



S.N. Nuclearelectrica S.A.

**Individual Interim Financial Statements
as at and for the 6-month period ended
30 June 2024**

Prepared in accordance with Public Finance Minister's Order no. 2844/2016 for approval of Accounting Regulations compliant with the International Financial Reporting Standards ("IFRS"), adopted by the European Union, in accordance with International Accounting Standard 34 – "Interim Financial Reporting"

S.N. Nuclearelectrica S.A.

Individual Interim Financial Statements as at, and for the 6-month period ended 30 June 2024

TABLE OF CONTENTS

Individual Statement of Financial Position as at 30 June 2024	3
Individual Statement of Profit or Loss for the 6-month period ended 30 June 2024.....	4
Individual Statement of Comprehensive Income for the 6-month period ended 30 June 2024	5
Individual Statement of Changes in Equity as at and for the 6-month period ended 30 June 2024	6
Individual Statement of Changes in Equity for the financial year ended on 31 December 2023	7
Individual Statement of Cash Flows for the 6-month period ended 30 June 2024	8
Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2024.....	9
1. Reporting entity	9
2. The basis of drafting the financial statements	11
3. Significant accounting policies	12
4. Tangible assets.....	13
5. Assets representing rights to use underlying assets within a leasing agreement	17
6. Intangible assets.....	18
7. Financial assets measured at amortized cost.....	19
8. Financial investments in subsidiaries	20
9. Financial investments in associated entities	22
10. Inventories	23
11. Trade receivables.....	24
12. Other financial assets measured at amortized cost	25
13. Cash and cash equivalents, bank deposits.....	26
14. Equity	27
15. Earnings per share	29
16. Loans	30
17. Provisions for risks and charges	31
18. Corporate income tax.....	31
19. Obligations regarding for employees benefits	32
20. Trade and other payables	34
21. Income from sale of electricity	35
22. Other income	36
23. Staff costs	36
24. Contribution to the Energy Transition Fund	37
25. Other operating expenses.....	38
26. Financial income and expenses	39
27. Transactions and balances with related parties.....	39
28. Management of significant risks.....	42
29. Contingencies, commitments and operational risks.....	45
30. Subsequent events.....	48

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S.N. Nuclearelectrica S.A.

Individual Statement of Financial Position as at 30 June 2024

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

	Note	30 June 2024 (reviewed)	31 December 2023 (audited)
Assets			
Non-current assets			
Tangible assets	4	6,470,251,913	6,538,385,782
Assets representing rights to use underlying assets within a leasing agreement	5	38,819,205	18,601,084
Intangible assets	6	61,385,066	50,389,398
Financial assets measured at amortized cost	7	707,999,385	634,918,901
Financial investments in subsidiaries	8	239,438,503	239,438,503
Investments in associated entities	9	19,943,000	19,943,000
Total fixed assets		7,537,837,072	7,501,676,668
Current assets			
Inventories	10	1,056,056,049	1,067,736,531
Trade receivables	11	179,259,459	624,305,513
Other financial assets measured at amortized cost	12	199,029,459	327,446,936
Bank deposits	13	505,375,844	112,257,027
Cash and cash equivalents	13	3,085,103,278	3,529,334,516
Total current assets		5,024,824,089	5,661,080,523
Total assets		12,562,661,161	13,162,757,191
Equity and liabilities			
Equity			
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		308,551,565	336,996,786
Retained earnings		7,903,793,661	8,153,125,015
Total equity	13	11,477,314,595	11,755,091,170
Liabilities			
Long-term liabilities			
Long-term loans	16	-	-
Provisions for risks and charges	17	223,081,217	204,807,400
Long-term deferred income		28,542,320	35,684,350
Deferred tax liability		62,321,512	63,058,097
Liabilities for employee benefits	19	48,088,311	48,088,311
Liabilities under long-term leasing agreements	5	35,645,315	15,605,108
Total long-term liabilities		397,678,675	367,243,266
Current liabilities			
Trade and other payables	20	425,929,751	818,115,509
Current part of provisions for risks and charges	17	114,530,944	119,867,937
Current part of the long-term loans	16	32,583,661	65,640,599
Corporate income tax due		49,625,526	16,787,246
Short-term deferred income		60,329,649	15,844,172
Liabilities under short-term leasing agreements	5	4,668,360	4,167,292
Total current liabilities		687,667,891	1,040,422,755
Total liabilities		1,085,346,566	1,407,666,021
Total equity and liabilities		12,562,661,161	13,162,757,191

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S.N. Nuclearelectrica S.A.

