



QUARTERLY REPORT

regarding the economic and financial activity of S.N. Nuclearelectrica S.A. according to the provisions of art. 69 of Law no. 24/2017 regarding the issuers of financial instruments and market operations, as republished on 10 August 2021 and Appendix no. 13 to FSA Regulation no. 5/2018 regarding the issuers of financial instruments and market operations for the 9-month period ended 30 September 2023 (Q3 of the financial year 2023)

Basis of the report:	Art. 69 of Law no. 24/2017 regarding the issuers of financial instruments and market operations and Appendix no. 13 to FSA Regulation no. 5/2018 for the 9-month period ended 30 September 2023 (Q3 of the financial year 2023)
Date of report:	9 November 2023
Name of the issuer:	S.N. Nuclearelectrica S.A. ("SNN")
Headquarters:	Bucharest, Bulevardul Iancu de Hunedoara, nr. 48, Sector 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
The main characteristics of securities issued:	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.
Applicable accounting standards:	Individual Interim Financial Statements as at and for the 9-month period ended 30 September 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.
Reporting currency:	(Romanian Leu (RON)) - all amounts are expressed in RON, unless otherwise expressly provided for.
Reporting period:	Q3 of the financial year 2023

This is a free translation from the Romanian version. In case of any differences between the Romanian and English version, the Romanian version prevails. 1/8

CONTENTS

1. ECONOMIC AND FINANCIAL SITUATION.....	3
2. IMPORTANT EVENTS.....	4
3. ECONOMIC AND FINANCIAL RATIOS.....	7
4. STATEMENTS AND SIGNATURES.....	7
5. APPENDICES	8
5.1.. INDIVIDUAL INTERIM FINANCIAL STATEMENTS as at and for the 9-month period ended 30 September 2023	8
5.2.....QUARTERLY REPORT OF THE BOARD OF DIRECTORS regarding the management activity for the period 1 January - 30 September 2023	8

1. ECONOMIC AND FINANCIAL SITUATION

The Information and the Individual Interim Financial Statements as at and for the 9-month period ended 30 September 2023 disclosed in this report are not audited and nor reviewed by the company's auditor and have prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations compliant with the International Financial Reporting Standards ("IFRS-EU") adopted by the European Union, based on International Accounting Standard 34 - "Interim Financial Reporting", adopted by the European Union.

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

a) Individual Statement of Financial Position as at 30 September 2023

Ratio [thousand RON]	30 September 2023 (unaudited)	31 December 2022 (audited)
Fixed assets	6,311,172	6,049,279
Current assets	6,183,180	5,743,493
Total assets	12,494,352	11,792,772
Equity	11,228,903	10,535,505
Total liabilities, out of which:	1,265,449	1,257,267
Long-term liabilities	431,111	456,762
Current liabilities	834,338	800,505
Total equity and liabilities	12,494,352	11,792,772

b) Individual Statement of Profit or Loss and Other Comprehensive Income for the 9-month period ended 30 September 2023

Ratio [Thousand RON]	3-month period ended 30 September 2023 (unaudited)	3-month period ended 30 September 2022 (unaudited)	9-month period ended 30 September 2023 (unaudited)	9-month period ended 30 September 2022 (unaudited)
Operating income	1,879,824	1,770,200	5,659,471	4,910,535
Operating expenses	(1,142,870)	(977,698)	(3,611,372)	(2,712,752)
Operating profit	736,954	792,502	2,048,099	2,197,783
Financial income	89,412	72,482	312,214	137,714
Financial expenses	(8,257)	(8,441)	(21,510)	(23,380)
Net financial income/(expense)	81,155	64,041	290,704	114,334
Profit before corporate tax	818,109	856,543	2,338,803	2,312,117
Net corporate income tax expenses	(130,276)	(138,245)	(362,189)	(373,026)
Profit of the period	687,833	718,298	1,976,614	1,939,091
Other items of comprehensive income	0	0	0	0
Comprehensive income	687,833	718,298	1,976,614	1,939,091
Earnings per share (RON/share)	2.28	2.38	6.55	6.43
Diluted earnings per share (RON/share)	2.28	2.38	6.55	6.43

2. IMPORTANT EVENTS

2.1 Important events in Q3 of the financial year 2023

Other significant events during the period 01 January - 30 September 2023, which have not already been presented within the half-yearly report related to the 1st semester of the year 2023 are as follows:

Key matters related to continuation of the Project to Increase the Production Capacity – Units 3 and 4 Project

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 Nationala Nuclearelectrica, in order to develop the National Strategic Project Cernavodă 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 Phase II of the Project, namely: 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).

On 19 September 2023, the Canadian Minister of Energy and Natural Resources, in collaboration with the Romanian Minister of Energy, jointly declared Canada's commitment to provide 3 billion Canadian dollars in support for the expansion of Units 3 and 4 at the Cernavodă NPP project.

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

On June 13, 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.

Through the current report dated 29 September 2023, SNN and NuScale Power announced the approval by the National Commission for Nuclear Activities Control (CNCAN) of the Licensing Basis Document (LBD) for the NuScale nuclear power plant, equipped with small modular reactors (SMR).

Following a complex evaluation, CNCAN issued the official letter of approval in August 2023, attesting to the compliance of the Licensing Basis Document with national regulatory requirements.

