



**QUARTERLY REPORT**  
**OF**  
**THE BOARD OF DIRECTORS OF**  
**S.N. NUCLEARELECTRICA S.A.**  
**(“SNN”)**  
**Q4 2023**

**Date of report: March 2024**

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

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## 1. BASIS OF THE REPORT

The quarterly report of the Board of Directors for the fourth quarter 2023 is drawn up based on the provisions of Article 69 of Law no. 24/2017 regarding the issuers of financial instruments and market operations, republished, and the Mandate Contracts concluded by the Board of Directors with SNN.

## 2. ANALYSIS OF THE FINANCIAL SITUATION

The Information and the Individual Financial Statements as at and for the 12-month period ended on 31 December 2023 disclosed in this report were audited by the company's financial auditor S.C. PKF Finconta 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.

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

### 2.1. Individual statement of financial position as of 31 December 2023

The Individual financial position as of 31 December 2023 is stated in **Appendix 1**.

<b>Ratio</b> <b>[Thousand RON]</b>	<b>31 December 2023</b> <b>(audited)</b>	<b>31 December 2022</b> <b>(audited)</b>	<b>Variation</b>
Fixed assets	7,501,677	6,049,279	24.0%
Current assets	5,661,081	5,743,493	(1.4%)
<b>Total assets</b>	<b>13,162,758</b>	<b>11,792,772</b>	<b>11.6%</b>
Long-term liabilities	367,243	456,762	(19.6%)
Current liabilities	1,040,424	800,505	30.0%
<b>Total liabilities</b>	<b>1,407,677</b>	<b>1,257,267</b>	<b>12.0%</b>
<b>Equity</b>	<b>11,755,091</b>	<b>10,535,505</b>	<b>11.6%</b>
<b>Total equity and liabilities</b>	<b>13,162,758</b>	<b>11,792,772</b>	<b>11.6%</b>

The **long-term assets** increased by 24.0% compared to the values recorded as at 31 December 2022. The increase is mainly determined by the increase in financial assets measured at amortized cost, and the purchase of long-term bonds (RON 552.2 million, the equivalent of EUR 110 million as at 31 December 2023), as well as the increase of the contribution to the share capital of RoPower SA by RON 15 million, the increase in the contribution to the share capital of EnergoNuclear SA by RON 23 million, and increase of the share capital of Nuclearelectrica Serv SRL by RON 17 million.

The **current assets** observed a 1.4% decrease compared to 31 December 2022, mainly due to a 19.3% drop in the liquid assets (bank deposits maturing in less than 12 months, cash and cash equivalents) mainly due to the disposal of funds for purchase of bonds in 2023.

The **long-term liabilities** decreased by 19.6% 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.

The **current liabilities** increased by 30% compared to the figures recorded as at 31 December 2022, due to the increase in trade and other liabilities, mainly as a result of the recognition of the debt related to the contribution to the Energy Transition Fund as at 31 December 2023; this amount was paid in full in the month following the reporting period. The increase was partially offset by the decrease in short-term deferred income due to the decrease in prepayments invoiced to customers.

## 2.2. Individual profit and loss account for the 12-month period ended on 31 December 2023

In the 12-month period ended on 31 December 2023, SNN obtained a net profit amounting to RON 2,506,519 thousand.

Ratio [Thousand RON]	The 12-month period ending on 31 December 2023 (audited)	The 12-month period ending on 31 December 2022 (audited)	Variation
<b>Production (GWh)*</b>	10,294	10,200	0.9%
Operating revenues, of which:	7,586,912	6,534,010	16.1%
Revenues from the sale of electricity**	7,424,044	6,343,640	17.0%
Operating expenses, less depreciation and impairment an CETF	(1,850,718)	(1,857,584)	(0.4%)
Cost of contribution to the Energy Transition Fund/tax on additional income CETF	(2,623,619)	(1,085,014)	141.8%
<b>EBITDA</b>	<b>3,112,575</b>	<b>3,591,412</b>	<b>(13.3%)</b>
Depreciation and impairment	(631,370)	(605,405)	4.3%
<b>EBIT</b>	<b>2,481,205</b>	<b>2,986,007</b>	<b>(16.9%)</b>
Financial income	431,702	238,176	73.7%
Financial expenses	(34,774)	(31,687)	9.7%
<b>Net financial result</b>	<b>378,928</b>	<b>206,489</b>	<b>83.5%</b>
Net corporate income tax expenses	(353,614)	(428,073)	(17.4%)
<b>Net profit</b>	<b>2,506,519</b>	<b>2,764,423</b>	<b>(9.3%)</b>

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

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

The **operating profit** (EBITDA) decreased by 13.3% 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 - 31 December 2023, which was 141.8% 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 period 01 January - 31 December 2023, are higher than in the similar period of the previous year.

**Operating income** increased by 16.1%, an evolution supported by the 17% increase in income from the sale of electricity, determined by the 17.6% increase in the weighted average price, including Tg, of the electricity sold during 1 January - 31 December 2023 compared to the weighted average price from the same period of 2022, under the conditions of the sale of a similar total amount of electricity, an increase of 0.9%.

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 period 01 January - 31 December 2023, SNN sold via MACEE a quantity of 4,938,911 MWh at the price of 450 RON /MWh, which accounts for 47.02% of the total electricity sold during the period.

The amount of electricity sold on the competitive market of bilateral contracts decreased by 53.8%, accounting for 41.41% of the total sold quantity, and the average sale price on this market increased by 99.3% (price without Tg).

The amount of electricity sold by SNN on the spot market (DAM and IDM) in the first 12 months of 2023 increased by 6%, accounting for 11.4% of the total sold quantity, and the average sale price on this market decreased by 57.2% (price without Tg).

**The cost of the contribution to the Energy Transition Fund/tax on additional income**, of RON 2,623,619 thousand, due for the period 1 January - 31 December 2023, increased by 141.8% (1 January - 31 December 2022: RON 1,085,014 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 2023, are higher than the previous year.

As at 31 December 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 (Annex 6).

In the period 01 January - 31 December 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 current reporting period 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 similar period of the previous year used to allow. During the period 01 January 2023 - 31 December 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 0.4% during the period 01 January - 31 December 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 12 months of 2023 decreased by 41% compared to the similar period of the previous year.

**The financial result** positively influenced the net result, so that in the period 01 January - 31 December 2023, net financial income was recorded, increasing by 83.5% compared to the similar period of the previous year, as a result of the interest income obtained. The main currencies with exposures are EUR and CAD.

**The net income tax expense** decreased by 17.4% as a result of the decrease in the taxable profit calculated for the period 01 January - 31 December 2023 compared to that calculated for the similar period of the previous year, also influenced by the impact of deferred income tax expenses and revenues recognized during the reporting period.

The profit and loss account for the 12-month period ended on 31 December 2023 is presented in **Appendix 2**.

### **2.3. Execution of the Income and Expenditure Budget as at 31 December 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. By its Resolution no. 232/27.10.2023, the Board of Directors approved the rectification of the Revenue and Expenditure Budget for the year 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 execution of the IEB as at 31 December 2023 is presented in **Appendix 3** to this report.

Reviewing the performance of the Rectified Income and Expenditure Budget as at 31 December 2023 (presented in **Appendix 3**), it results that total income has been achieved in a proportion of 101.2%, and total expenses have been achieved in a proportion of 94.8%, therefore gross profit has been achieved in a proportion of 115.1%.

**3. OPERATING ACTIVITIES****3.1. Electricity generation**

The gross electricity production of the two operational units of Cernavodă NPP was 11,191,089 MWh in 2023 (of which 2,903,474 MWh in the fourth 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 896 thousand MWh during 2023 (of which 231 thousand MWh in the fourth quarter of 2023).

Thus, the electricity generated and delivered in the National Energy System ("SEN") was 10,294,203 MWh in 2023, compared to 2022 (10,199,558 MWh), representing an increase by 0.9%. In the fourth quarter of 2023, the amount of electricity produced and delivered in the SEN was 2,671,787 MWh, down by 4.2% compared to the level recorded in the fourth quarter of 2022 of 2,789,084 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, being achieved in proportion of 100.7% and for the fourth quarter of 2023, it considered a quantity of 2,741,842 MWh, being achieved in proportion of 97.4%.

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

Cernavodă NPP Unit	9-month cumulative 2023	October 2023	November 2023	December 2023	Aggregate 2023	Aggregate since the first date of commercial operation
Unit 1	95.74%	95.74%	91.76%	96.71%	95.49%	90.60%
Unit 2	84.07%	98.92%	79.60%	97.60%	86.11%	93.73%

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.

As of 8 August, Unit 1 was subject to an unplanned shutdown of 44.4 hours and, as of 18 November, the unit was shut down for 20.6 hours due to the weather conditions which caused disturbances in the National Energy System (SEN).

Unit 2 was shut down without prior planning for 124.7 hours as of 20 November, and for 8.3 hours as of 30 December.

**3.2. Sale 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, during 1 January - 31 December 2023:

- 8 bank letters of guarantee (issued in 2021 and 2022) amounting to RON 123,383,979 were liquidated;
- 5 bank letters of guarantee amounting to RON 137,377,000 were issued
- the value of four one letters of guarantee was increased, from RON 2,777,000 to RON 4,424,000.

As at 31 December 2023, there were 5 bank letters of guarantee on balance, amounting to RON 139,024,000.

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

**Electricity sales (quantities, prices and values) in 2023:**

Sales by type	Quantities in MWh	% of total sales	Average price [RON/MWh including Tg]	Sale revenues [RON]
Sales via MACEE	4,938,911	47.02%	450.00	2,222,509,995
Sales on the competitive market (bilateral agreements and sales on DAM and IDM), of which:	5,520,334	52.56%	944.01	5,211,276,928
- Sales under CMBC-EA Flex, CMBC-CN, CM-OTC, LCM-RCE contracts, directly negotiated contract and supply contracts	4,350,214	41.42%	1,059.01	4,606,927,731
- Sales on DAM and IDM	1,170,120	11.14%	516.48	604,349,197
Positive imbalances on PE*	43,892	0.42%	490.57	21,531,894
<b>Total sales during 2023</b>	<b>10,503,137</b>	<b>100%</b>	<b>709.82</b>	<b>7,455,318,817</b>

\* Note: the values also include RON 3,317,384 of additional system balancing income, according to ANRE Order 213/2020.

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 10,503,137 MWh, 1.1% above the sales schedule, of 10,391,304 MWh (measured according to the production forecast, without estimating unscheduled shutdowns) and 0.5% lower than the amount of electricity sold in 2022.

The difference between the electricity sold by the Company and the electricity generated and delivered by Cernavodă NPP (208.9 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 2023 amount to RON 7,455,318,817, 0.26% higher than the rectified revenues budgeted for 2023, and 17.8% higher compared to the amounts gained in 2022.

The weighted average sales price for the electricity sold (without MACEE and PE) achieved in 2023 is 944.01 RON/MWh (including T<sub>g</sub>). For comparison, the weighted average price of all transactions concluded on the markets in which SNN was active in 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 700.82 RON/MWh. In 2022, the weighted average sales price for the energy sold (without PE) was 602.33 RON/MWh (including T<sub>g</sub>).

SNN is the seller under the Centralized Electricity Acquisition Mechanism (MACEE), set up under the Government Emergency Ordinance no. 153/2022, for the period 1 January 2023 – 31 March 2025. OPCOM S.A., as sole purchaser, according to Article 2 and Article 3(2) of the Government Emergency Ordinance no. 153/2022, buys electricity from producers and sells it to buyers at the price of 450 RON /MWh, via the Electricity Centralized Acquisition Mechanism. In 2023, SNN sold via MACEE, to OPCOM, 4,938,911 MWh.