Individual Statement of Profit or Loss for the 6-month period ended 30 June 2024

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

	Note	3-month period ended 30 June 2024 (not reviewed)	3-month period ended 30 June 2023 (not reviewed)	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Income					
Income from sale of electricity	21	852,858,039	1,605,760,227	2,015,350,816	3,699,193,687
Electricity transmission income		7,596,069	8,687,592	18,169,277	15,694,446
Total income		860,454,108	1,614,447,819	2,033,520,093	3,714,888,133
Other income	22	50,642,952	45,505,622	82,916,049	64,758,601
Operating expenses					
Depreciation and impairment		(165,073,707)	(159,843,601)	(329,467,719)	(316,003,186)
Payroll costs	23	(160,580,311)	(142,825,865)	(329,129,238)	(282,595,556)
Cost of electricity purchased		(88,204,647)	(11,835,605)	(121,749,681)	(14,079,120)
Repairs and maintenance		(36,321,141)	(25,801,687)	(56,430,933)	(40,556,726)
Expenses with the transmission of electricity		(7,596,069)	(8,687,592)	(18,169,277)	(15,694,446)
Expenses with spare parts		(12,454,077)	(10,434,206)	(16,731,630)	(13,059,885)
Costs of nuclear fuel		(36,837,278)	(34,569,326)	(89,054,739)	(79,365,675)
Contribution to the Energy Transition Fund	24	(6,493,256)	(620,848,761)	(6,493,256)	(1,461,690,999)
Other operating expenses	25	(154,535,848)	(133,936,667)	(303,301,941)	(245,457,011)
Operating expenses - Total		(668,096,334)	(1,148,783,310)	(1,270,528,414)	(2,468,502,604)
Operating result		243,000,726	511,170,131	845,907,728	1,311,144,130
Financial expenses		(7,431,147)	(7,603,319)	(20,141,562)	(13,253,303)
Financial income		98,410,105	109,420,445	180,768,120	222,801,322
Net financial result	26	90,978,958	101,817,126	160,626,558	209,548,019
Profit before tax		333,979,684	612,987,257	1,006,534,286	1,520,692,149
Net corporate income tax expenses	18	(54,114,029)	(90,724,214)	(163,398,980)	(231,911,103)
Profit of the period		279,865,655	522,263,043	843,135,306	1,288,781,046

The Individual Interim Financial Statements presented from page 1 to 49 were signed on 09 August 2024 by:

Cosmin Ghita
Chief Executive Officer

Vasile Dascalu
Chief Financial Officer

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S.N. Nuclearelectrica S.A.

Individual Statement of Comprehensive Income for the 6-month period ended 30 June 2024

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

	Note	3-month period ended 30 June 2024 (not reviewed)	3-month period ended 30 June 2023 (not reviewed)	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Profit of the period		279,865,655	522,263,043	843,135,306	1,288,781,046
Other elements of comprehensive income					
Items that cannot be reclassified to profit or loss					
Retained earnings from other adjustments					
Total other elements of the overall result		-	-	-	-
Total comprehensive income related to the period		279,865,655	522,263,043	843,135,306	1,288,781,046
Earnings per share					
Basic earnings per share (RON/share)	15	0.93	1.73	2.8	4.27
Diluted earnings per share (RON/share)	15	0.93	1.73	2.8	4.27

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S.N. Nuclearelectrica S.A.

