



NUCLEARELECTRICA

HALF-YEAR REPORT

regarding the economic and financial activity of S.N. Nuclearelectrica S.A. according to the provisions of Article 67 of Law no. 24/2017 regarding the issuers of financial instruments and market operations, as republished on 10 August 2021 and Appendix no. 14 to FSA Regulation no. 5/2018 regarding the issuers of financial instruments and market operations for the 6 month period ended on 30 June 2024 (First half of the financial year 2024)

Basis of the report:	Article 67 of Law no. 24/2017 regarding the issuers of financial instruments and market operations and Appendix no. 14 to ASF Regulation no. 5/2018 for the 6 month period ended on 30 June 2024 (first half of the financial year 2024)
Date of report:	09 August 2024
Name of the issuer:	S.N. Nuclearelectrica S.A. ("SNN")
Headquarters:	Bucharest, Bulevardul Iancu de Hunedoara, nr. 48, Sector 1
Phone/fax number:	+40 21 203 82 00; +40 21 316 94 00
Web/Email:	www.nuclearelectrica.ro; office@nuclearelectrica.ro
Single Code of Registration with the Office of the Trade Register:	10874881
Number of registration with the Trade Register:	J40/7403/1998
Subscribed and paid-up share capital:	RON 3,016,438,940
Regulated market on which the issued securities are traded:	Bucharest Stock Exchange (www.bvb.ro), Premium category 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 6 month period ended on 30 June 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.) First half of the financial year 2024
Reporting currency:	
Reporting period:	

TABLE OF CONTENTS

1. ECONOMIC AND FINANCIAL SITUATION.....	3
2. ANALYSIS OF THE ISSUER'S ACTIVITY	6
3. CHANGES AFFECTING THE ISSUER'S CAPITAL AND ADMINISTRATION	8
4. SIGNIFICANT TRANSACTIONS	8
5. EVENTS SUBSEQUENT TO 30 JUNE 2024	9
6. THE MAIN RISKS AND UNCERTAINTIES FOR THE NEXT 6 MONTHS OF THE FINANCIAL YEAR 2024	10
7. STATEMENTS AND SIGNATURES	10
8. APPENDICES	11

1. ECONOMIC AND FINANCIAL SITUATION

The Information and the Individual Interim Financial Statements and the Consolidated Interim Financial Statements as at and for the 6 month period ended on 30 June 2024 disclosed in this report have been reviewed by the 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, based on International Accounting Standard 34 - "Interim Financial Reporting”, adopted by the European Union. The review report of the financial auditor is published on the website of S.N. Nuclearelectrica S.A. (www.nuclearelectrica.ro), section Investor Relations.

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

1.1. INDIVIDUAL ECONOMIC AND FINANCIAL SITUATION

a) Individual Statement of Financial Position as at 30 June 2024

Indicator [thousand RON]	30 June 2024 (reviewed)	31 December 2023 (audited)
Fixed assets	7,537,837	7,501,677
Current assets	5,024,824	5,661,081
Total assets	12,562,661	13,162,758
Equity	11,477,315	11,755,091
Total liabilities, of which:	1,085,346	1,407,667
Long-term liabilities	397,679	367,243
Current liabilities	687,667	1,040,424
Total equity and liabilities	12,562,661	13,162,758

b) Individual Statement of Profit and Loss Account and Comprehensive Income for the 6 month period ended on 30 June 2024

Indicator [thousand RON]	The 6 month period ended on 30 June 2024 (reviewed)	The 6 month period ended on 30 June 2023 (reviewed)
Operating income	2,116,436	3,779,647
Operating expenses	(1,270,528)	(2,468,503)
<i>of which contribution to the Energy Transition Fund</i>	<i>(6,493)</i>	<i>(1,461,691)</i>
Operating profit	845,908	1,311,144
Financial income	180,768	222,801
Financial expenses	(20,142)	(13,253)
Net financial (Expenses)/income	160,626	209,548
Profit before corporate income tax	1,006,534	1,520,692
Net corporate income tax expenses	(163,399)	(231,911)
Profit of the period	843,135	1,288,781
Other elements of the overall result	0	0
Overall result	843,135	1,288,781
Earnings per share (RON/share)	2.80	4.27
Diluted earnings per share (RON/share)	2.80	4.27

c) Individual Statement of Cash Flows for the 6 month period ended on 30 June 2024

