



NUCLEARELECTRICA

## QUARTERLY REPORT

**on the economic and financial activity of S.N. Nuclearelectrica S.A. according to the provisions of Article 69 of Law no. 24/2017 regarding the issuers of financial instruments and market operations, and to Appendix no. 13 to the FSA Regulation no. 5/2018 regarding the issuers of financial instruments and market operations, for the 3 month period ended on 31 March 2024 (Q1 of the financial year 2024)**

Basis of the report:	Article 69 of Law no. 24/2017 regarding the issuers of financial instruments and market operations, as republished on 10 August 2021, and Appendix no. 13 to FSA Regulation no. 5/2018 for the 3 month period ended on 31 March 2024 (Q1 of the financial year 2024)
Date of report:	10 May 2024
Name of the issuer:	<b>S.N. Nuclearelectrica S.A. ("SNN")</b>
Headquarters:	Bucharest, Bulevardul Iancu de Hunedoara, nr. 48, Sector 1
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Single Code of Registration with the Office of the Trade Register:	10874881
Number of registration with the Trade Register:	J40/7403/1998
Subscribed and paid-up share capital:	RON 3,016,438,940
Regulated market on which the issued securities are traded:	Bucharest Stock Exchange ( <a href="http://www.bvb.ro">www.bvb.ro</a> ), Premium category 301,643,894 shares, each with the nominal value of RON 10/share, in dematerialized form, registered, ordinary, indivisible, with equal rights to vote, freely tradable with Bucharest Stock Exchange under SNN symbol of 4 November 2013.
The main characteristics of securities issued:	Individual Interim Financial Statements as at and for the 3 month period ended on 31 March 2024 prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations compliant with the International Financial Reporting Standards ("IFRS-EU") adopted by the European Union, based on International Accounting Standard 34 - "Interim Financial Reporting", adopted by the European Union.
Applicable accounting standards:	(Romanian Leu (RON) - all amounts are expressed in RON, unless otherwise expressly provided for.) <b>Q1 of the financial year 2024</b>
Reporting currency:	
Reporting period:	

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## 1. ECONOMIC AND FINANCIAL SITUATION

The Information and the Individual Interim Financial Statements as at and for the 3 month period ended on 31 March 2024 disclosed in this report are unaudited and have prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations compliant with the International Financial Reporting Standards (“IFRS-EU”) adopted by the European Union, based on International Accounting Standard 34 - "Interim Financial Reporting”, adopted by the European Union.

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

### a) Statement of financial position as of 31 March 2024

Indicator [thousand RON]	31 March 2024 (unaudited)	31 December 2023 (audited)
Fixed assets	7,437,020	7,501,677
Current assets	5,857,821	5,661,081
<b>Total assets</b>	<b>13,330,841</b>	<b>13,162,758</b>
Equity	12,318,361	11,755,091
Total liabilities, of which:	1,012,480	1,407,667
Long-term liabilities	371,848	367,243
Current liabilities	640,632	1,040,424
<b>Total equity and liabilities</b>	<b>13,330,841</b>	<b>13,162,758</b>

### b) Profit and loss account and comprehensive income for the 3 month period ended on 31 March 2024

Indicator [thousand RON]	The 3 month period ended on 31 March 2024 (unaudited)	The 3 month period ended on 31 March 2023 (unaudited)
Operating income	1,205,339	2,119,693
Operating expenses	(602,432)	(1,319,719)
<i>of which, additional income tax expenditure</i>	0	(840,842)
<b>Operating profit</b>	<b>602,907</b>	<b>799,974</b>
Financial income	82,358	113,381
Financial expenses	(12,710)	(5,650)
<b>Net financial (Expense)/income</b>	<b>69,648</b>	<b>107,731</b>
<b>Profit before corporate income tax</b>	<b>672,555</b>	<b>907,705</b>
Net corporate income tax expenses	(109,285)	(141,187)
<b>Profit of the period</b>	<b>563,269</b>	<b>766,518</b>
<b>Other elements of the overall result</b>	0	0
<b>Overall result</b>	<b>563,270</b>	<b>766,518</b>
<b>Earnings per share (RON/share)</b>	<b>1.87</b>	<b>2.54</b>
<b>Diluted earnings per share (RON/share)</b>	<b>1.87</b>	<b>2.54</b>

## **2. IMPORTANT EVENTS**

### **2.1 Important events in Q1 of the financial year 2024**

#### **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.

#### **Approval of the income and expenditure budget for 2024**

By the OGMS Resolution no. 1 dated 28 February 2024, SNN informs the shareholders of the approval of the income and expenditure budget for 2024.