Individual Statement of Changes in Equity as at and for the 6-month period ended 30 June 2024

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

Note	Share capital	Inflation adjustments of the share capital	Share premium	Reserve paid in advance	Revaluation reserve	Retained earnings	Total equity
	3,016,438,940	195,502,743	31,474,149	21,553,537	336,996,786	8,153,125,015	11,755,091,170
Balance as at 1 January 2024 (audited)							
Overall result							
<i>Profit of the reporting period</i>	-	-	-	-	-	834,135,306	834,135,306
<i>Other elements of comprehensive income</i>							
Actuarial gains related to the benefit plans	-	-	-	-	-	-	-
Total other elements of comprehensive income	-	-	-	-	-	-	-
Total comprehensive income related to the reporting period	14	-	-	-	-	834,135,306	834,135,306
Transactions with shareholders, only recognized in equity							
Distributed dividends	-	-	-	-	-	(1,120,911,882)	(1,120,911,822)
Total transactions with shareholders, only recognized in equity	14	-	-	-	-	(1,120,911,882)	(1,120,911,822)
Other changes in equity							
Transfer of revaluation reserves into retained earnings due to amortization	-	-	-	-	(28,445,221)	28,445,221	-
Other changes in equity - total	-	-	-	-	(28,445,221)	28,445,221	-
Balance as at 30 June 2024 (reviewed)	3,016,438,940	195,502,743	31,474,149	21,553,537	308,551,565	7,903,793,661	11,477,314,595

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S.N. Nuclearelectrica S.A.

Individual Statement of Changes in Equity for the financial year ended on 31 December 2023

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

	Note	Share capital	Inflation adjustments of the share capital	Share premium	Reserve paid in advance	Revaluation reserve	Retained earnings	Total equity
Balance as at 1 January 2023 (audited)		3,016,438,940	195,502,743	31,474,149	21,553,537	394,369,643	6,876,165,858	10,535,504,870
Overall result								
<i>Profit of the financial year</i>		-	-	-	-	-	2,506,518,832	2,506,518,832
<i>Other elements of comprehensive income</i>								
Actuarial gains related to the benefit plans		-	-	-	-	-	(3,716,876)	(3,716,876)
Total other elements of comprehensive income		-	-	-	-	-	(3,716,876)	(3,716,876)
Total comprehensive income related to the financial year	14	-	-	-	-	-	2,502,801,956	2,502,801,956
Transactions with shareholders, only recognized in equity								
Distributed dividends		-	-	-	-	-	(1,283,215,656)	(1,283,215,656)
Total transactions with shareholders, only recognized in equity	14	-	-	-	-	-	(1,283,215,656)	(1,283,215,656)
Other changes in equity								
Transfer of revaluation reserves into retained earnings due to amortization		-	-	-	-	(57,372,857)	57,372,857	-
Other changes in equity - total		-	-	-	-	(57,372,857)	57,372,857	-
Balance as at 31 December 2023 (audited)		3,016,438,940	195,502,743	31,474,149	21,553,537	336,996,786	8,153,125,015	11,755,091,170

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Individual Statement of Cash Flows for the 6-month period ended 30 June 2024

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

	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Cash flows from operating activities		
Profit before tax	1,006,534,286	1,520,692,149
Adjustments for:		
Depreciation and impairment	329,467,719	316,003,186
Value adjustments of trade receivables	48,034	(745,483)
Value adjustments of inventories	(440,836)	(310,825)
Provisions related to liabilities, risks and operating expenses	1,771,861	12,408,838
(Gains)/Losses from disposal of non-current assets	332,846	2,704,522
Net financial (income)	(160,862,073)	(206,320,333)
Changes in:		
Decrease/(Increase) in trade receivables	445,005,605	13,717,449
Decrease/(Increase) in other financial assets measured at amortized cost	100,059,452	(19,523,274)
(Increase) in inventories	25,287,141	(123,091,115)
Change in deferred income	37,160,011	(79,786,757)
Increase of trade and other payables	(531,196,737)	(61,328,846)
Cash flows related to the operating activity	1,253,167,309	1,374,419,511
Corporate income tax paid	(131,297,285)	(199,474,649)
Interest received	172,496,355	224,991,927
Interest paid	(1,356,900)	(1,283,836)
Dividends received	14,820	-
Net cash related to operating activity	1,293,024,299	1,398,652,953
Cash flows related to investment activity		
Purchases of intangible assets	(5,554,244)	(8,527,031)
Purchases of tangible assets	(217,054,506)	(330,707,565)
(Increase)/Decrease in bank deposits	(393,118,817)	(419,251,812)
Financial assets measured at amortized cost	(52,999,423)	(226,565,562)
Investments in subsidiaries	-	-
Investments in associated entities	-	(10,000,000)
Proceeds from sale of tangible assets	88,758	644,650
Net cash related to investment activity	(668,638,232)	(155,903,697)
Cash flow related to financing activity		
Loans payments	(32,840,940)	(32,545,260)
Dividends payments	(1,031,686,038)	(1,180,927,155)
Payments related to liabilities from leasing agreements, including interest	(4,090,327)	(2,370,931)
Net cash related to the financing activity	(1,068,617,305)	(1,215,843,345)
Net (Decrease)/Increase of cash and cash equivalents	(444,231,238)	26,903,912
Cash and cash equivalents as at 1 January	3,529,334,516	2,681,002,427
Cash and cash equivalents as at 30 June	3,085,103,278	2,707,908,339