Indicator [thousand RON]	The 6 month period ended on 30 June 2024 (reviewed)	The 6 month period ended on 30 June 2023 (reviewed)
Profit before corporate tax	1,006,534	1,520,692
Non-cash value adjustments and changes	170,318	(146,273)
Net cash flow related to the operating activity	1,293,024	1,398,653
Net cash flow related to the investment activity	(668,638)	(155,904)
Net cash flow related to the financing activity	(1,068,617)	(1,215,843)
Net increase/(decrease) of cash and cash equivalents	(444,231)	26,906
Cash and cash equivalents at the beginning of the period	3,529,335	2,681,002
Cash and cash equivalents at the end of the period	3,085,103	2,707,908

1.2. CONSOLIDATED ECONOMIC AND FINANCIAL SITUATION

As at 30 June 2024, the Company's subsidiaries are:

Subsidiary	Activity	Sole registration number	Registered Office	participating interest % as at 30 June 2024
Energonuclear S.A.	“Engineering activities and related technical consultancy” - CAEN code 7112	25344972	Bucharest, sector 2, Bd. Lacul Tei, nr. 1 - 3, Lacul Tei Offices Building, 8th floor	100%
Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L.	“Processing of nuclear fuel” - CAEN code 2446.	44958790	Brasov county, Feldioara locality, Str. Dumbravii nr. 1, Administrative building, ground floor	100%
Nuclearelectrica Serv S.R.L.	“Repair of machinery” - CAEN code 3312	45374854	Constanta County, Cernavoda Locality, Str. Energiei nr. 21, Hotel nr. 2, Building B, 1st floor	100%

a) Consolidated Statement of Financial Position as at 30 June 2024

Indicator [thousand RON]	30 June 2024 (reviewed)	31 December 2023 (audited)
Fixed assets	7,510,495	7,469,296
Current assets	5,004,397	5,680,190
Total assets	12,514,892	13,149,486
Equity	11,427,154	11,732,093
Total liabilities, of which:	1,087,738	1,417,392
Long-term liabilities	399,064	381,805
Short-term liabilities	688,674	1,035,587
Total equity and liabilities	12,514,892	13,149,486

b) Consolidated Statement of Profit and Loss Account and Comprehensive Income for the 6 month period ended on 30 June 2024

Indicator [thousand RON]	The 6 month period ended on 30 June 2024 (reviewed)	The 6 month period ended on 30 June 2023 (reviewed)
Operating income	2,132,656	3,792,832
Operating expenses	(1,302,360)	(2,485,682)
Operating profit	830,296	1,307,150
Financial income	170,857	223,335
Financial expenses	(20,304)	(13,650)
Net financial income	150,553	209,685
Profit before corporate income tax	980,849	1,516,835
Net corporate income tax expenses	(164,736)	(233,130)
Share of profit or loss of related entities and joint ventures, accounted by the equity method;	(140)	88
Profit of the period	815,973	1,283,793
Other elements of the overall result	0	0
Overall result	815,973	1,283,793
Earnings per share (RON/share)	2.71	4.26
Diluted earnings per share (RON/share)	2.71	4.26

c) Consolidated Statement of Cash Flows for the 6 month period ended on 30 June 2024

Indicator [thousand RON]	The 6 month period ended on 30 June 2024 (reviewed)	The 6 month period ended on 30 June 2023 (reviewed)
Profit before corporate tax	980,849	1,516,836
Non-cash value adjustments and changes	181,748	(134,967)
Net cash flow related to the operating activity	1,292,881	1,406,310
Net cash flow related to the investment activity	(677,826)	(163,523)
Net cash flow related to the financing activity	(1,069,207)	(1,215,843)
Net increase/(decrease) of cash and cash equivalents	(454,151)	26,944
Cash and cash equivalents at the beginning of the period	3,581,675	2,707,724
Cash and cash equivalents at the end of the period	3,127,523	2,734,668