The quantities of electricity sold on the competitive market of bilateral contracts represented in 2023 a percentage share of 41.41% of the total volume of electricity sold, compared to a percentage share of 89.15% recorded in 2022.

The average sales price on bilateral contracts during 2023 was 1,059.01 RON/MWh (T<sub>g</sub> included), registering an increase of 99.3% compared to the average price recorded in the previous year, of RON 531.36 RON /MWh (T<sub>g</sub> included), provided that the value of the transmission tariff for the introduction of electricity into the network T<sub>g</sub> amounted to 1.49 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 2023, electricity amounting to 11.14% of the total sales value was sold on the spot market (DAM and IDM), as compared to 10.46% in 2022. The average sale price of energy on the spot market (DAM and IDM) achieved by SNN in 2023 was 516.48 RON/MWh (T<sub>g</sub> included), as compared to 1,207.36 RON /MWh (T<sub>g</sub> included) during the previous year.

In 2023, SNN performed 218 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;
- 33 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 the contracts in 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 fourth quarter of 2023 and the corresponding revenues, distributed per types of sales contracts are presented in the following table:

**Electricity sales (quantities, prices and values) in the fourth quarter of 2023**

Sales by type	Quantities in MWh	% of total sales	Average price [RON/MWh including T <sub>g</sub> ]	Sale revenues [RON]
Sales via MACEE	1,554,502	55.44%	450.00	699,525,810
Sales on the competitive market (bilateral agreements and sales on DAM and IDM), of which:	1,235,121	44.05%	949.72	1,173,020,307
- Sales under CMBC-EA Flex, CMBC- CN, CM-OTC, LCM-RCE contracts, contracts directly negotiated contract and supply contracts	1,115,755	39.79%	998.97	1,114,607,757
- Sales on DAM and IDM	119,366	4.26%	489.36	58,412,550
Positive imbalances on PE*	14,434	0.51%	942.36	13,602,067
<b>Total sales during the fourth quarter of 2023</b>	<b>2,804,057</b>	<b>100%</b>	<b>672.65</b>	<b>1,886,144,017</b>

<sup>9)</sup> Note: the values also include RON 1,251,198 of additional system balancing income, according to ANRE Order 213/2020.

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 2,804,057 MWh, 0.2% above the sales schedule, of 2,797,357 MWh (measured according to the production forecast, without estimating unscheduled shutdowns) and 0.7% lower than the amount of electricity sold in the fourth quarter of 2022.

The difference between the electricity sold by the Company and the electricity generated and delivered by Cernavodă NPP (132 thousand MWh) is represented by the electricity purchased in order to fully cover contractual obligations, 74% of which was purchased on the spot market and 26% on the PE market.

The revenues gained on the electricity market related to electricity deliveries in the fourth quarter of 2023 amount to RON 1,886,064,302, 0.9% higher than the rectified revenues budgeted for the fourth quarter of 2023, and 24% higher compared to the amounts gained in the fourth quarter of 2022.

The weighted average sales price for the electricity sold (without MACEE and PE) achieved in the fourth quarter of 2023 is 949.72 RON/MWh (including T<sub>g</sub>). In the fourth quarter of 2022, the weighted average sales price for the energy sold (without PE) was 537.91 RON /MWh (including T<sub>g</sub>).

The quantities of electricity sold on the competitive market of bilateral contracts represented in the fourth quarter of 2023 a percentage share of 39.79% of the total volume of electricity sold, compared to a percentage share of 97.52% recorded in the fourth quarter of 2022. The average sales price on bilateral contracts during the current reporting period was 998.97 RON/MWh (T<sub>g</sub> included), registering an increase of 89% compared to the average price recorded in the fourth quarter of 2022, of 528.76 RON /MWh (T<sub>g</sub> included); provided that the value of the transmission tariff for the introduction of electricity into the network T<sub>g</sub> amounted to 1.49 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 fourth quarter of 2023, electricity amounting to 4.26% of the total sales value was sold on the spot market (DAM and IDM), as compared to 2.06% in the fourth quarter of 2022. The average sale price of energy on the spot market (DAM) achieved by SNN during the fourth quarter of 2023 was 489.36 RON/MWh ( $T_g$  included), as compared to 970.63 RON/MWh ( $T_g$  included) during the fourth quarter of 2022.

In the fourth quarter of 2023, SNN performed 60 energy sales contracts, as follows:

- 21 contracts concluded on CMBC-EA-Flex;
- 25 transactions concluded on CM-OTC;
- 4 transactions concluded on LCM-RCE;
- 8 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.

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

In 2023, the total expenses made on the electricity market SNN amount to RON 161,241,974, of which RON 51,943,391 are expenses on the balancing market (BM), RON 37,404,747 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 33,782 represents expenses with green certificates required to be purchased for the electricity supplied, and RON 2,122,012 represents the tariffs paid to OPCOM SA and RCE for sale and purchase transactions carried out on the platforms managed by them.

Expenditure made for the purchase of electric energy in 2023 on the spot market (DAM and IDM) amounted to RON 69,508,568 (2022: RON 368,351,825), with the aim of ensuring the full fulfilment of contractual energy delivery obligations. The quantity of electricity purchased in 2023 was 134.344 MWh (2022: 278,989 MWh), at an average price of 517.39 RON/MWh (2022: 1,320.31 RON/MWh).

Expenses on the PE in 2023 amounted to RON 51,943,391, the quantity of electricity purchased being 70,249 MWh (in 2022: RON 139,249,502, the quantity of electricity purchased being 64,327 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 2023, no electricity was purchased through forward contracts, compared to 2022, when the expenses generated by the purchase of energy through forward contracts were RON 6,080,179 for a quantity of 11,040 MWh.

The expenses for the purchase of electricity and negative imbalances were lower in 2023, compared to 2022, due to the 42% lower electricity demand in 2023 compared to 2022, combined with a significant decrease in the average price for the purchased quantities, from 1,449.6 RON/MWh in 2022 to 593.77 RON/MWh in 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 2,623,619,387 in 2023.

In the fourth quarter of 2023, the total expenses made on the electricity market SNN amount to RON 94,424,517, of which RON 28,683,160 are expenses on the balancing market (BM), RON 10,793,527 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 7,359 represents expenses with green certificates required to be purchased for the electricity supplied, and RON 741.965 represents the tariffs paid to OPCOM SA and RCE for sale and purchase transactions carried out on the platforms managed by them.

In the fourth quarter of 2023, the expenses for the purchase of electricity were made mainly on the spot market (DAM and IDM) and amounted to RON 54,075,100 (in the fourth quarter of 2022: RON 22,474,049). The purpose of the purchase is to ensure the full fulfilment of the contractual obligations to supply electricity during the unplanned shutdowns of Cernavodă NPP Units; the amount of electricity purchased in the fourth quarter of 2023 was 98,497 MWh (in the fourth quarter of 2022: 21,731 MWh), at an average price of 548.82 RON/MWh (the fourth quarter of 2022: 1,034.17 RON/MWh).

Expenses on the PE in the fourth quarter of 2023 amounted to RON 28,683,160, the quantity of electricity purchased being 29,432 MWh (the fourth quarter of 2022: RON 16,022,992, the quantity of electricity purchased being 13,327 MWh).

The expenses for the purchase of electricity and negative imbalances were higher in the fourth quarter of 2023, compared to the fourth quarter of 2022, with the decrease in the number of cumulative operating hours, by 120 hours compared to the fourth quarter of 2022, which led to an 265% increase in the need to purchase electricity compared to the fourth quarter of 2022. The effect of the decrease in demand was offset by a significant decrease in the price of the purchased quantities, from 1,098.09 RON/MWh in Q4 2022 down to 646.56 RON/MWh in Q4 2023.

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

The total rectified amount of SNN's 2023 investment programme is RON 710.318 thousand (without the component allocated to payment of debt service for long-term loans), which is higher than the rectified amount of the 2022 investment programme (RON 609,220 according to the 2022 rectified IEB approved by the OGMS Resolution no. 10/19.10.2022). The rectified investment program for the year 2023 was approved by Resolution of the Board of Directors no. 232/27.10.2023.

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 investments made (as values and as percentages) for the period 1 January - 31 December 2023 compared to the same period of 2022 is presented in the table below. During 1 January - 31 December 2023, investments of RON 630,749 thousand were made (88.8% of the total 2023 rectified investment programme), according to the internal planning.

<b>Year</b>	<b>Investment program value [thousand RON]</b>	<b>Actual (01.01 – 31.12) [thousand RON]</b>	<b>Degree of completion (01.01 – 31.12) [%]</b>
2023	710.318*	630.749	88.8%
2022	609.220*	561,468	92.2%

*Note. The value of the investment programme, and the calculated progress attained in 1 January – 31 December are in accordance with the figures approved in the rectified IEB 2022 and rectified IEB 2023*

### **Analysis of the degree of completion of the investment program as at 31 December 2023**

Some of the major projects or the projects that had an important share in the investment program (approved by the IEB 2023 rectification) 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 258,628 thousand - 95.1% completed in terms of value as at 31 December 2023;
- **“Tritium Removal Facility of Cernavodă NPP”**: budgeted RON 36,615 thousand - 48% completed in terms of value as at 31 December 2023;
- **“Replacing the rotor related to the main generator of 2-4121-G02 from U2 with a new rotor”**: budgeted RON 96,412 thousand - 100% completed in terms of value as at 31 December 2023;
- **"Planned shutdown of Unit 2 within Cernavodă NPP (regular general inspection and major repair works)"**: budgeted RON 84,719 thousand - 82% completed in terms of value as at 31 December 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 27,166 thousand - 64.5% completed in terms of value as at 31 December 2023;

- **“Intermediate Dry Storage Spent Fuel Facility”**: budgeted RON 23,463 thousand - 104% completed in terms of value as at 31 December 2023, slightly ahead of the initial planning;
- **”EDMS replacement and integration with AS 9.X”**: budgeted RON 5,214 thousand - 100.1% completed in terms of value as at 31 December 2023;
- **“Software programs for the integrated management of the plant - upgrade Asset suite 6.0.4 to version 9.X”**: budgeted RON 3,711 thousand - 100.3% completed in terms of value as at 31 December 2023;
- **"Facilities"**, representing purchases of goods and other investment expenses: budgeted RON 78,631 thousand - 89.6% completed in terms of value as at 31 December 2023.

Between 1 January and 31 December 2023, a large number of projects were completed, of which we mention the following relevant projects:

- Intermediate Dry Storage Spent Fuel Facility - Modules 15 and 16;
- Replacing the rotor related to the main generator of 2-4121-G02 from U2 with a new rotor;
- 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/U2;
- Improving the performance of the video system and Contact Scanner DCC U2;
- Qualification for severe accident and earthquake conditions of loops 2-63312-PT13 to PT16 and assurance of indications in SCA U2, MPA#EC 2892;
- Supply of lifting gear for replacement of the electric hoist from R/B, R601 U2;
- Refurbishment works of the ventilation and air conditioning system related to Pavilion 6 - NOB Cernavodă NPP
- Replacement of the ventilation and air conditioning system related to Pavilion 2 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;

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

Quarterly report of the Board of Directors for the fourth quarter of 2023

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

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- Retrofitting the part for fire detection and control and monitoring of Deluge valves related to the transformers 0-5135-TC01/TC02, 0-5134-T1/T2;
- Software programs for the integrated management of the plant (WMS) - upgrade AS/replacement EDMS.

**3.5. Financial investments in subsidiaries and related entities****Energonuclear S.A.**

As at 31 December 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 31 December 2023 is RON 222,438,103 (31 December 2022: RON 199,438,105).