The Licensing Basis Document allows the transition to the next stages of the project, because it establishes the basis for the initiation of the second phase of the design and engineering study (FEED). The approval of the Licensing Basis Document by CNCAN provides a licensing plan for the fulfilment of the critical phases of the project - location, construction, commissioning and operation.

Project for the tritium removal facility - CTRF

The Detritation 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 detritation 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 28 June 2023, the Company informs about the signing of the engineering, procurement and construction (EPC) contract for the completion of the first detritation 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 Detritation Facility" Investment Project was approved as a result of the update of the investment value.

The signed EPC contract has a completion timeline of 50 months with the following milestones:

- Authorisation obtaining and start of the construction/assembly work – 2024
- Acceptance of the execution details - 2025
- Commissioning the installation – 2026
- Trial run and transfer to operation - 2027

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 Resolution 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.

On 29 September 2023, the Company informed that starting from 01 October 2023 the Individual Employment Agreement of Mrs. Melania Amuza, as Deputy CEO Business and Development Affairs of SN Nuclearelectrica SA, ceases as a result of the appointment of Mrs. Melania Amuza as General Director of RoPower Nuclear SA, the project company for the development of the Small Modular Reactors (SMR) Project, owned by Nuclearelectrica and Nova Power & Gas (part of the E-Infra Group).

Automatic disconnection of Cernavodă NPP Unit 1 from SEN

On 8 August 2023, Unit 1 of Cernavodă NPP was automatically disconnected from the National Energy System due to a malfunction in the classical part of the unit, without impact on the nuclear part.

On 10 August 2023, the Company announces that Unit 1 of Cernavodă NPP has been resynchronized to the National Energy System.

The automatic disconnection of Unit 1 as well as the remedial works have no impact on the nuclear safety of the reactor, the unit's personnel, the population or the environment.

Signing of the Letter of Intent with the Three Seas Initiative Investment Fund to explore the possibility of collaboration in the renewable energy generation sector in Romania

In its current report dated 7 September 2023, the company announces that it has signed a Letter of Intent with the Three Seas Initiative Investment Fund to explore the possibility of collaboration in the renewable energy generation sector in Romania, in order to achieve common strategic objectives.

The company, which currently generates 33% of Romania's clean energy and has strategic investment projects that will increase its contribution to the generation of clean energy to approximately 66% in 2030, is looking for opportunities to further develop complementary projects, which ensure an even greater increase in its contribution to the production of clean energy in Romania.

The investment fund of the Three Seas Initiative (3SIIF or the Fund) is interested in further identifying and partnering in opportunities that support the energy transition and energy security in the 3 Seas Region.

International collaboration between SNN and Laurentis Energy Partners to advance the production of medical isotopes in Romania

On 28 September 2023, a Memorandum of Understanding was signed between the Company and Laurentis Energy Partners, which allows collaboration on opportunities in several areas, including the production of medicinal isotopes.

The memorandum was concluded in the context of the over 55-year partnership between Romania and Canada in the field of nuclear energy and the announcement made by Jonathan Wilkinson, Canada's Minister of Energy and Natural Resources, to support the development of Units 3 and 4 of Cernavodă NPP by 3 billion Canadian dollars, aiming at achieving energy security with clean energy.

2.2. Important events subsequent to 30 September 2023

Positive revision of the rating granted by Fitch

On November 8, Societatea Nationala Nuclearelectrica S.A. ("SNN") informs shareholders and investors that the Fitch rating agency has confirmed the BBB- rating, with a stable outlook, granted to SN Nuclearelectrica SA.

3. ECONOMIC AND FINANCIAL RATIOS

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

Name of ratio	Calculation method	M.U.	Amount 30.09.2023 ^{*)}
1. Ratio of current liquidity	Current assets/ Current liabilities	x	7.41
2. Indebtedness ratio			
2.1. Indebtedness ratio (1)	Borrowed capital/ Equity x 100	%	0.2%
2.1. Indebtedness ratio (2)	Borrowed capital/ Capital employed x 100	%	0.2%
3. Debt turnover ratio - customers	Average customer balance/ Turnover x 180	days	24
4. Assets turnover ratio^{**)}	Turnover/ Fixed assets	x	1.18

**) According to the Individual Interim Financial Statements as at and for the 9-month period ended 30 September 2023.*

****) Fixed assets turnover ratio is calculated by review of the quarterly turnover (360 days/270 days).*

4. STATEMENTS AND SIGNATURES

Based on the best available information, we confirm that Individual Interim Financial Statements for the 9-month period ended 30 September 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 adopted by the European Union (“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 9-month period ended 30 September 2023 and that such report, prepared in accordance with the provisions of art. 69 of Law no. 24/2017 regarding issuers of financial instruments and market operations, republished on 10 August 2021, and Appendix no. 13 to FSA Regulation no. 5/2018 regarding issuers of financial instruments and market operations for the 9-month period ended 30 September 2023, included fair and true information in relation to the company development and performance.

Teodor Minodor Chirica,
Chairman of the Board of Directors

Endorsed,
Dan Niculaie-Faranga,
Chief Financial Officer

5. APPENDICES

5.1. INDIVIDUAL INTERIM FINANCIAL STATEMENTS as at and for the 9-month period ended 30 September 2023

The Individual Interim Financial Statements as at, and for the 9-month period ended 30 September 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.

5.2. QUARTERLY REPORT OF THE BOARD OF DIRECTORS regarding the management activity for the period 1 January - 30 September 2023

The quarterly report of the Board of Directors regarding the management activity for the period 1 January - 30 September 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.