2. ANALYSIS OF THE ISSUER'S ACTIVITY

2.1. Factors liable to influence the issuer's liquidity

Among the factors that can influence the company's liquid assets in the future, we list:

- The energy sales prices on the competitive market or the prices set by the Centralized Electricity Purchase Mechanism;
- The price of the key raw materials and materials and the price of services used by the Company in its current activity;
- The fluctuations in interest rates and exchange rates;
- The volume of maintenance investments;
- The taxation rates, including introduction of new taxes and levies or changes in existing ones.

There are many internal and external factors that can influence the company's liquid assets, but the company enjoys very good liquidity in the short- and even medium-run.

2.2. Current or expected capital expenses

The investment program for the last two years is presented as follows:

Investments [Thousand RON]	2024	2023
Investment program value	1,810,827	710,318
Actuals from the investment program as at June 30	350,435	371,424

As at 30 June 2024, the degree of performance of the investment program amended according to the Board of Directors Decisions no. 182/22.07.2024 is 19.4%, compared to 30 June 2023, when the performance of the investment program was 52.3% (relative to the value of RON 710,318 thousand, the amendment investment program for the year 2023 was approved by the Board of Directors Decision no. 232/27.10.2023).

2.3. Events, transactions and economic changes that significantly affect the income from the core business

Income from the core business are affected by:

- The electricity output of Cernavoda NPP, closely dependent on the operating performance of the two nuclear units;
- The evolution of the conditions established by the Mechanism for the centralized purchase of electricity established by Government Emergency Ordinance no. 153/2022;
- The developments of prices on the competitive market and the company's ability to successfully compete under the said price conditions;
- The evolution of demand and supply on the domestic and regional electricity market, the degree of integration of the markets in the region.

2.4. Other significant events during the first half of 2024

Other significant events during the first half of 2024, which have not already been presented within the quarterly report related to the 1st quarter of the year 2024 are as follows:

Planned shutdown of unit 1 within Cernavoda NPP

Starting on 19 May 2024, Cernavoda NPP Unit 1 entered the planned shutdown program, which takes place every two years at each unit. The synchronization with the National Energy System was completed on 29 June 2024.

During the planned shutdown, activities from the following programs were carried out:

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

The works were carried out in safe conditions for the plant staff, the public and the environment, according to the approved procedures used at Cernavoda NPP.

Changes in the management of the Company - Directors

By the current report dated 3 June 2024, SNN informs shareholders and investors that Mr. Mihai Laurentiu Gioara was appointed with delegation as Deputy General Director, Business And Development Affairs.

Inauguration of works at the tritium removal facility at Cernavoda NPP

On 10 June 2024, SNN and Korea Hydro & Nuclear Power (KHNP) announced the start of works at the first tritium removal plant in Europe, located at the Cernavoda Nuclear Power Plant. This initiative marks an important step forward in nuclear technology and environmental protection, in accordance with the sustainability objectives of the European Union.

Cernavoda NPP Unit 1 Refurbishment Project

By the current report dated 10 June 2024, SN Nuclearelectrica S.A. (SNN) and Canadian Nuclear Partners S.A. (CNPSA) announced the signing of a long-term framework agreement for the provision of Project Management Organization (PMO) services for the preparation and implementation of the Cernavoda Nuclear Power Plant Unit 1 refurbishment project.

This framework agreement has an approximate value of EUR 240 million (360 million Canadian dollars) and represents an essential step in the completion of the refurbishment of Cernavoda NPP Unit 1 in accordance with the agreed development stages. Under the agreement, CNPSA, a subsidiary of Laurentis Energy Partners (Laurentis), will support SNN by providing:

- Project Management services;
- Technical assistance;
- Consulting services;

- Specific professional training for the refurbishment of CANDU power plant and
- Organization and coordination of the commissioning of Unit 1, until its return to commercial operation.

