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Endorsed by,  
Chairman of the Board of Directors  
Teodor Minodor Chirica

#### NOTE

**on approval by the Extraordinary General Meeting of Shareholders of S.N. Nuclearelectrica S.A. (“SNN”) of the investment decision, consisting in SNN financing the Preliminary Works’ Budget for the Project of Cernavoda NPP Units 3 and 4, up to a maximum ceiling of RON 841,000,000, and of the conclusion of a Loan Agreement by and between SNN and EnergoNuclear S.A. (“EN”), as a shareholder loan convertible into shares, up to a maximum ceiling of RON 841,000,000, for the financing of the Preliminary Works’ Budget**

#### I. Approval authority

- The provisions of Article 13 alin. (3) lit. (p) subpoint(v) of SNN Articles of Incorporation, as updated on 7 December 2023, reading that the Extraordinary General Meeting of SNN Shareholders is entitled to pass resolutions concerning “*approval of the mandate of Nuclearelectrica representatives sitting in the General Meeting of the Shareholders of Energonuclear S.A.*” for “*S.C. Energonuclear S.A. to contract any types of loans or loan-like debts or liabilities, for an amount exceeding EUR 50,000,000 (fifty-million-euro).*”
- The provisions of Article 13 alin. (4) lit. (b) of SNN Articles of Incorporation, as updated on 7 December 2023, reading that the Extraordinary General Meeting of SNN Shareholders passes resolutions concerning “*b) the Company extending/taking any kinds of loans or loan-like debts or liabilities, in observance of the limits of authority referred in Appendix no. 1 to these Articles of Incorporation*”; therefore, in the Appendix to the Articles of Incorporation, the table at paragraph 2 refers to investment decisions with an amount greater than, or equal to, EUR 50 million, whereas the table at paragraph 4 refers to contracting of loans, regardless of their term, with an amount greater than, or equal to, EUR 50,000,000 - in both instances, the operations must be endorsed by SNN Board of Directors before such are approved by EGMS.
- The provisions of Article 10.6 lit h of the Articles of Incorporation of EnergoNuclear S.A., as updated on 29 August 2023, reading that the Extraordinary General Meeting of EN Shareholders passes resolutions concerning “*h) the Company extending/taking any*

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*kind of loans or loan-like debts or liabilities, in observance of the limits of authority referred in the Appendix to these Articles of Incorporation”, i.e. the taking of loans, regardless of their term, with an amount greater than, or equal to, EUR 600,000 shall be endorsed by the Board of Directors of EnergoNuclear, and shall be approved by the General Meeting of Shareholders.*

## **II. Current situation**

- Resolution no. 6/10.08.2022 of the Ordinary General Meeting of SNN Shareholders (OGMS) approved:
- The continuation of the Project of 4 Cernavoda NPP Units 3 and 4, respectively, the adoption of the Preliminary Investment Decision and entering Stage II – Preliminary Works, subject to the approval and conclusion of the Support Agreement between the Romanian State and SNN in relation to the Project of Cernavoda NPP Units 3 and 4.

**Stage II - Preliminary Works (Limited Notice to Proceed – LNTP)** has as main objectives:

- developing engineering needed for defining the project;
- structuring and contracting financing (by cost estimates and implementation schedule with a high degree of certainty);
- obtain the Nuclear Safety Authorization for the Construction Stage;
- having the Final Investment Decision taken for advancement to Stage III (Construction).
- The initiation of the steps for awarding and concluding the agreements necessary for the completion of the Project, within the limits of powers provided for in the articles of incorporation of SNN and EnergoNuclear (“EN”), and without exceeding the amount of EUR 185 million.

➤ Under the Resolution of the Extraordinary General Meeting of Shareholders of SNN no. 7/10.08.2022, the financing of EN was approved, by SNN increasing the share capital of EN in cash and/or by granting shareholder loans, with a total amount of EUR 185 million, adjusted to the Project development requirements and necessary for the implementation of Phase 2 of the Project of Cernavoda NPP Units 3 and 4, depending on the approval and conclusion of the Support Agreement between the Romanian State and SNN in relation to the Project of Units 3 and 4 within Cernavoda NPP.

➤ By Law no. 74/2023 the Support Agreement between the Romanian State and SNN was passed and signed on 9 June 2023, setting forth in Art. 2:

*“Art. 2. — (1) Should Cernavoda NPP Units 3 and 4 Project require amendments or additions or should clauses thereof be eliminated, as applicable, the parties shall engage in negotiations and shall agree on addenda thereto.*

*(2) The addenda provided at paragraph (1) shall be approved by Government Decision and shall be effective as of the entry into force of the said decision, provided prior compliance is ensured with the provisions of the law on decision-making competence of corporate governing bodies. In all cases, the subject-matter of the addenda may not concern the novation of the Support Agreement in its entirety, nor the full assignment or transfer, in any form, of all the rights and obligations arising from the Support Agreement.”*