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Notes to the Individual Interim Financial Statements prepared as at and for the 6-month period ended 30 June 2024

1. Reporting entity

Societatea Nationala Nuclearelectrica S.A. (“Company” or “SNN”) is national joint-stock company, managed under single-tier system, having a head office and two branches without legal personality, Cernavoda NPP (Nuclear Power Plant) – headquartered in Constanta County, Cernavoda City, str. Medgidiei, nr. 2, registered with the Trade Register under number J13/3442/2007, respectively Pitesti NFP (Nuclear Fuel Plant) – headquartered in Arges County, Mioveni City, str. Campului, nr. 1, registered with the Trade Register under number J03/457/1998. The address of the registered office is Romania, Bucharest, Sector 1, Bd. Iancu de Hunedoara nr. 48, Crystal Tower building.

The main object of activity of the company is “Electricity generation” – CAEN Code 3511 and is registered with the Trade Register under number J40/7403/1998, Unique Registration Code 10874881, tax attribute RO.

The main activity of the Company consists in the electricity and heat generation by means of nuclear methods. The main place of business is within Cernavoda NPP Branch, where the Company owns and operates two functional nuclear reactors (Unit 1 and Unit 2). Those two operational nuclear reactors are based on CANDU technology (Canada Deuterium Uranium, of PHWR type).

The Company owns another two nuclear reactors at Cernavoda, which are in the early stage of construction (Unit 3 and Unit 4). The project on Units 3 and 4 is planned to be completed by Energonuclear S.A. subsidiary (for more information see Note 8).

In the period 2020 - 2021, stages were completed in order to carry out this Project, with the sustained effort of the Company and the Romanian State. Under Decision of the Romania’s Prime Minister no. 281/14.07.2020 published in the Official Gazette of Romania, Part I, no. 618/14.VII.2020, the Strategic Coordination Committee for the Implementation of the Project of Units 3 and 4 within Cernavoda NPP was established. Also, in October 2020, US Exim Bank expressed, through a Memorandum of Understanding concluded with the Ministry of Energy, its interest in financing large investment projects in Romania, including nuclear ones, with a total value of USD 7 billion. In November 2021, Energonuclear S.A. subsidiary signed the first agreement with Candu Energy, member of SNC-Lavalin Group and the Design Authority of Units 3 and 4 and OEM Candu (the original manufacturer of CANDU technology).

By Resolution no. 6/10.08.2022 of the Ordinary General Meeting of SNN Shareholders, a series of measures related to the continuation of the Project were adopted and approved: - the Preliminary Investment Decision and the transition to Stage II - Preliminary Works were adopted, - 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, and without exceeding the amount of EUR 185 million was approved, - the financing of Energonuclear by SNN through a share capital increase and/or through the granting of associated loans, with a total value of EUR 185 million, calibrated to the Project's development requirements and necessary for the implementation of Stage II of the Units 3 and 4 Project Cernavoda NPP was approved.

On 31 March 2023, Law no. 74, approving the signing of the Support Agreement between the Romanian State and the Company for Cernavoda NPP’s Units 3 and 4 Project, was passed and on 9 June 2023 the Support Agreement was signed. The Company continues to carry out the activities necessary to complete the stages of the project.