3. CHANGES AFFECTING THE ISSUER'S CAPITAL AND ADMINISTRATION

3.1. Situations in which the issuer was unable to meet its financial obligations during the first half of 2024

Not applicable.

3.2. Changes regarding the rights of holders of securities issued by the issuer

Not applicable.

3.3. Other changes

Not applicable.

4. SIGNIFICANT TRANSACTIONS

Information regarding significant transactions concluded with related parties during the first half of 2024 is presented in Appendix 8.2. The financial auditor issued a report on these legal documents, a report published on 23 July 2024, both on the website of the Bucharest Stock Exchange (www.bvb.ro) and on the website of S.N. Nuclearelectrica S.A. (www.nuclearelectrica.ro), section Investor Relations.

5. EVENTS SUBSEQUENT TO 30 JUNE 2024

The amendment of the income and expenditure budget for 2024

By the OGMS Resolution no. 7 dated 19 July 2024, SNN's shareholders approved the amendment of the income and expenditure budget for 2024. Subsequently, by the Resolution of the Board of Directors no. 182 dated 22 July 2024, the Board of Directors of SNN approved the amendment of the Income and Expenditure Budget for the year 2024.

The Project of Units 3 and 4 within Cernavoda NPP

By Resolution no. 8/19.07.2024 of the Extraordinary General Meeting of Shareholder (“EGMS”), 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, was approved.

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 mentioned above and the loan referred at this paragraph will be rendered conditional upon the duly execution of the Addendum to the Support Agreement concluded by 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.

By the current report dated 2 July 2024, Nuclearelectrica announces the adoption of the European Commission’s positive opinion on the project of Cernavoda NPP Units 3 and 4, based on Article 41 of the Euratom Treaty. The project is managed by the project company Energonuclear, wholly owned by Societatea Nationala Nuclearelectrica SA (SNN).

The opinion sent on 1 July 2024 reflects the assessment made by the European Commission – General Directorate for Energy, regarding the technical and nuclear safety aspects of the project. According to the Euratom Treaty, the developers of nuclear projects are required to notify the European Commission of the planned investments and to demonstrate compliance with the highest nuclear safety standards. Energonuclear notified the Commission of the Units 3 and 4 project in May 2023.

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

By the EGMS resolution no. 8 of 19 July 2024, the following phases of the first small modular reactor development project were approved by the company’s shareholders, namely:

- i. Approval of the conclusion of the FEED contract Phase 2 Offshore;
- ii. Approval of the conclusion of the FEED contract Phase 2 Onshore;

During the same meeting, of the increase of the loan facility granted by SNN (as lender) under the Framework Loan Agreement no. 1 dated 16 August 2023 up to the amount of USD 243,000,000 was approved, and, at the same time, the approval of the signing by SNN, as lender, of Addendum no. 3 to the Framework Loan Agreement no. 1 dated 16 August 2023, with the mention that the access to this loan will be made by RoPower Nuclear S.A.

(the borrower) only to the extent that it is not possible to secure the financing of the SMR Project in Doicești from other sources (share capital, generated by changing the shareholding structure of RoPower Nuclear S.A., or bank loans/loans or other sources of financing) and, in any case, only until such other sources of financing are identified.

By the current report dated 24 July 2024, SN Nuclearelectrica SA and RoPower Nuclear, announce the signing of the contract Front-End Engineering and Design Phase 2 (FEED 2) of the contract with Fluor Corporation.

6. THE MAIN RISKS AND UNCERTAINTIES FOR THE NEXT 6 MONTHS OF THE FINANCIAL YEAR 2024

There are no risks and uncertainties for the next 6 months of the 2024 financial year, other than those related to the core business, identified and presented in this report. The Company estimates that it will achieve at least the budgeted profit for the current year, through the Income and Expenditure Budget approved by the Resolution of the Board of Directors no. 182/22.07.2024.