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

By the current report dated 29 March 2024, SNN informs shareholders and investors that, on 29 March 2024, the Board of Directors of SNN took note of the decision of Mr. Dan Niculaie Faranga to resign from his office as CFO, based on the notification of Mr. Dan Niculaie Faranga dated 28 March 2024.

Dan Niculaie Faranga's 4-year term of office, granted under the provisions of the Government Emergency Ordinance no. 109/2011, started on 3 May 2023 and was to be completed on 3 May 2027.

### **2.2 Important events subsequent to 31 March 2024**

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

By the current report dated 9 April 2024, SNN informs shareholders and investors that, on 8 April 2024, the Board of Directors of SNN, upon the recommendation of the Nomination and Remuneration Committee and with the approval of AMEPIP, appointed Mr. Vasile Dascalu as Chief Financial Officer, with a provisional office for a period of 5 months, starting from 9 April 2024, in accordance with the provisions of the Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented.

The provisional office of Mr. Vasile Dascalu will be terminated as of right on the date when a Chief Financial Officer is appointed further to completion of the CFO selection procedure pursuant to the provisions of the Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented, provided that this selection is completed before the end of the provisional term of office of Mr. Vasile Dascalu.

Also on 8 April 2024, the SNN Board of Directors approved the reduction of the notice period of Mr. Dan Niculaie-Faranga, so that the mandate contract of Mr. Dan Niculaie-Faranga ends on 9 April 2024, with the appointment of Mr. Vasile Dascalu.

### **Establishment of a new place of business**

By the EGMS Resolution no. 4 of 17 April 2024, SNN informs the shareholders on the approval of the establishment of a place of business in Răscolești village, Izvorul Bârzii commune, Târgul Jiului Road, km 7, Mehedinți county.

### **The Support Agreement between the Romanian State and SNN**

By the Resolution no. 4/17.04.2024 of the Extraordinary General Meeting of Shareholders (“EGMS”), the addendum to the Support Agreement between the Romanian State and SNN regarding the Cernavodă NPP Units 3 and 4 Project was approved. The main provisions of the draft Addendum to the Support Agreement aim at: updating the budget related to Stage II – Preliminary Works (LNTP); updating clause 4.1 regarding the financing of the budget related to Stage II; updating the data relating to the Investment Decisions I and II in accordance with the current implementation schedule of the Project.

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

By the current Report dated 9 April 2024, the Company, together with the project company SMR, announces the successful completion of the IAEA SEED (Site and External Events Design) Follow-up Mission, focused on the selection of the Doicești site, planned for the safe development of the first small modular reactors power plant in Romania.

The General Shareholders meeting dated 17th of April 2024, did not meet the necessary number of votes in order to approve the following points:

- Continuing the project based on the prefeasibility study;
- Conclusion on the FEED phase 2 contracts Offshore/Onshore as well as the Technology License Agreement.

The project and contracts will be taken back on the agenda in subsequent General Meetings of Shareholders in accordance with the development strategies of the project.

The Ministry of Energy requested a calibrated and integrated vision of the project, which will enter, in the next period, in the second stage of development.

For this purpose, in order to ensure the long-term success of the project, the Ministry of Energy, as the majority shareholder, emphasized the need for the executive and non-executive management to complete some aspects that strictly relate to the structure of the stages that follow the development of the project.

