

REPORT ON THE REVIEW OF INDIVIDUAL INTERIM FINANCIAL INFORMATION¹

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

1. We have reviewed the accompanying individual interim financial statements of **S.N. Nuclearelectrica S.A.** (the "Company"), which comprise the individual statement of financial position as at 30 June 2024, the individual statement of the profit and loss account, the individual statement of comprehensive income, the individual statement of changes in equity and the individual statement of cash flows for the six months period then ended, including a summary of significant accounting policies and other explanatory notes.

Management's responsibilities for preparing individual interim financial statements

2. The Company's management is responsible for preparing individual interim financial statements that provide a true and fair view in accordance with OMFP 2844/2016 and for such an internal control as management determines is necessary to enable the preparation of individual financial statements free of material misstatements, caused either by fraud or error.
3. The persons responsible for governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities in an audit of individual interim financial statements

4. Our responsibility is to express a conclusion on the individual interim financial statements based on our review.

Scope of the review

5. Except as set out in the following paragraph, we conducted the review in accordance with International Standard for Review Engagements 2410 – "Review of Interim Financial Information performed by the Independent Auditor of the Entity" ("ISRE 2410"). A review of individual interim financial statements consists mainly of interviewing the Company's employees, in particular those responsible for financial and accounting activities, and applying analytical and other review procedures. The scope of a review is significantly smaller than that of an audit carried out in accordance with International Standards on Auditing and, therefore, we cannot be sure that we will notice all the material issues that could be identified in an audit. Therefore, we are not expressing an audit opinion.

Basis for qualified conclusion

6. As noted on Note 4 "Tangible assets" to the accompanying individual interim financial statements, the Company presents as of June 30, 2024 tangible assets in progress in the amount of RON 2,433,222,593 (December 31, 2023: RON 2,261,788,158), of which capitalizations of items intended for Units 3 and 4 of the Cernavoda nuclear power plant in the amount of RON 273,960,000 (December 31, 2023: 273,960,000 lei). Before 1991, nuclear units 1, 2, 3, 4 and 5 were considered a single project and, for this reason, the construction costs carried out were not allocated at the level of each unit. Subsequently, the Company made the allocation of construction costs for Units 3 and 4 of the nuclear power plant. We have not been able to obtain sufficient and adequate audit evidence on the accuracy of this allocation, which has an effect on the valuation of those assets. These limitations also have an impact on the deferred tax liability allocated for Units 3 and 4 as of June 30, 2024, in the amount of RON 43,524,186 (December 31, 2023: RON 43,524,186). Therefore, in view of the above, we have not been able to determine whether additional adjustments are required to property, plant and equipment, deferred tax liability and deferred profit or loss to June 30, 2024 and, consequently, impairment and amortization, income tax expense and net profit for the six months then period ended.

Qualified conclusion

7. Based on the review carried out, except for the aspects mentioned in paragraph 6 above, nothing has come to our attention to consider that the accompanying individual interim financial statements are not prepared, in all material respects, in accordance with OMFP 2844/2016.

¹ This represents a non official English translation of the original review report issued in Romanian language

Emphasis of a matter

8. We draw attention to Note 1 of the individual interim financial statements, which describes the fact that the investments in Units 3 and 4 are planned to be made by the Company's subsidiary – Energonuclear S.A. In addition, during 2022, the Company established together with an investor Ropower Nuclear SA in order to develop, attract financing, design, build and operate a nuclear power generation capacity based on small modular reactor (SMR) technology. The estimated total recoverable amount of the investments in Units 3 and 4 of Cernavoda and SMR, also including all individual items capitalized by the Company, has been determined by management based on certain assumptions, professional judgments and probabilities regarding subsequent events, which are considered reasonable in the given circumstances, as well as other factors, on the assumption that the current negotiations between the Company's management and its discussion partners regarding the investment in these units will be successfully concluded. These aspects are supported by the fact that in March 2023 Law no. 74 regarding the approval of the signing of the Support Agreement between the Romanian State and the National Society Nuclearelectrica S.A. for the Cernavoda NPP Units 3 and 4 Project. Also, these assumptions are based on certain external factors on which the implementation of the mentioned projects depends, such as: the support of the Romanian State to ensure the legislative framework and the necessary financing, the attraction of external funds for the implementation of the projects. In the event that any of the premises, professional judgments, probabilities regarding subsequent events and other factors do not materialize favorably, this could cause a material adjustment on the net carrying amount of the Company's individual assets, liabilities and results for the current or future financial year, an impact that cannot be reasonably estimated at the date of issuance of these interim individual financial statements. The review report does not a qualification in this regard.

Other matters

9. This review report is addressed exclusively to the shareholders of the Company as a whole. Our review was carried out in order to be able to report to the Company's shareholders those aspects that we must report in a review report and not for other purposes. To the extent permitted by law, we accept and assume responsibility only to the Company and its shareholders as a whole for our review of this report.

On behalf of: PKF Finconta SRL

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Registered with the Authority for Public Supervision of the Statutory Audit Activity under the number FA32

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Registered with the Authority for Public Oversight of the Statutory Audit Activity under number AF433



Bucharest,
August 9, 2024