7. STATEMENTS AND SIGNATURES

Based on the best available information, we confirm that the Individual Interim Financial Statements and the Consolidated Interim Financial Statements as of and for the 6 month period ended on 30 June 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 6 month period ended on 30 June 2024 and that such report, prepared in accordance with the provisions of Article 67 of Law no. 24/2017 regarding issuers of financial instruments and market operations, republished on 10 August 2021, and Appendix no. 14 to FSA Regulation no. 5/2018 regarding issuers of financial instruments and market operations for the 6 month period ended on 30 June 2024, included fair and true information in relation to the company and the group development and performance.

Teodor Minodor Chirica,
Chairman of the Board of Directors

Endorsed,
Vasile Dascalu,
Chief Financial Officer

8. APPENDICES

8.1. ECONOMIC AND FINANCIAL RATIOS

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

Name of ratio	Calculation method	M.U.	Amount 30.06.2024 ^{*)}
1. Current liquidity ratio	Current assets/ Current liabilities	x	7.31
2. Indebtedness ratio			
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%
3. Debt turnover ratio - customers	Average customer balance/ Turnover x 180	days	36
4. Assets turnover ratio^{**)}	Turnover/ Fixed assets	x	0.54

^{*)} According to the Individual Interim Financial Statements as at, and for the 6 month period ended on 30 June 2024.

^{**)} Assets turnover ratio is calculated by the annualization of the quarterly turnover (360 days/180 days).

8.2. LEGAL ACTS reported in the first half of 2024 under the conditions of Article 108 of Law no. 24/2017 regarding issuers of financial instruments and market operations, republished on 10.08.2021

Current Reports from the dates of 26 January 2024, 30 January 2024, 2 February 2024, 8 February 2024, 15 February 2024, 16 February 2024, 22 February 2024, 27 February 2024, 28 February 2024, 29 February 2024, 15 March 2024, 20 March 2024, 28 March 2024, 30 April 2024, 30 April 2024, 30 May 2024, 20 June 2024, 26 June 2024, 27 June 2024 drawn up by the Company according to the provisions of Law no. 24/2017 regarding issuers of financial instruments and market operations, republished on 10 August 2021 (hereinafter referred to as "Law no. 24/2017, republished on August 10, 2021") and of Regulation no. 5/2018 of the Financial Supervisory Authority (hereinafter referred to as "FSA") regarding the issuers of financial instruments and market operations, as subsequently amended and supplemented by Regulation no. 13/2021 (hereinafter referred to as "Regulation no. 5/2018").

8.3. Major DISPUTES pending as at 30 June 2024 (in excess of RON 500 thousand), including disputes whose value was not assessed

The list of major disputes pending on 30 June 2024 can be found in Appendix 5 - "Major disputes pending on 30 June 2024 (in excess of RON 500 thousand), including disputes whose value was not assessed" included in the half-yearly Report of the Board of Directors of S.N. Nuclearelectrica S.A. on the management activity for the period 1 January - 30 June 2024, published on the website of S.N. Nuclearelectrica S.A. (www.nuclearelectrica.ro), section Investor Relations.

8.4. INDIVIDUAL INTERIM FINANCIAL STATEMENTS as at, and for the 6 month period ended on 30 June 2024

The Individual Interim Financial Statements as at, and for the 6 month period ended on 30 June 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), section Investor Relations.

8.5 CONSOLIDATED INTERIM FINANCIAL STATEMENTS as at, and for the 6 month period ended on 30 June 2024

The Consolidated Interim Financial Statements as at, and for the 6 month period ended on 30 June 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), section Investor Relations.

8.6. Half-year REPORT of the Board of Directors regarding the management activity for the period 1 January - 30 June 2024

The half-yearly report of the Board of Directors regarding the management activity for the period 1 January - 30 June 2024 drawn up based on the provisions of Article 55 of Government Emergency Ordinance no. 109/2011 regarding the corporate governance of public enterprises, as subsequently amended and supplemented (“Government Emergency Ordinance no. 109/2011”), and the Mandate Agreements concluded by the Board of Directors with SNN is published on the website of S.N. Nuclearelectrica S.A. (www.nuclearelectrica.ro), section Investor Relations.