In 2023, the share capital of Energonuclear S.A. branch was increased by the amount of RON 22,999,997.31, under Resolution of the Extraordinary General Meeting of Shareholders no. 5/29.08.2023 by issue of new shares.

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

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

In 2023, the Company's shareholder approved the granting of loans in amount of RON 11,000,000 and RON 16,325,949.40 respectively, for the purpose of financing the activities, in compliance with the provisions of the activity programs and of the income and expenditure budget for 2023.

As at 31 December 2023, the total amount of the loans principal granted to the subsidiary are RON 24,780,949, with an accrued interest of 277,889 RON (as at 31 December 2022, the total amount of the loan principal was RON 3,600,000, with an accrued interest of RON 130,772).

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

As at 31 December 2023, respectively 31 December 2022, the Company held 100% of the share capital of Nuclearelectrica Serv S.R.L. The value of the shareholding as at 31 December 2023 is RON 17,000,200 (31 December 2022: RON 200).

In 2023, the share capital of Nuclearelectrica Serv branch was increased by the amount of RON 17,000,000, under Resolution of the Board of Directors no. 294/21.12.2023 by contribution in cash.

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. During 2023, the branch accessed the amount of RON 11,006,800 and fully repaid that amount until 31 December 2023 (balance as at 31 December 2022: RON 1,920,000), for which it booked an accrued interest accumulated in the balance as at 31 December 2023 of RON 57,863 (31 December 2022: RON 44,478).



**RoPower Nuclear S.A.**

As at 31 December 2023, respectively, 31 December 2022, the Company held 50% of the share capital of RoPower Nuclear S.A., the shareholding value amounting to RON 19,943,000 (31 December 2023: RON 4,493,000).

In 2023, RoPower Nuclear SA concluded a loan agreement with SNN for the equivalent in EUR of the amount of USD 8,966,023, of which the amount of USD 4,556,949 was drawn until 31 December 2023. The loan was granted for the purpose of financing the technical assistance activities related to SMR Front End Engineering and Design (FEED) Phase 1. As at 31 December 2023, the outstanding loan principal amounts to EUR 4,257,240 (RON 21,178,068), and the accumulated interest amounted to RON 779,817.

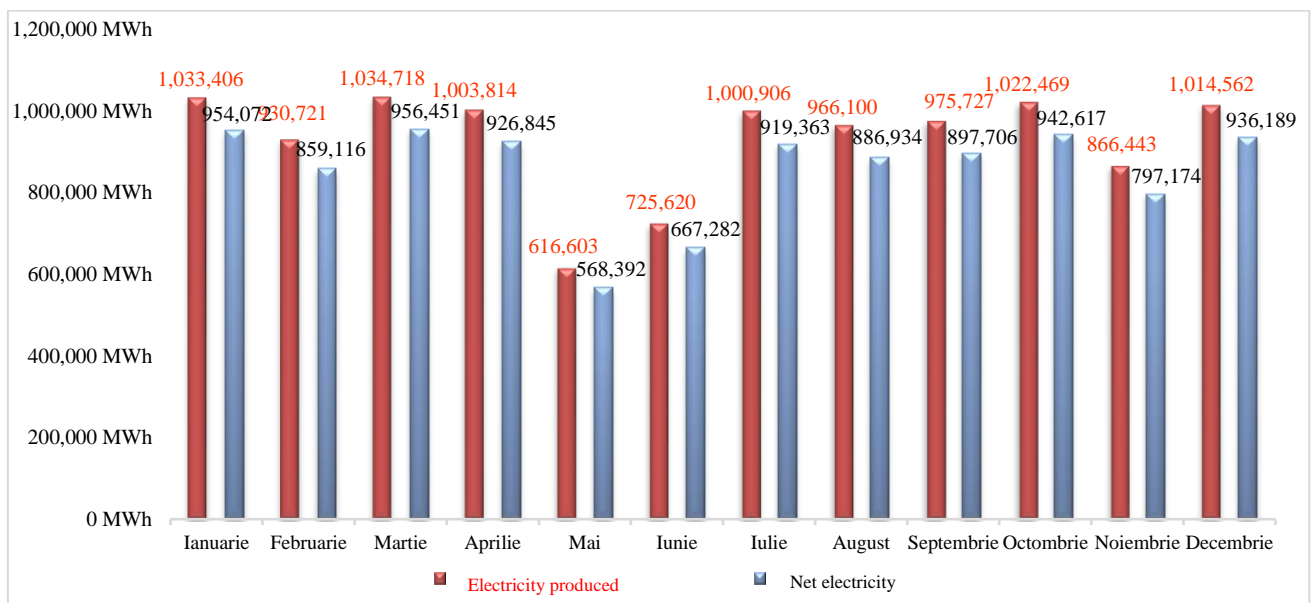
### 3.6. Activity of Cernavodă NPP Branch

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

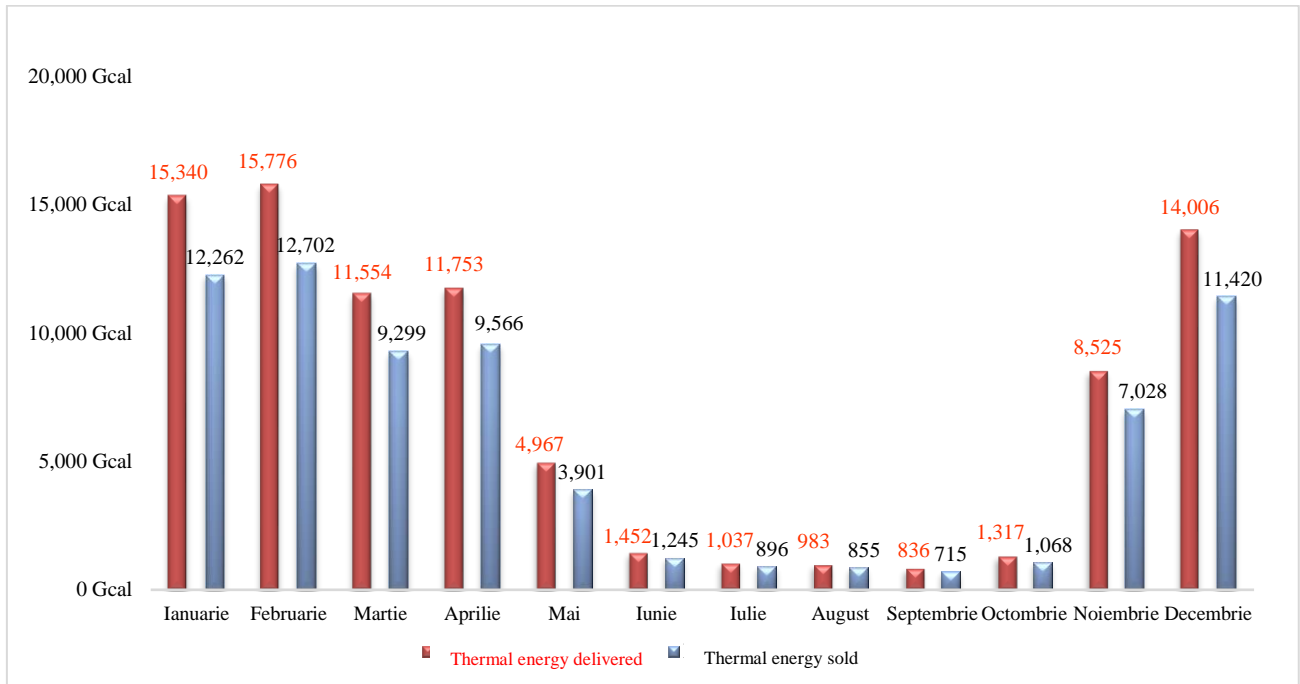
In the 12-month period ending on 31 December 2023, there was no operational event that exceeded level 1 on the international scale of nuclear events, regarding the degradation of defence barriers in depth, impact on the site or outside and no human error leading to an event with consequences.

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

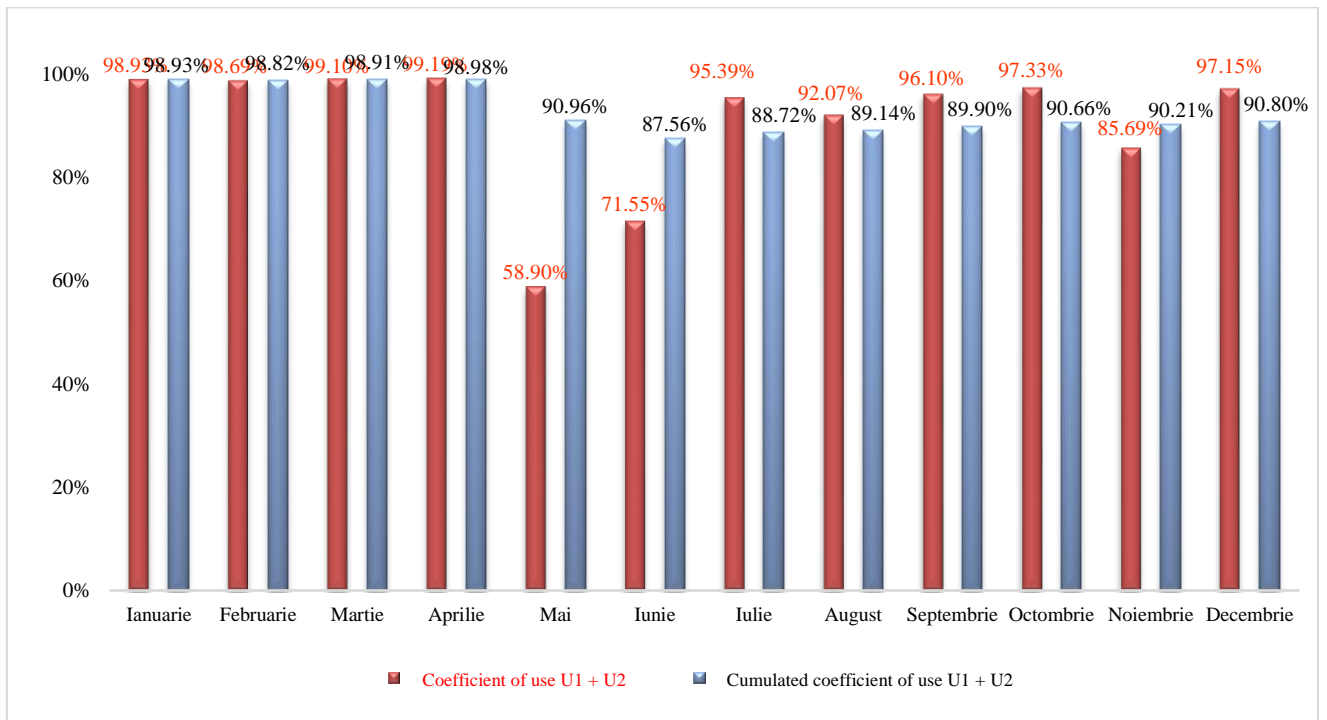
**Produced/net electricity U1+U2 (MWh)**  
**(Electricity produced: 11,191,089/Net electricity delivered: 10,312,144)**  
**(Aggregate own technological consumption 2023: 7.85%)**