### **Approval of distribution of the net profit of financial year 2023**

By the Resolution no. 5/25.04.2024 of the Ordinary General Meeting of Shareholders (“OGMS”) approved distribution of the net profit of the financial year 2023 by applications, the total gross amount of the dividends of RON 1,120,911,882, the amount of the gross dividend per share of RON 3.71601052, the dividend payment date, i.e. 21 June 2024, and the payment methods, in accordance with the note presented to the shareholders.

## Cernavodă NPP Unit 1 Refurbishment Project

By the EGMS Resolution no. 6 of 25 April 2024, the Company informed the shareholders on the approval of the conclusion of the framework agreement having as object “Management, technical assistance, consultancy and staff training services, necessary for the preparation and implementation of the Cernavodă NPP Unit 1 Refurbishment Project”, with the maximum amount of CAD 358,919,984.22 (the equivalent of EUR 243,616,360.70), between SNN, as Purchaser and Canadian Nuclear Partners S.A., as Provider.

The Unit 1 Refurbishment Project is in the second phase of implementation, which includes the provision of financial resources for carrying out the refurbishment project, preparing the execution of the activities identified and defined in Phase I and obtaining all necessary approvals and endorsements for project implementation. Until present, the project has progressed through the conclusion of contracts for engineering services, with a CAD 781 million contract signed with Candu Energy and Canadian Commercial Corporation ("CCC") for the supply of reactor tooling and components. Currently, the procedure related to the Framework Agreement for project management and technical assistance services, necessary for the preparation and implementation of the Cernavodă NPP Unit 1 Refurbishment Project, is in the process of being completed.

### 3. ECONOMIC AND FINANCIAL RATIOS

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

Name of ratio	Calculation method	M.U.	Amount 31.03.2024*)
<b>1. Current liquidity ratio</b>	Current assets/ Short-term liabilities	x	9.14
<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. Accounts receivable turnover ratio</b>	Average customer balance/ Turnover x 90	days	17
<b>4. Assets turnover ratio **)</b>	Turnover/ Fixed assets	x	0.63

\*) According to the Individual Interim Financial Statements as at, and for the 3 month period ended on 31 March 2024.

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

#### **4. STATEMENTS AND SIGNATURES**

Based on the best available information, we confirm that Individual Interim Financial Statements as of and for the 3 month period ended on 31 March 2024 prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations compliant with the International Financial Reporting Standards (“IFRS-EU”), based on International Accounting Standard 34 - "Interim Financial Reporting” adopted by the European Union, provide a fair and true image regarding financial position, financial performance and cash flows for the 3 month period ended on 31 March 2024 and that such report, prepared in accordance with the provisions of Article 69 of Law no. 24/2017 regarding issuers of financial instruments and market operations, republished on 10 August 2021, and Appendix no. 13 to FSA Regulation no. 5/2018 regarding issuers of financial instruments and market operations for the 3 month period ended on 31 March 2024, included fair and true information in relation to the company development and performance.

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

**Endorsed,**  
**Vasile Dascalu,**  
**Chief Financial Officer**

## **5. APPENDICES**

### **5.1 INDIVIDUAL INTERIM FINANCIAL STATEMENTS as at, and for the 3 month period ended on 31 March 2024**

The Individual Interim Financial Statements as at, and for the 3 month period ended on 31 March 2024 prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations compliant with the International Financial Reporting Standards (“IFRS-EU”) adopted by the European Union, based on International Accounting Standard 34 - "Interim Financial Reporting”, adopted by the European Union, as published on the website of S.N. Nuclearelectrica S.A. ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)), section Investor Relations.

### **5.2 QUARTERLY REPORT of the Board of Directors regarding the management activity for the period 1 January - 31 March 2024**

The quarterly report of the Board of Directors regarding the management activity for the period 1 January - 31 March 2024 drawn up based on the provisions of Article 69 of Law no. 24/2017 regarding the issuers of financial instruments and market operations, republished on 10 August 2021, and the Mandate Contracts concluded by the Board of Directors with SNN, is published on the internet page of S.N. Nuclearelectrica S.A. ([www.nuclearelectrica.ro](http://www.nuclearelectrica.ro)), section Investor Relations.