement in the community	5%	Report on implementation of SNN's CSR programme SNN (contracting) against the figure set under the approved Income and Expenditure Budget	30%	34.87%	100%	5%
The weighted average degree of accomplishment of the key indicators							100%

* in exceptional cases generated by market operation conditions or significant legislative developments, this minimum gross profit target will be reduced by their impact, thoroughly justified, substantiated and transparently communicated

**contribution to the energy transition fund means the contribution due according to the Government Emergency Ordinance no. 119/2022, as subsequently amended and supplemented, or its equivalent after renaming

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