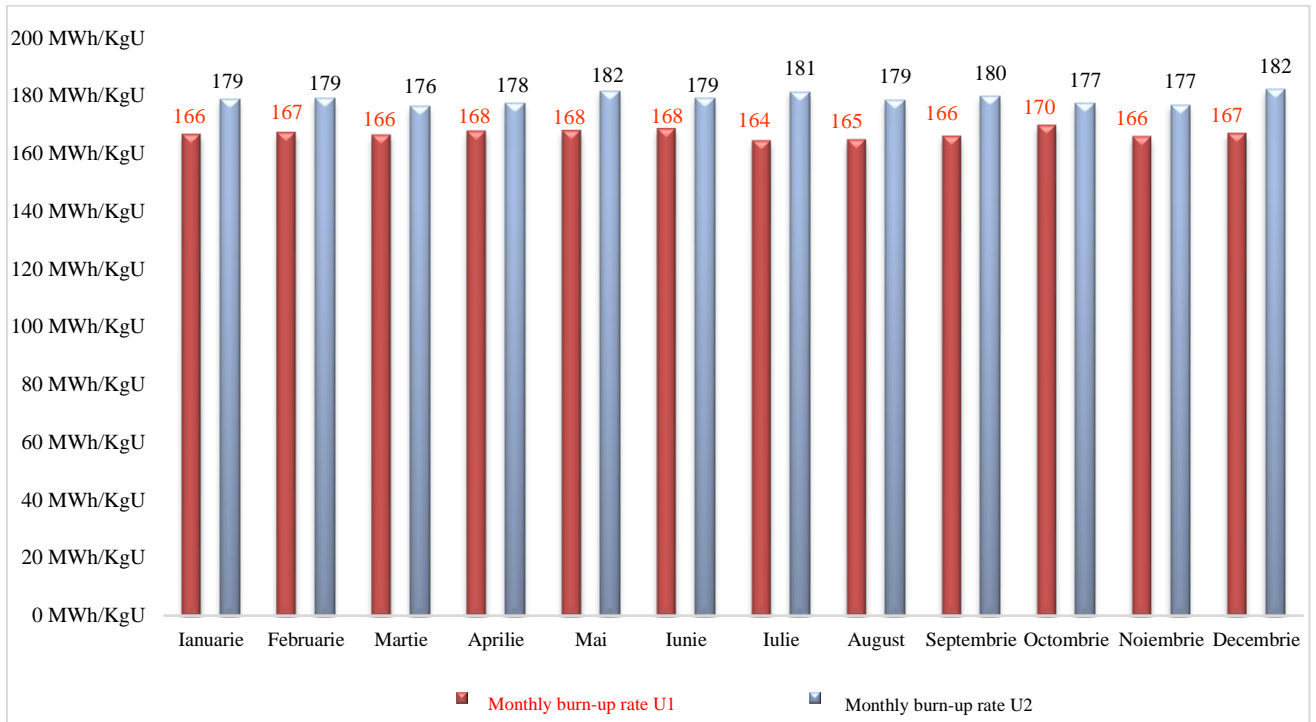
**Thermal energy delivered for heating/sold (Gcal)**  
**(Thermal energy delivered: 87,547/Thermal energy sold: 70,958)**



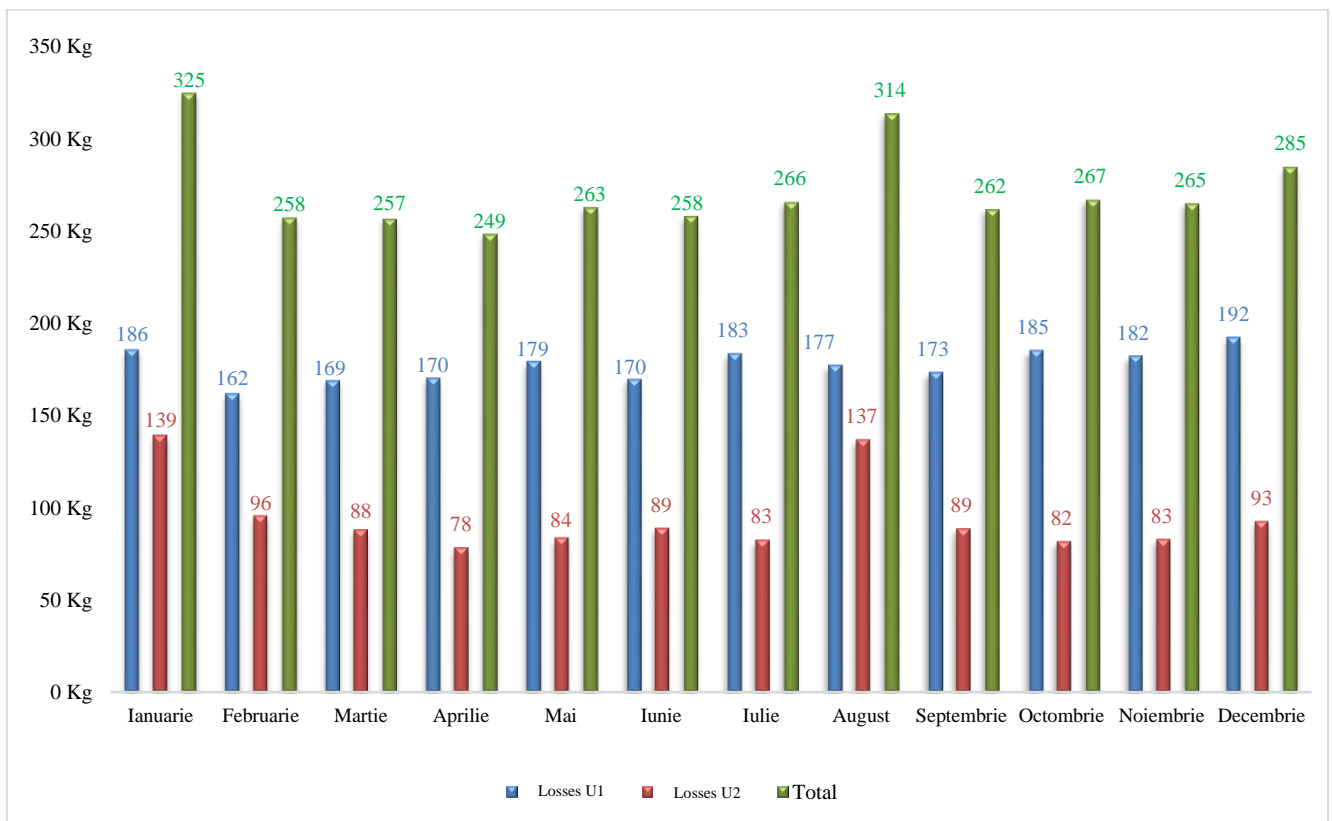
**Coefficient of use of the installed power U1+U2 (%)**  
**(Aggregate 2023: 90.80%)**



**Nuclear fuel burn-up rate (MWh/KgU)**  
**(Aggregate 2023: 172.8/Planned in the project: min. 156)**



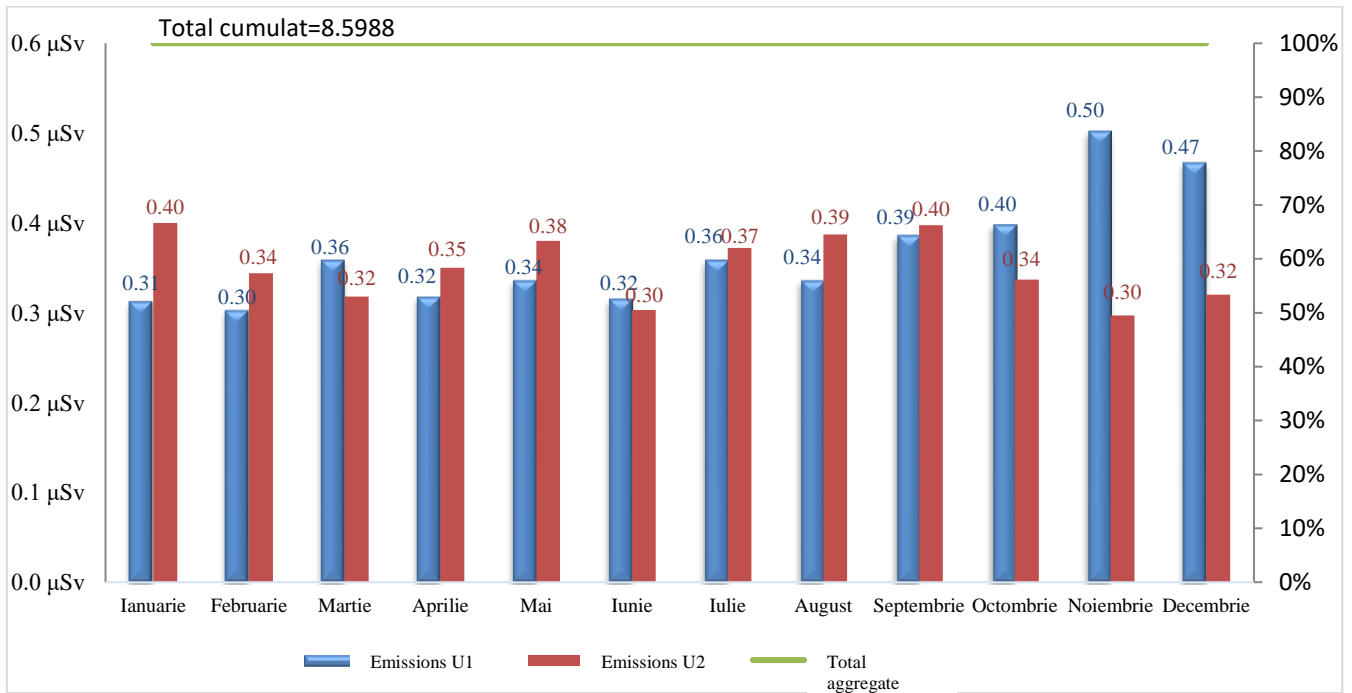
**Heavy water losses U1+U2 (Kg)**  
**(Aggregate 2023: 3.269/ Planned: max. 10,280)**



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

**Volume of radioactive emissions in the environment U1+U2 (μSv)**

(Total aggregate 2023: 8.6/Annual target: 9)



**3.7. Activity of NFP Pitești Branch**

Between 1 January and 31 December 2023, NFP Pitești Branch manufactured, controlled and accepted a number of 11,000 nuclear fuel bundles, in line with the annual manufacturing plan, all falling within the specifications, with the production of nuclear fuel bundles increasing by 1.6% compared to the same period of the year 2022, when 10,826 bundles were manufactured, controlled and accepted.

During 1 January - 31 December 2023, NFP Pitești Branch delivered to Cernavodă NPP a number of 10,800 nuclear fuel bundles (1 January - 31 December 2023: 10,800 bundles), in compliance with the agreed delivery schedule.

Between 1 January and 31 December 2023, for the production of nuclear fuel, sinterable uranium dioxide powder was consumed coming from the existing stock on 1 January 2023 and from deliveries of sinterable uranium dioxide powder from the processing of technical uranium concentrate purchased from NAC KazatomProm JSC – Kazakhstan and CAMECO Corporation.

## **4. OTHER SIGNIFICANT ASPECTS**

### **4.1. The Project of Units 3 and 4 within Cernavodă NPP**

As at 31 March 2023, Law no. 74, approving the signing of the Support Agreement between the Romanian State and Societatea Nationala 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 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 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 Stage and have the Final Investment Decision taken for advancement to Stage 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.

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.

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

The contract for “Engineering services to ensure definition of the technical requirements needed to contract the long-life reactor components to be replaced in the refurbishment process, together with services to assess the condition of the tools and devices to be used in the refurbishment process of the Cernavodă NPP Unit 1 reactor” is in progress. The progress made under the entire contract is 57.25%.