➤ By the Resolution no. 4/17.04.2024 of the Extraordinary General Meeting of SNN Shareholders, the Addendum to the Support Agreement between the Romanian State and SNN regarding the Cernavoda 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): the preliminary Works budget means the amount of EUR 350,000,000, which does not include financing costs and expenses, representing the estimated grand total for the Preliminary Works, until the Investment Decision II;
- updating clause 4.1 regarding the financing of the budget related to Stage II, as follows:
 

*“Under the Preliminary Stage, until the Investment Decision, SNN shall finance EN with the equivalent in RON of the amount of EUR 350 million, to which the financing costs and expenses shall be added. The financing of EN shall be made by SNN, by:*

  - a) subscribing new shares in order to increase the share capital of EN, and/or*
  - b) arm’s length shareholder loans granted by SNN to EN;*
  - c) loans granted and/or taken out/facilitated by the Arranger/Financing Party (Mandated Lead Arranger) selected by SNN;*
  - d) EMP (Engineering Multiplier Program) loans granted by the export credit agencies, representing financing of bridge loan type, guaranteed by SNN with the possibility of their refinancing from those loans to be granted for funding Stage III – Constructions and which will be 100% guaranteed by the Romanian State according to the Support Agreement, in the manner decided by SNN and agreed with the EN Financiers according to the agreements concluded therewith, so as to mitigate the financial risks that could be assumed by SNN by getting involved in the Project.”*
- updating the data relating to the Investment Decisions I and II in accordance with the current implementation schedule of the Project.

As to the financing structure devised for this phase, as set out in the Additional Addendum to the Support Agreement, we provide the following explanations:

- As at 11 March 2024, a Term Sheet was signed with Export Development Canada (“EDC”) for taking a loan of EUR 75 million;
- An EMP contract is currently being negotiated with the US Export-Import Bank, which provides for the taking of a loan to finance the American component up to an amount of USD 50 million (equivalent to EUR 46,070,295 at the NBR exchange rate valid on 30 May 2024).

Thus, considering the difference between the total budget of this phase and the amounts expected to be granted by EDC and US EXIM for the financing of this phase, we find as follows:

- EN needs to be granted a share-convertible shareholder loan ceiling, up to a maximum amount of RON 841,000,000 (approximately EUR 169 million), where effective drawdowns up to the amount of RON 841,000,000 depend on the needs of the project company (EN);
- the balance up to EUR 350 million, *i.e.* approximately EUR 60 million, will be raised via a share capital increase by SNN, or by securing a loan by the financial arranger selected for this purpose.

### **III. Activities and services to be financed at the stage of Preliminary Works - under the Loan Agreement**

At the stage of Preliminary Works, the following activities/services are to require financing:

- Engineering and Project Management Contract (EPCM), including down payments financing
- Legal, financial, tax and technical consultancy services, including down payments financing
- U3-4 site maintenance and conservation activities
- Payroll costs
- Software purchases

- Administrative costs (rent, utilities, office equipment and supplies, laptops, etc.)
- Permitting fees and charges
- Interest, fees and other financing costs
- Other activities related to the Preliminary Works stage.

#### IV. Key Terms of the Loan Agreement

Main clauses proposed under the Loan Agreement:

(i) **Subject-Matter of the Loan Agreement:** SNN granting a loan to EN for the exclusive purpose of financing the Preliminary Works' Budget;

(ii) **Conditions Precedent for conclusion of the Loan Agreement:**

- Duly execution of the Addendum to the Support Agreement concluded by and between the Romanian State and SNN for the Project of Cernavoda NPP Units 3 and 4;
- Approval of the conclusion of the Loan Agreement by SNN EGMS and, respectively, the EN EGMS;

(iii) **Amount of Loan Ceiling:** RON 841,000,000

(iv) **Loan drawdowns:** in tranches, according to the cash needs of EN, based on the Financing Applications. Each Financing Application will include a description of the works the financing is requested for;

(v) **Interest:** ROBOR 3M + 2.00%

(vi) **Due date:** 30 April 2027

(vii) **Conversion of the loan into shares:**

At any time during the validity term of the Loan Agreement, SNN may send EN the Conversion Notice of the loan (actual drawdowns including any accrued interest) into EN ordinary registered shares, which EN is bound to implement as soon as possible, in observance of all legal and statutory provisions in force.

(viii) **Other clauses:** Where the financing of the Preliminary Works' Budget requires accessing also of other financing sources under the provisions of the Addendum to the Support Agreement concluded by and between the Romanian State and SNN for the Project of Cernavoda NPP Units 3 and 4, then EN shall use with priority such other financing sources.