The following support contracts, signed in 2023, are in place for the issue of the Environmental Agreement:

- The contract for “Preparation of a proposal regarding aspects relevant for environmental protection, that must be developed in the Environmental Impact Report, and preparation of the Environmental Impact Report for the Cernavodă NPP Unit 1 Refurbishment Project and expansion of the Spent Fuel Intermediate Storage with MACSTOR 400 type modules” was signed in February 2023.
- The contract for “Services for preparation of the ecotoxicological impact study for establishing the discharge limit and the analytical method for determining the concentration of the new product ODAFON F (corrosion inhibitor) to be used in the Cernavodă NPP installation” was signed in March 2023.
- “Preparation of the population health impact assessment for the Cernavodă NPP Unit 1 Refurbishment Project and expansion of the Interim Storage of Spent Fuel with a MACSTOR 400 module” was hired in August 2023.

A framework-agreement for “Professional training services - external training and mentorship for the staff selected for implementing the Cernavodă NPP Unit 1 Refurbishment Project” was signed with CNPSA in February 2023. Under two subsequent contracts, DRTM staff received 10 weeks of training as part of the Darlington Nuclear Power Plant Refurbishment project.

As at 7 March 2023, Nuclearelectrica announced selection of Candu Energy Inc., a member of the SNC-Lavalin Group (TSX: SNC), to provide services related to:

- Engineering to devise the technical specifications and the design documentation for the refurbishment activities that require acquisition of equipment/components with a long manufacturing time, and for complex activities with a long design time; and
- The technical documentation required to commence the process for obtaining the building permit for the infrastructure needed to retube the reactor of Unit 1”.

Under the two-year agreement, with an amount of approximately CAD 65 million, SNC-Lavalin will perform long-term engineering services, in order to prepare the future refurbishment project of Cernavodă NPP’s Unit 1.

In October 2023, the procurement procedure with the Consortium Candu Energy Inc. and Canadian Commercial Corporation (CCC) was completed; its purpose was:

- a) Supply of the reactor components required for the retubing works;
- b) Supply of the necessary Retubing Tools, as upgraded/customized in advance to meet the specific technical requirements of Cernavodă NPP Unit 1.
- c) Engineering/technical assistance/technical support services.

SNN and the Consortium intend to sign the Agreement, which will enter into force after obtaining the corporate approvals of the parties.

The procurement procedure for “Management, technical assistance, consultancy and staff training services was also commenced for preparation and deployment of the Cernavodă NPP Unit 1 Refurbishment Project” is in progress.

Under the current report dated 28 November, SNN, together with Candu Energy Inc. and Canadian Commercial Corporation (“CCC”), announced the signing of the contract for supply of reactor tooling and components, as well as for engineering and technology services with a view to extending the service lifetime of Cernavodă NPP Unit 1, with the amount of CAD 781 million.

Execution of this contract was approved under the EGMS no. 8 on 7 December 2023, and CCC received the final approval from the Government of Canada.

As at 31 December 2023, the following procurement procedure is in progress:

- Management, technical assistance, consultancy and staff training services was also commenced for preparation and deployment of the Cernavodă NPP Unit 1 Refurbishment Project.

### **4.3. 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 Reactors (SMR) Project in Romania with up to USD 275 million.

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 the SMR project.

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 stages of the project - location, construction, commissioning and operation.

Under the OGMS Resolution no. 6 of 4 December 2023, the Company reported completion of FEED Phase 1 for the Small Modular Reactors Project and approval of the transition to FEED Phase 2 of the SMR Project.



#### **4.4 Project for the tritium removal facility - CTRF**

The Tritium Removal 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 tritium removal 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 tritium removal facility in Europe at Cernavodă NPP, between Korea Hydro & Nuclear Power (KHNP) and the Company.

Under the Resolution no. 5/05.07.2023 of the Ordinary General Meeting of SNN Shareholders, amendment of the Implementation Strategy for the “Cernavodă NPP Tritium Removal Facility” Investment Project was approved as an effect of the updating of the investment’s amount.

The signed EPC contract has a 50-month term and features the following implementation stages:

- Obtain the licenses/permits and commence the construction and assembly works – 2024;
- Acceptance of the Detailed Engineering – 2025;
- Commissioning of the plant – 2026;
- Trial operation and transfer into operation – 2027.

Under the Resolution no. 8/07.12.2023 of the General Meeting of SNN Shareholders, the current report dated 22 December 2023 was approved and execution of the loan agreement with the European Investment Bank (EIB), amounting to EUR 145 million, to support completion of the first tritium removal facility (CTRF) in Europe, was announced.

In addition to signing this agreement, as at 31 December 2023, the Initial Safety Report and the Preliminary Nuclear Safety Report, as required to obtain the Site and Building Permits, for the CTRF Project were completed; the applications for the permit issue, together with the supporting documents, were submitted on 16 November 2023 and are now under review by CNCAN.

#### **4.5. 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 (UO<sub>2</sub>). During the same period, all the necessary steps were taken to transport the uranium technical concentrate and to deliver of the contracted quantities.

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 UO<sub>2</sub> powder by KHNP, as well as for exploring the possibilities of collaboration in the field of manufacturing nuclear fuel bundles.

#### **4.6. Litigation commenced by Cernavodă NPP Trade Union and the employees of Cernavodă NPP Branch**

Case no. 5802/118/2017 was filed with Constanta Tribunal against SNN, 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 to be unfounded, as all due salary rights were paid to employees, including the amounts in dispute. The court rejected the plea of *res judicata* raised by SNN as unfounded and admitted the documentary evidence and the accounting expert report, as well as temporarily postponed the technical expert report on classification into radiological risk areas, pending submission of documents by SNN. For submission of the accounting expert report and the parties raising potential objections, the court set a hearing on 31 May 2024.

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

S.N. Nuclearelectrica S.A. started the action to suspend enforcement, cancellation of Government Decision no. 1041/2003 regarding certain measures to regulate the facilities granted to pensioners in the electricity sector, as amended and of Government Decision no. 1461/2003 for the amendment and completion of Government Decision no. 1041/2003 regarding certain measures to regulate the facilities granted to pensioners in the electricity sector and the obligation to pay material damages in the amount of RON 820,422.44, resulting from the application in the past three years of Government Decision no. 1041/2003 and Government Decision no. 1461/2003 – File no. 4419/2/2021 registered with the Bucharest Court of Appeal, 8th Administrative and Tax Litigation 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 higher 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 Bucharest Court of Appeal. The next hearing is due on 27 March 2024 for submission of the accounting expert report.

#### **4.8. Dispute concerning the insolvency of Compania Nationala 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 UO<sub>2</sub>.

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 7 November 2023, the involved judge set a new hearing on 30 April 2024, for continuation of the proceedings, preparation of the final list and submission of a reorganization plan. As at 21 December 2023, SNN collected the secured claim, minus the bank commission of RON 27. As at 16 January 2024, SNN collected the difference of RON Applicable 26.98 from CNU. Next, SNN will no longer appear in the Final List of Claims to be prepared by the court-appointed insolvency administrator.

#### **4.9. Dispute 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 as unfounded. The Ploiesti Court of Appeal dismissed the appeal lodged by Ion Dragos Popescu as unfounded. The decision is final.

#### **4.10. 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 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 Chief Commercial and Development Officer 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.

#### **4.11. 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 of SNN 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. Resolution 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 Nationala 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.

Further to the legislative amendments introduced by Law no. 187/2023 on the content of the Government Emergency Ordinance no. 109/2011 on corporate governance of public enterprises, and to the clarifications provided by the Ministry of Energy with the letter no. 17003/SIB/2023, the Resolution of the Board of Directors no. 293/21.12.2023 approved: authorization of the Nomination and Remuneration Advisory Committee to run selection of a non-executive member to sit in the SNN's Board of Directors (vacant position), and the initial component of the selection plan for the vacant position of member of the SNN Board of Directors, prepared in the same way as that approved for the current directors, with a

4-year term of office. Selection for the vacant position of member of the SNN's Board of Directors is in progress as at 31 December 2023.

#### **4.12. 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 4, 5 and 13 floor, as well as the updating the Articles of Association of SNN with the new registered office.

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

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

The objective of the Memorandum of Understanding is to provide both parties with a 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.

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

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

Through the current Report published on 22.05.2023, the Company informed its shareholders that based on Resolution 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.

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

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

#### **4.16. Planned shutdown of Unit 2 within Cernavodă NPP**

Starting on 7 May 2023, Cernavodă NPP Unit 2 entered the planned shutdown 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 shutdown, activities from the following programs were carried out:

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

As at 20 November, Unit 2 of Cernavodă NPP was controlled shut down for performance of remedial works to a piece of equipment that was inaccessible with the reactor in operation.

Resynchronization of Unit 2 with the National Energy System safety occurred on the night of 25 November, in accordance with the specific procedures of Cernavodă NPP applicable in these instances.

As at 29 December, Unit 2 of Cernavodă NPP was controlled shut down for performance of remedial works to the Balance of Plant of Unit 2, and Unit 2 is due to be resynchronized with the National Energy System on 30 December.

#### **4.17. 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 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.

#### **4.18. Signing of the Memorandum of Understanding with Energoecom for the development of long-term cooperation in the energy sector**

On July 18, 2023, SNN and Energoecom, 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.

#### **4.19. Automatic disconnection of Cernavodă NPP Unit 1 from SEN**

On August 8, 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.

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

As at 18 November 2023, Unit 1 of Cernavodă NPP automatically disconnected from the national electricity distribution grid due to the weather conditions that caused disruptions in the National Energy System.

As at 19 November 2023, the Company announces resynchronization of Unit 1 to the National Energy System.

As at 26 November, Units 1 and 2 of Cernavodă NPP were operated at reduced power, at DEN's request, due to the severe weather conditions in Dobrogea; these are expected to operate again at rated power on 27 November.

#### **4.20. 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 September 7, 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.

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

On September 28, 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.

#### **4.22. Positive rating review by Fitch**

As at 7 November 2023, the International Rating Agency Fitch revised the rating of SNN to "BBB-", with stable outlooks. The rating reflects, according to the report published by Fitch Rating Agency, the strong business profile of SN Nuclearelectrica SA underpinned by its strong market position as the sole producer of nuclear energy, covering approximately 20% of Romania's consumption needs and 35% of the clean, CO2 emission-free energy at national level; the solid level of profitability, with a similar perspective for the period 2023-2026; major investment plans with reference to the Refurbishment of Unit 1, the Tritium Removal Facility and Units 3 and 4 for the period 2023-2027; the level of indebtedness related to the implementation of the refurbishment of Unit 1 of the Cernavodă NPP; medium-term investment projects with reference to the Units 3 and 4 Project and the SMR Project; the solid relationship with the Romanian State, the shareholding ties and the strategic importance of this

relationship in relation to the investment projects; the impact of the energy price cap through the MACCE market mechanism.

#### **4.23. Signing of the Lutetium-177 radioisotope production agreement with Framatome**

As at 30 November 2023, the Company and Framatome announce the signing of a cooperation agreement to explore the possibility of producing the medical isotope Lutetium-177 by the nuclear power plant of Cernavodă. Lutetium-177 is used for a wide-range of cancer treatments.

The initial scope of the agreement includes a technical feasibility study, based on Framatome's isotope production technology which has been successfully implemented in Canada since 2022.

Framatome and Nuclearelectrica will work together to explore how to maximize the existing infrastructure of Cernavodă to produce medical isotopes, in addition to the clean, safe, reliable and carbon-free energy currently generated.

#### **4.24. SNN joins the Net Zero Nuclear Industry Pledge**

As at 6 December 2023, SNN announces that it joins the Net Zero Nuclear Industry Pledge, launched on 5 December at COP28 - the UN Climate Change Conference, in an event organized as part of the COP28 Presidency Thematic Programme in Dubai, the United Arab Emirates.

The initiative was joined by 120 companies of 25 countries and active in more than 140 nations around the world, which commit to the goal to at least triple the nuclear capacity by 2050. The companies backing this commitment join the ambition and pragmatism evidenced by the governments that signed up to the Ministerial Declaration to Triple Nuclear Capacity, on 2 December.