#### V. Proposals submitted for approval by SNN EGMS

In view of the above, we hereby submit the following for approval by the Extraordinary General Meeting of SNN Shareholders:

1. Approval of the investment decision, consisting in SNN financing the Preliminary Works' Budget for the Project of Cernavoda NPP Units 3 and 4, up to a maximum ceiling of RON 841,000,000.
2. SNN (as lender) granting to EnergoNuclear S.A. (as borrower) a loan convertible into shares, up to a maximum amount of RON 841,000,000, for the purpose of financing EnergoNuclear S.A. (EN), *i.e.* the Preliminary Works' Budget for the Project of Cernavoda NPP Units 3 and 4; both the investment decision referred at the paragraph 1 and the loan referred at this paragraph 2 will be rendered conditional upon the duly execution of the Addendum to the Support Agreement concluded by and between the Romanian State and SNN for the Project of Cernavoda NPP Units 3 and 4, as well as by the passing of the Government Decision approving this Addendum to the Support Agreement, according to the provisions of Article 2 of Law 74/2023.

3. Approval of the form of the loan agreement, pursuant to Appendix no. 1 to the Note presented to shareholders, and authorization of the SNN Board of Directors to approve any potential amendments to the enclosed form of the loan agreement, by reference to the Project's developments and to the final form of the Addendum to the Support Agreement concluded by and between the Romanian State and SNN for the Project of Cernavoda NPP Units 3 and 4, as well as to approve its final form. SNN Board of Directors is further authorized to approve any potential amendments to the Loan Agreement through addenda to the Loan Agreement, during its performance term, as needed for performance of the Project; such amendments may concern also essential matters of the agreement, save for the borrowed amount.
4. Approve to mandate the Chief Executive Officer and the Chief Financial Officer of SNN to sign for, and on behalf of, SNN, as lender/borrower, both the loan agreement, in the form set out in Appendix 1 to the Note presented to shareholders or in the final form approved by SNN Board of Directors, and any addenda thereto, conditional upon prior approval of such addenda by SNN Board of Directors, in accordance with the terms of the presented Note.
5. Approval of the authorization of the SNN representative, Mrs. Roxana Tompea - DDI Director, or her replacement *de jure*, to take part and cast a vote in the Extraordinary General Meeting of the Shareholders of EnergoNuclear S.A., which will be convened for this purpose, in favour of the following items on its agenda:
  - i. Approval of EN (as borrower) entering with SNN (as lender) into a share-convertible loan agreement up to a maximum ceiling of RON 841,000,000 concerning the financing of the Preliminary Works' Budget, in the form enclosed to the Note presented to shareholders, or in the form to be approved by SNN Board of Directors, according to the mandate granted by the SNN GMS (*i.e.* "authorization of the SNN Board of Directors to approve any potential amendments to the enclosed form of the loan agreement, by reference to the Project's developments and to the final form of the Addendum to the Support Agreement concluded by and between the Romanian State and SNN for the Project of Cernavoda NPP Units 3 and 4, as well as to approve its final form. SNN Board of Directors is further authorized to approve any potential amendments to the Loan Agreement through addenda to the Loan Agreement, during its performance term, as needed for performance of the Project; such amendments may concern also essential matters of the agreement, save for the borrowed amount."); however, conditional upon the duly execution of the Addendum to the Support Agreement concluded by and between the Romanian State and SNN for the Project of Cernavoda NPP Units 3 and 4, as well as by the passing of the Government Decision approving this Addendum to the Support Agreement, according to the provisions of Article 2 of Law 74/2023.
  - ii. Approval of the form of the loan agreement, pursuant to Appendix no. 1 to the Note presented to shareholders, and authorization of the EN Board of Directors to approve any potential amendments to the loan agreement, by reference to the Project's developments and to the final form of the Addendum to the Support Agreement concluded by and between the Romanian State and SNN for the Project of Cernavoda NPP Units 3 and 4, as well as to approve its final form. EN Board of Directors is further authorized to approve any potential amendments to the Loan Agreement through addenda to the Loan Agreement, during its performance term, as needed for performance of the Project; such amendments may concern also essential matters of the agreement, save for the borrowed amount.

- iii. Authorization of Mr. Alexandru Havris, as General Manager of EN, or his replacement *de jure*, as the case may be, to sign for, and on behalf of, EnergoNuclear S.A., as borrower, the Loan Agreement, as well as any potential addended thereto, as well as the financing applications issued by EnergoNuclear under the Loan Agreement.
- iv. Empowerment of Mr. Alexandru Havris, as General Manager of Energonuclear S.A., to fulfil any act or formality required by law for the registration and fulfilment of the EN's EGMS resolution, including the formalities of its publication and registration with the Trade Register or any other public institution. Mr. Alexandru Havris may delegate all or part of the powers conferred above to any person competent to fulfil this mandate.

Appendix: Template Loan Agreement.

**CEO**  
**Cosmin Ghita**

**CFO**  
**Vasile Dascalu**

**Manager of the Legal Directorate**  
**Vlad Chiripus**

**Head of the Investment Development Department**  
**Roxana Tompea**