#### **4.25. Amendment of the Articles of Association**

Under the EGMS no. 7 of 4 December 2023, amendment of the Articles of Association of SN Nuclearelectrica SA to the effect of correcting the clerical error found at Article 20(3) was approved, as follows: "Article 20 (3) The Board of Directors has also the following powers and duties", becomes "Article 20(1) The Board of Directors has also the following powers and duties (...)".

Also, under the GMS Resolution no. 8 of 7 December 2023, the proposal to update the Articles of Association of SN Nuclearelectrica SA with its new registered office of Bucharest, Sector 1, Bd. Iancu de Hunedoara nr. 48, floors 3, 4, 5, 13 and ground floor, and with the updated registered office of Cernavodă NPP of County of Constanta, locality of Cernavodă, str. Medgidiei nr. 2, was approved.

#### **4.27. Signing the Memorandum of Understanding with SACE and Ansaldo Nucleare for development and financing of the strategic projects: Refurbishment of Unit 1 of Cernavodă NPP, and Units 3 and 4 of Cernavodă NPP**

With publication of the current report dated 15 February 2024, SNN announces that it signed a Memorandum of Understanding with SACE and Ansaldo Nucleare to advance the development and financing of the refurbishment of Cernavodă NPP Unit 1 and of Cernavodă NPP Units 3 and 4, two of SNN's strategic projects with a significant impact on energy security, the decarbonization targets, and the local and national social and economic development.

In this context, Ansaldo Nucleare expressed their interest in submitting a tender for provision of engineering and project management services, procurement, installation and commissioning of the components and systems, mainly for the Balance of Plant, as required for completion and commissioning



of both the Unit 1 Project and Units 3 and 4, and further confirmed their interest in submitting a tender for provision of the abovementioned services.

SACE expressed their interest in supporting the financing of the two SNN projects by up to EUR 2 billion, in accordance with the SACE procedures.

#### **4.28. Information on the criminal case in which SN Nuclearelectrica SA acts as civilly liable party**

With the current report dated 27 February 2024, SNN informs its shareholders and investors that, as at 26 February 2024, it learned of the criminal case no. 1730/256/2024 concerning non-compliance the legal occupational health and safety measures; this is currently heard on substance by Medgidia District Court, and in which SNN is a civilly liable party.

The standing of SN Nuclearelectrica SA as a civilly liable party in the aforementioned case results from the accident at work concluded with the death of one person, an employee of a SNN contractor, in July 2020.

#### **4.29. Major litigations**

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

#### **4.30. Other information**

The quarterly report of the Board of Directors for the period 1 January - 31 December 2023 is accompanied by the Individual Financial Statements as at, and for the 12-month period ended on 31 December 2023, which are published on the internet page of S.N. Nuclearelectrica S.A. ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)), section Investor Relations.

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

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

Name of ratio	Calculation method	M.U.	Amount 31.12.2023 <sup>*)</sup>
<b>1. Current ratio</b>	Current assets/ Current liabilities	x	5.44
<b>2. Indebtedness ratio</b>			
2.1. Indebtedness ratio (1)	Borrowed capital/ Equity x 100	%	0.0%
2.1. Indebtedness ratio (2)	Borrowed capital/ Capital employed x 100	%	0.0%
<b>3. Debt turnover ratio - customers</b>	Average accounts receivable balance / Turnover x 180	days	26
<b>4. Assets turnover ratio <sup>**)</sup></b>	Turnover/ Non-current assets	x	0.99

<sup>\*)</sup> According to the Individual Financial Statements as of and for the 12-month period ended on 31 December 2023.

<sup>\*\*)</sup> Assets turnover ratio is calculated by the annualization of the quarterly turnover (360 days/270 days).

## 6. ACTIVITY OF EXECUTIVES WITH MANDATE AGREEMENT

By Resolution 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 - December 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 31 December 2023, the directors with whom SNN concluded mandate agreements are: Mr. Cosmin Ghita – CEO, and Mr. Dan Niculaie-Faranga – CFO. The degree of fulfilment of the global performance indicator of directors with a mandate agreement on 31 December 2023 is 100%.

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

By its Resolution no. 64/17.03.2023, the Board of Directors approved the administration component of the Management Plan of SNN for the period 2023 - 2027. By Resolution 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.

By Resolution no. 5/05.07.2023 of the Ordinary General Meeting of Shareholders of SNN, the following were approved: financial and non-financial performance indicators for the executive director and non-executive directors and the form of the addendum their mandate agreement.

The Mandate Agreements and addenda to mandate agreements signed by SNN with the members of the Board of Directors provide key performance ratios, as well as the annual targets for the period 2023-2026. According to the provisions of the mandate agreements (item 5 in Appendix 3 to the mandate agreements), the aggregate percentage of achievement of key performance ratios shall be determined for each quarter.

On 31 December 2023, the members of the Board of Directors of SNN are:

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

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

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

The computation of the aggregate degree of achievement of the key performance ratios for Q3 2023 is presented in **Appendix 5**. The degree of achievement of key performance ratios is determined by the aggregate degree of achievement of key performance ratios, by determining the percentage achieved for the weighted values of each ratio. The degree of achievement of key performance ratios is limited by the 100% threshold, provided that achievements exceed the targets proposed in the mandate agreement.

Thus, the key performance ratios were fulfilled in a proportion of 100% for the fourth quarter of 2023 in aggregate (therefore above the threshold of 75%), for each member of the Board of Directors:

<b>Mandate agreement</b>	<b>Degree of completion Q4 2023 (aggregate)</b>
Board of Directors	100%

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

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

**Appendix 1 – Individual statement of financial position as of 31 December 2023**

	<b>31 December 2023</b> <b>(not audited)</b>	<b>31 December 2022</b> <b>(audited)</b>
<b>Assets</b>		
<b>Fixed assets</b>		
Tangible non-current assets	6,538,385,782	5,737,295,053
Assets representing rights to use underlying assets within a leasing contract	18,601,084	15,565,831
Intangible non-current assets	50,389,398	50,773,837
Financial assets measured at amortized cost	634,918,901	41,262,942
Financial investments in branches	239,438,503	199,438,505
Investments in affiliated entities	19,943,000	4,943,000
<b>Total fixed assets</b>	<b>7,501,676,688</b>	<b>6,049,279,168</b>
<b>Current assets</b>		
Inventories	1,067,736,531	653,199,691
Trade receivables	624,305,513	438,539,974
Other financial assets measured at amortized cost	327,446,936	140,954,592
Bank deposits	112,257,027	1,829,796,500
Cash and cash equivalents	3,529,334,516	2,681,002,427
<b>Total current assets</b>	<b>5,661,080,523</b>	<b>5,743,493,184</b>
<b>Total assets</b>	<b>13,162,757,191</b>	<b>11,792,772,352</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Share capital, of which:	3,211,941,683	3,211,941,683
<i>Share capital subscribed and paid up</i>	3,016,438,940	3,016,438,940
<i>Inflation adjustments of the share capital</i>	195,502,743	195,502,743
Share premium	31,474,149	31,474,149
Reserve paid in advance	21,553,537	21,553,537
Revaluation reserve	336,996,786	394,369,643
Retained earnings	8,153,125,015	6,876,165,858
<b>Total equity</b>	<b>11,755,091,170</b>	<b>10,535,504,870</b>
<b>Liabilities</b>		
<b>Long-term liabilities</b>		
Long-term loans	-	64,810,940
Provisions for risks and charges	204,807,400	174,504,703
Long-term deferred income	35,684,350	63,611,498
Deferred tax liability	63,058,097	95,446,226
Liabilities for employee benefits	48,088,311	45,557,591
Liabilities under long-term leasing agreements	15,605,108	12,831,121
<b>Total long-term liabilities</b>	<b>367,243,266</b>	<b>456,762,079</b>
<b>Current liabilities</b>		
Trade and other payables	818,115,509	445,315,659
Liabilities under short-term leasing agreements	4,167,292	2,734,403
Current part of provisions for risks and charges	119,867,937	77,040,585
Corporate income tax due	16,787,246	52,801,797
Short-term deferred income	15,844,172	157,087,526
Current part of the long-term loans	65,640,599	65,525,433
<b>Total current liabilities</b>	<b>1,040,422,755</b>	<b>800,505,403</b>
<b>Total liabilities</b>	<b>1,407,666,021</b>	<b>1,257,267,482</b>
<b>Total equity and liabilities</b>	<b>13,162,757,191</b>	<b>11,792,772,352</b>

## Appendix 2 – Individual profit and loss account for the 12-month period ended on 31 December 2023

	The 3-month period ended on 31 December 2023 (audited)	The 3-month period ended on 31 December 2022 (audited)	The 12-month period ended on 31 December 2023 (audited)	The 12-month period ended on 31 December 2022 (audited)
<b>Income</b>				
Income from the sale of electricity	1,877,036,215	1,513,749,615	7,424,043,981	6,343,639,700
Income from the transport of electricity	10,793,528	7,056,064	37,404,747	22,902,955
<b>Total income</b>	<b>1,887,829,743</b>	<b>1,520,805,679</b>	<b>7,461,448,728</b>	<b>6,366,542,655</b>
Other income	39,611,379	102,670,510	125,463,306	167,467,707
<b>Operating expenses</b>				
Depreciation and impairment	(161,510,405)	(154,126,126)	(631,370,031)	(605,405,084)
Personnel costs	(289,675,540)	(175,630,812)	(739,227,444)	(555,235,871)
Cost of electricity purchased	(82,758,259)	(38,507,032)	(121,451,959)	(513,740,391)
Repairs and maintenance	(31,484,677)	(23,446,083)	(92,776,164)	(86,468,972)
Expenses with the transmission of electricity	(10,793,528)	(7,056,064)	(37,404,747)	(22,902,955)
Expenses with spare parts	(5,781,330)	(6,722,311)	(22,541,706)	(25,907,604)
Costs of nuclear fuel	(29,586,204)	(35,334,943)	(155,524,489)	(151,211,177)
Cost of contribution to the Energy Transition Fund/tax on additional income	(564,363,388)	(212,083,155)	(2,623,619,387)	(1,085,014,040)
Other operating expenses	(318,381,991)	(182,344,089)	(681,791,567)	(502,116,398)
<b>Operating expenses - Total</b>	<b>(1,494,335,322)</b>	<b>(835,250,615)</b>	<b>(5,105,707,494)</b>	<b>(3,548,002,492)</b>
<b>Operating result</b>	<b>433,105,800</b>	<b>788,225,574</b>	<b>2,481,204,540</b>	<b>2,986,007,870</b>
Financial expenses	(13,264,184)	(8,307,525)	(34,774,186)	(31,687,334)
Financial income	101,488,455	100,462,564	413,702,228	238,176,375
<b>Net financial result</b>	<b>88,224,271</b>	<b>92,155,039</b>	<b>378,928,042</b>	<b>206,489,041</b>
<b>Profit before corporate tax</b>	<b>521,330,071</b>	<b>880,380,613</b>	<b>2,860,132,582</b>	<b>3,192,496,911</b>
Net corporate income tax expenses	8,575,070	(55,047,674)	(353,613,750)	(428,073,459)
<b>Profit of the period</b>	<b>529,905,141</b>	<b>825,332,939</b>	<b>2,506,518,832</b>	<b>2,764,423,452</b>

## Appendix 3 - Execution of the Income and Expenditure Budget as at 31 December 2023

		Ratios	Line no.	IEB 2023 (approved by the OGMS Resolution no. 1/15.02.2023)	Rectified 2023 IEB (approved by the BoD Resolution no. 232/27.10.2023)	Q4 cumulative actuals 2023	% Actual vs. Approved rectified [Col.6/Col.5]	Variation (abs.) [Col.6-Col.5]	% Actual v. Initially approved [Col.6/Col.4]
0	1	2	3	4	5	6	7	8	9
I.		<b>TOTAL INCOME (Line 2+Line 5)</b>	1	7,624,625	7,906,856	8,000,784	101.2%	93.928	104.9%
	1.	<b>Total operating income, of which:</b>	2	7,382,230	7,522,402	7,587,082	100.9%	64.680	102.8%
		c1 Subsidies, acc. to the legal provisions in force	3	-	-	-	-	-	-
		c2 Transfers, acc. to the legal provisions in force	4	-	-	-	-	-	-
	2.	<b>Financial income</b>	5	242.395	384.454	413.702	107.6%	29.248	170.7%
II.		<b>TOTAL EXPENSES (Line 7 + Line 21)</b>	6	5,782,209	5,422,218	5,140,652	94.8%	-281.566	88.9%
	1.	<b>Operating expenses (Line 8 + Line 9 + Line 10 + Line 20)</b>	7	5,739,385	5,396,107	5,105,878	94.6%	-290.229	89.0%
	A.	Expenses with goods and services	8	1,395,257	998.886	755.819	75.7%	-243.067	54.2%
	B.	Expenses with taxes, duties and similar payments	9	2,729,138	2,850,795	2,834,066	99.4%	-16.730	103.8%
	C.	Payroll costs (Line 11 + Line 14 + Line 18 + Line 19)	10	794.637	776.366	739.754	95.3%	-36.612	93.1%
	C0	Payroll expenses (Line 12 + Line 13)	11	717.836	699.231	675.816	96.7%	-23.415	94.1%
	C1	Expenses with salaries and wages	12	646.102	630.849	613.090	97.2%	-17.759	94.9%
	C2	Bonuses	13	71.734	68.382	62.726	91.7%	-5.656	87.4%
	C3	Other personnel cost, of which:	14	0	1.993	1.993	100.0%	0	-
	C4	Expenses under the mandate contract and of other management and control bodies, commissions and committees	15	4.562	4.562	5.792	127.0%	1.230	127.0%
	C5	Expenses with social insurance and security, special funds and other statutory obligations	16	72.240	70.579	56.152	79.6%	-14.427	77.7%
	D.	Other operating expenses	17	820.353	770.060	776.239	100.8%	6.180	94.6%
	2.	<b>Financial expenses</b>	18	42.823	26.110	34.774	133.2%	8.664	81.2%
III.		<b>GROSS RESULT (profit/loss) (Line 1 - Line 6)</b>	19	1,842,416	2,484,639	2,860,133	115.1%	375.494	155.2%
IV.		<b>CORPORATE INCOME TAX</b>	20	286.414	388.270	353.614	91.1%	-34.656	123.5%
V.		<b>BOOK PROFIT AFTER INCOME TAX (Line 22 - Line 23)</b>	21	1,556,002	2,096,369	2,506,519	119.6%	410.150	161.1%

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

Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
<b>SNN Executive</b>								
1.	<b>9089/101/2013</b>	<b>Civil</b> Mehedinti Tribunal	Creditor	Autonomous Authority for Nuclear Activities (RAAN)	Insolvency. Bankruptcy, liquidator appointed. Receivable RON 7,828,405.48	substance	<b>Substance.</b> Liquidation procedure in progress.	<b>06.06.2024</b>
2.	<b>409/2/2016</b>	<b>Criminal</b> 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.	substance	<b>Substance.</b> Evidence management	<b>31.05.2024</b>
3.	<b>5802/118/2017</b>	<b>Labour</b> Constanta Tribunal	Defendant	NPP Union on behalf of 757 employees.	Money rights dangerous conditions bonus.	substance	<b>Substance.</b> Pending trial Submission of accounting expert report.	<b>31.05.2024</b>
4.	<b>35162/299/2018*/a1</b>	<b>Civil</b> Bucharest Sector 1 District Court, 2nd Civil Division	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.	substance retrial	<p><b>Solution on substance:</b> Rejects the plea of lack of capacity to be sued of the garnishee as unfounded. Rejects the opposition to enforcement as ungrounded. Subject to higher appeal within 15 days of service. Judgment no. 1611/21.03.2019.</p> <p><b>Solution on the higher appeal:</b> Upholds the higher appeal. Admits the plea of lack of mandatory capacity to be sued, invoked <i>ex officio</i>. Quashes the sentence and submits the case for retrial to the same court. Irrevocable. Rendered in public session this day of 14 January 2020. Judgment no. 7/14.01.2020.</p> <p><b>Substance retrial:</b> stays, on the grounds of article 412 of the New Code of Civil Proceedings until the submission of the proof of capacity of heirs.</p> <p><b>Higher appeal against retrial stay:</b> Rejects the higher appeal as unfounded. Irrevocable.</p>	<b>postponed</b>

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Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
5.	5462/2/2019	Administrative disputes Bucharest Court of Appeal / HCCJ Bucharest Court of Appeal	Appellant-plaintiff	Bucharest Regional General Directorate of Public Finance General Directorate for the Administration of Large Taxpayers.	Cancellation of tax documents	higher appeal	<p><b>Solution on substance:</b> Admits the plea of lack of capacity to be sued of defendant Bucharest Regional General Directorate of Public Finance. Dismisses the application filed by the claimant S.N. Nuclearelectrica S.A., against defendant Bucharest Regional General Directorate of Public Finance, as being filed against a person with no standing to stand trial. Admits the plea of limitation of the right to sue. Dismisses the statement of claims filed by the claimant S.N. Nuclearelectrica S.A. against defendant ANAF - General Directorate for the Settlement of Challenges, as being time barred. Admits the plea of inadmissibility. Rejects the introductory claim filed by claimant S.N. Nuclearelectrica S.A. against defendant General Directorate for the Administration of Large Taxpayers, as inadmissible. Subject to higher appeal within 15 days of service. Judgment no. 985/22.06.2021</p> <p><b>Higher appeal.</b> Upholds the higher appeal lodged by SNN, quashes the judgment and refer the case back to for retrial.</p> <p><b>Substance retrial: hearing expected to be set</b></p>	31.05.2024
6.	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	<p><b>Solution on substance:</b> Upholds in part the main claim. Sets aside the decision no. 300/12.09.2019 issued by the respondent. Dismisses the plea of lack of interest. Upholds in part the ancillary claim. Sets aside the decision no. 344/17.10.2019 on the termination de jure of the claimant's employment agreement contract, and orders his reemployment to the previously held job. Obliges the respondent to pay the claimant a compensation equal to the indexed, increased and updated salaries and the other rights that he would have benefited from as of the date of the termination de jure of the agreement and until his effective reemployment, plus the statutory penalty interest as of the due date and further on until effective payment of the debts. Dismisses the head of claim seeking to have the defendant ordered to pay the court expenses. Provisionally enforceable <i>de jure</i>. Subject to appeal within 10 days of service.</p> <p><b>Appeal:</b> Dismisses the main appeal as unfounded. Upholds the collateral appeal. Amends in part the judgment, to the</p>	Solution on appeal. Decision to follow



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

Quarterly report of the Board of Directors for the period 1 January - 31 December 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
							effect of upholding part of the claim for court expenses and, consequently, orders the respondent to pay the amount of RON 10,000 to the appellant, as expenses in the case substance hearing proceedings, after reduction of the attorney fee. Maintains the rest of the sentence. Orders the appellant to pay to the respondent the amount of RON 8,000, as court expenses in the appeal proceedings, after reduction of the attorney fee. Final. Rendered by making it available by care of the court's registry.  Document: Judgment no. 225/2024 of 16 January 2024	
7.	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	<b>Solution on substance:</b> Upholds the introductory claim. It obliges the defendant to pay to the claimant the amount of RON 1,290,533.156, as indemnification, to pay this amount adjusted for inflation from 27 September 2018 until the date of actual payment, to pay the amount of RON 182,251.94 representing the statutory penalty interest calculated from 27 September 2018 until 31 January 2020, as well as to further pay the statutory penalty interest, calculated from 1 February 2020 until the date of actual payment. Obliges the defendant to pay to the claimant the amount of RON 23,441.66, as court expenses, consisting in judicial stamp tax. Rejects the defendant's claim for court expenses as unfounded. Subject to appeal within 30 days of service. The appeal shall be lodged with Bucharest Tribunal, 6th Civil Division. Rendered this day of 22 December 2020, by making the solution available to the parties by care of the court's registry. Judgment no. 2698/22.12.2020  <b>Solution on appeal:</b> Upholds the appeal. Partly changes the appealed civil sentence, namely: Rejects the introductory claim as ungrounded. Maintains the first court judgment to reject the defendant's request to be paid court expenses as unfounded. Obliges the respondent-claimant to pay the appellant-defendant the amount of RON 20,591.66, as appeal court expenses. Subject to higher appeal within 30 days of service; the higher appeal shall be lodged with Bucharest Court of Appeal - 6th Civil Division. Rendered this day of 25 November 2021, by making the solution available to the	Postponed

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Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
							parties by care of the court's registry. Document: Judgment 1927/2021 25 November 2021. <b>Solution on the higher appeal:</b> Pursuant to Article 413(1)(1) of the Code of Civil Proceedings, stays the higher appeal declared by the appellant-claimant SOCIETATEA NATIONALA NUCLEARELECTRICA SA against the civil decision no. 1927/A/25.11.2021, rendered by the Bucharest Court of Appeal - 6th Civil Division, until the final settlement of file no. 2659/2/2020, pending before the High Court of Cassation and Justice - Division for Administrative and Tax Litigation. Final.	
8.	1506/118/2020	Civil Constanta Tribunal	Claimant.	U.A.T. Seimeni commune, Romanian State through the Ministry of Public Finance, the Ministry of Economy, Energy and the Business Environment, Government of Romania.	Action to find the right of use, servitude, free use of publicly owned land.	substance	<b>Solution on substance:</b> Rejects the plea of inadmissibility of invoking the plea of unlawfulness of Local Council Decision no. 7/2009 of Seimeni UAT. Admits the plea of unlawfulness of Local Council Decision no. 7/2009 of Seimeni UAT. Orders the removal from the land book 101215 Seimeni of the right of private ownership of Seimeni UAT. Accepts the plea of inadmissibility of claims against the Romanian State through the Ministry of Public Finance. Rejects the claims against the Romanian State through the Ministry of Public Finance as inadmissible. It rejects the remaining portions of the claims against UAT Seimeni as unfounded. Orders the defendant UAT Seimeni to pay to the claimant RON 3,000 as court expenses. Subject to appeal due to be lodged to Constanta Tribunal, within 30 days of service. Judgment 1136/ 1 April 2022. Sentence on substance pending drafting	<b>Solution on substance. Decision to be drafted decision</b>
9.	5730/256/2023 (1663/118/2020 *)	Civil Constanta Tribunal	Claimant	Romanian state through the Ministry of Public Finance. Apele Romane National Administration. Dobrogea Seaside Water	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	substance retrial	<b>Solution on substance:</b> Rejects the plea of lack of capacity to be sued of the Ministry of Environment, Waters and Forests, invoked by the latter in its statement of 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, Apele Romane 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.	16.05.2024

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Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
				Basin Administration.	31,050 sqm and 73,428 sqm.		<p>against defendants Romanian State, through the Ministry of Finance, Apele Romane National Administration, Dobrogea Seaside Water Basin Administration and the Ministry of Environment, Waters and Forests as inadmissible. Subject to appeal within 30 days of service. Judgment no. 891/17.06.2021.</p> <p><b>Solution on appeal:</b> Upholds the appeal. Partly cancels both conclusion of 17 March 2021 on rejecting the topographic expert report evidence, and civil sentence no. 891/17.06.2021 on the judgment regarding the plea of inadmissibility and its relevance in the introductory claim. Maintains the other provisions of the conclusion and of the appealed sentence. Subject to higher appeal within 30 days of service; the higher appeal shall be lodged with Constanta Tribunal, under the penalty of nullity. Rendered this day of 11 March 2022, by making the solution available to the parties by care of the court's registry. The minutes erroneously failed to mention "Resends the case for retrial to the court of first instance. Judgment 391/ 11 March 2022</p> <p><b>Higher appeal:</b> Rejects the higher appeal as unfounded. Final. Judgment 79/2023 26 April 2023</p> <p>Re-registered with the court of first instance for a substantive retrial under no. <b>5730/256/2023</b></p> <p><b>Substance retrial:</b> pending trial. Submission of evidence: land surveying and cadastral expert report</p>	
10.	2659/2/2020*	<b>Administrative disputes</b> High Court of Cassation and Justice	Claimant	ANRE	Cancellation of Order no. 12/2016.	substance	<p><b>Solution on substance:</b> Rejects as unfounded the request to reinstate the material right to action outside the limitation term. Accepts the plea of time barring of the right to action. Rejects the request as time barred. The court upholds in part the request for referral to the Constitutional Court and orders its referral with the resolution of the plea of unconstitutionality of the provisions of Article 5 para. 7 of 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. Subject to higher appeal within 48 of rendering, as to dismissal as</p>	<b>Judgment's drafting to follow</b>

Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
							<p>inadmissible of the request for a referral to the Constitutional Court. Subject to higher appeal within 15 days of service. Judgment no. 139/09.02.2021.</p> <p><b>Solution on the higher appeal:</b> Upholds the higher appeal lodged by the claimant Societatea Nationala Nuclearelectrica S.A., against the civil sentence no. 139 of 9 February 2021 of Bucharest Court of Appeal - 9th Division for Administrative and Tax Disputes. Quashes the appealed sentence and refers the case back for retrial to the court which heard the substance of the case. Final.</p> <p><b>Case referred back for try to the first court</b></p> <p><b>Substance to be reheard after quashing:</b> Dismisses the action as unfounded. Subject to higher appeal within 15 days of service. The higher appeal is submitted to the Bucharest Court of Appeal. Rendered this day of 6 June 2023, by making the solution available to the parties by care of the court's registry. Judgment 1002/2023 6 June 2023</p>	
11.	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	substance	<p><b>Substance.</b> Pending trial</p> <p>Administration of technical construction expert report evidence.</p>	10.06.2024
12.	13682/3/2020	Civil Bucharest Tribunal	Defendant	ISPE Proiectare si Consultanta SA	annulment of contract execution certificate	substance	<p><b>Substance:</b> on the grounds on Article 413(1)(1) of the Code of Civil Proceedings, hearing of the case is stayed pending the final settlement of Case no. 16597/23/2020. Subject to higher appeal.</p>	postponed
13.	544/109/2015 (544/109/2016/ a6)	Civil Argeş Tribunal / Piteşti Court of Appeal / HCCJ	Appellant- defendant	Goga Gheorghe	Patents.	appeal	<p><b>Solution on substance:</b> Partly upholds the claim. Obliges the defendant to pay RON 4,015,582 representing patrimonial rights deriving from the exploitation of the technical procedures which are the object of inventions during 2014 - 2018. Subject to appeal. Judgment no. 343/26.09.2018.</p> <p><b>Appeal:</b> Pursuant to the provisions of article 75 paragraph 1 of Law no. 85 of 25 June 2014 on procedures for the prevention of insolvency and insolvency, stays the case. Subject to higher appeal during the stay period; the higher appeal shall be lodged with Piteşti Court of Appeal. Rendered</p>	postponed

Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
							<p>in public session this day of 4 May 2022. Document: Conclusion - Stay 04.05.2022:</p> <p><b>Solution on the higher appeal</b> (544/109/2015/a6): Upholds the higher appeal lodged by the claimant Goga Gheorghe against the decision of 4 May 2022 of Pitești Court of Appeal – 1st Civil Division, rendered in Case no. 544/109/2015, against the respondents-defendants Compania Nationala a Uraniului SA Bucharest, Compania Nationala a Uraniului SA Bucharest through Insolvency Administrator Judiciar Expert Insolventa S.P.R.L. Bucharest Branch, and Societatea Nationala Nuclearelectrica S.A. Bucharest, through NFP Pitești Branch. It dismisses the appealed decision and sends the case for retrial to the same court of appeal. Final.</p>	
14.	<b>4419/2/2021 And 1720/1/2022</b>	<b>Administrative disputes</b> Bucharest Court of Appeal	Claimant	Romanian Government	Stay of enforcement and cancellation of Government Decision no. 1041/2003.	substance	<p><b>Solution on substance:</b> stay of execution Rejects the request to stay the enforcement as unfounded. Subject to higher appeal within 15 days of service. Rendered this day of 13 April 2022, by making the solution available to the parties by care of the court's registry.</p> <p><b>Solution on higher appeal - stay of execution - Case no. 4419/2/2021:</b> Dismisses the higher appeal lodged the claimant Societatea Nationala 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><b>Solution on substance - setting aside of the Government Decision no. 1041/2003</b> Rejects the claim as unfounded. Subject to higher appeal within 15 days of service. Document: Judgment 887/2022 11.05.2022.</p> <p><b>Solution on higher appeal - setting aside of the Government Decision no. 1041/2003</b> Upholds the higher appeal lodged by the claimant Societatea Nationala 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</p>	<b>27.03.2024</b>

Item no.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Amount	Stage	Description	Procedural stage Hearing
							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. <b>Substance to be reheard after quashing:</b> pending try Submission of evidence: accounting expert report	
15.	2873/120/2022	<b>Administrative disputes</b> Dâmbovița Tribunal / Ploiesti Court of Appeal	Respondent-defendant	Ion Dragos Poescu	access to public information, Law no. 544/2001 on the S&L Study regarding the SMR Site of Doicești	higher appeal	<b>Solution on substance:</b> Dismisses the statement of claims filed by the claimant Popescu Dragos Ion against S.C. Nuclearelectrica S.A., as unfounded. Subject to higher appeal within 15 days of service. Judgment 97/2023 15 February 2023 <b>Solution on the higher appeal.</b> Rejects the higher appeal as unfounded. Final. Judgment no. 1055/2023 21.11.2023	<b>Finally settled</b>
16.	23089/3/2022	<b>Insolvency</b> Bucharest Tribunal	Creditor	Compania Nationala a Uraniului	receivable 7,811,840.50	substance	<b>Substance.</b> Procedure pending	<b>30.04.2024</b>
17.	35670/3/2022	<b>Administrative disputes</b> Bucharest Tribunal	Claimant	Dat Constructive SRL	claims 1,021,148.48	substance	<b>Substance.</b> Postpones the ruling on the case to 16 February 2024.	<b>Judgment postponed 25.03.2024</b>
18.	15711/3/2023	<b>Civil</b> Bucharest Tribunal	Claimant	Blondie Association	claims 518,502.50	substance	<b>Substance: pending trial</b>	<b>05.04.2024</b>
<b>Cernavodă NPP Branch</b>								
1	7527/212/2022	Constanta Tribunal	Defendant	Petrovici Liviu	Obligation to do/ordering SNN to sell the company housing unit	Appeal	Substance_ Dismisses the statement of claims filed by the claimant **** against de defendant ****, as unfounded. Orders the claimant to pay the defendant the amount of RON 1,500 as court expenses, consisting of expert fee. Subject to appeal within 30 days of service. The appeal shall be lodged with Constanta District Court. Rendered this day of 27 October 2023, by making the solution available to the parties	<b>06.06.2024</b>

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

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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
							by care the court's registry, according to Article 396(1) and (2) Code of Civil Procedure. Document: Judgment 27.10.2023 Appeal: pending trial	
2	3330/118/2023	Bucharest Tribunal	Claimant	General Concrete	Default claims/penalties RON 493,226.49	Appeal	Constanta Tribunal. Declines the jurisdiction to hear this case to the 2nd Division for Administrative and Tax Litigation of Bucharest Tribunal. Without remedy. Rendered this day of 9 November 2023. Ruling shall be in the form of making the solution available to the parties by care of the court's registry. Document: Judgment 1206/2023 09.11.2023 Upholds the claim. Orders the defendant to pay to the claimant the amount of RON 493,226.49, as default penalties. Obliges the defendant to pay to the claimant the amount of RON 8,537.26 as court expenses. Subject to appeal within 10 days of service. The appeal shall be lodged with Bucharest Tribunal, 2nd Division for Administrative and Tax Litigation. Rendered this day of 11 December 2023, by making the solution available to the parties by care of the court registry. Document: Judgment 11.12.2023 Appeal - regularization procedure	12.04.2024
<b>NFP PITESTI Branch</b>								
1.	2588/109/2020	Labour Argeş Tribunal	Defendant	NFP pensioners	obligation to do - Government Decision no. 1041/2003	Substance	<b>Substance:</b> Minutes of 12 December 2023: since the case that led to the stay of these proceedings was finally settled, the court set the public hearing on 11 June 2024, and will subpoena the parties.	11.06.2024
2.	8116/280/2021	Labour Argeş Tribunal	Defendant	RATEN-ICN Piteşti	declaratory action - issue of employment certificates to employees, before the date of 1 February 1992	Substance	<b>Substance:</b> Dismisses the plea of lack of interest raised by the defendant in the statement of defence. Dismisses the action as unfounded. Subject to appeal within 10 days of service. Judgment no. 1430/2023 9 March 2023 <b>Appeal: pending trial</b>	22.03.2024

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**Appendix 5 – Degree of achievement of the key performance for the Board of Directors, aggregate for the fourth quarter of 2023**

#	Objective/Performance indicators		Review tool	Forecast for Q3, cumulatively	Achievements in Q3, cumulatively	Achievement rate limited to 100%	Limited weight (%)
	Name of ratio	weight in the variable component					
<b>Governance indicators</b>							
1	Financial reporting transparency	11%	Publication of financial information in accordance with the financial timetable	100%	100%	100%	11%
2	SCIM 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%
<b>Operational indicators</b>							
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%	89.90%	100%	10%
3	EHS - Annual collective dose	3%	Total dose, average per unit, man Sv (ALARA Quarterly Report)	Annual indicator level. (0.42 om/Sv)	0.17	100%	3%
4	EHS - Effluents in the environment	3%	MSv/NPP (ALARA Quarterly Report)	200	6.28	100%	3%
5	EHS - Maximum admissible dose	2%	mSv/person (ALARA Annual Report)	20	6.89	100%	2%
<b>Financial indicators</b>							
1	Gross profit	6%	Annex no. 1 IEB	80% of the budgeted amount	107.08%	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%	93.01%	100%	8%
3	Realization of the investment budget	6%	Annex no. 4 IEB	40%	64.16%	100%	6%
<b>Indicators directed towards public services</b>							
1	Company's involvement in the community	5%	Report on implementation of SNN's CSR programme (contracting) against the figure set under the approved Income and Expenditure Budget	50%	55.61%	100%	5%
<b>Weighted level of achievement of key performance indicators</b>							<b>100%</b>

\* 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

\*\*\* the financial indicators have been assessed in accordance with the figures entered in the rectified 2023 Income and Expenditure Budget (IEB), as approved by the BoD Resolution no. 232/27.10.2023

\*\*\*\* the report which represents a verification instrument is prepared annually (according to the provisions of Article 4(3) of the Government Ordinance no. 119/1999, as amended and supplemented); thus, for the quarterly periods, the indicator is deemed met.