Moreover, the Company owns a reactor (Unit 5), for which the Company’s shareholders had approved the change in the original destination since March 2014, namely, the use of Unit 5 for carrying out the activities related to the operation of Units 1 and 2. At the beginning of 2020 the International Atomic Energy Agency (“IAEA”) performed a benchmark

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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assessment of the design requirements for the investment objective On-Site Emergency Control Center (“OSECC”) – Unit 5 and an assessment of the technical requirements relating to the rating of equipment for hazards/ external events (especially the seismic rating). Presentations submitted by the international experts of IAEA within the benchmarking brought to the forefront a new method/strategy of rating, namely the demonstration of the seismic margin by using the seismic experience as an alternative method for rating the critical systems in the Building of Facilities for Emergency Cases (“BFEC”).

In June 2020, CNCAN expressed its consent to use the seismic experience as an alternative method for demonstrating the seismic rating of the critical equipment, in which sense, in July 2020 the seismic rating guide was updated, as well as the list of systems/equipment rated from the seismic point of view for BFEC. In the context of the above-mentioned data, a reviewed chart of the relaunching strategy was prepared. The reviewed chart for the implementation of the project comprises the completion of the construction and assembly works (purchase of seismically rated equipment and construction and assembly works) and the operationalization of the objective during 2024.

The manufacture of CANDU nuclear fuel bundles needed for the operation of the two functional nuclear reactors within Cernavoda NPP Branch, is carried out by the Company, within Pitesti NFP Branch.

The Romanian energy sector is regulated by the Romanian Energy Regulatory Authority (“ANRE”), an independent public institution. Effective 1 January 2023, the Company is a seller under the Centralized Electricity Acquisition Mechanism (“MACEE”), set up under the Government Emergency Ordinance no. 153/2022 and updated by the Government Emergency Ordinance 32/2024, for the period 1 January 2023 – 31 December 2024. In the first 6 months of 2024, the Company participated both in the competitive segment and in the MACEE mechanism (for more information, see Note 21).

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 Plant 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 Cernavoda 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 mechanism¹.

Starting with 1 June 2023, Nuclearelectrica was included in the MSCI Frontier Markets and MSCI Romania indices. Previously, on 19 August 2022, the Company was included 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.

Fitch Ratings has confirmed Romania's rating at "BBB -" with a stable outlook, which is the latest rating as stated in a release from the financial rating agency dated 1 March 2024. The 'BBB -' rating assigned to Romania is underpinned by its EU membership and associated capital inflows that support income convergence, external finances and macroeconomic stability. GDP per capita and human development indicators are above those of other 'BBB' countries. However, these are offset by higher budget and current account deficits than other countries in the same category, a modest track record of fiscal consolidation, increased fiscal rigidities and a high external debtor position².

On 30 June 2024, the Company owns 100% of the subsidiaries Energonuclear, Fabrica de Prelucrare a Concentratelor de Uraniu – Feldioara and Nuclearelectrica Serv. It also owns 50% of the company RoPower Nuclear S.A.

¹ <https://www.fitchratings.com/research/corporate-finance/fitch-affirms-nuclearelectrica-at-bbb-outlook-stable-07-11-2023>

² <https://www.fitchratings.com/research/sovereigns/fitch-affirms-romania-at-bbb-outlook-stable-01-03-2024>

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Notes to the Individual Interim Financial Statements prepared as at and for 6-month period ended 30 June 2024

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

As at 30 June 2024, the Company's shareholders are: The Romanian State by the Ministry of Energy, which held 248,850,476 shares, representing 82.4981% of the share capital and other natural persons shareholders and other natural persons and legal entities shareholders holding together 52,793,418 shares representing 17.5019% of the share capital.

Company's shares were traded on Bucharest Stock Exchange of 4 November 2013, having the issuing symbol SNN.

2. The basis of drafting the financial statements

2.1. Declaration of conformity

The Individual Interim Financial Statements as at and for the 6 months period ended 30 June 2024 were prepared in accordance with the Order of the Minister of Public Finance no. 2.844/2016 for approval of Accounting Regulations compliant with the International Financial Reporting Standards ("IFRS"), as subsequently amended ("OMPF 2.844/2016"). For the purposes of the Order of the Minister of Public Finance no. 2.844/2016, the International Financial Reporting Standards are adopted according to the procedure provided under the Regulation (EC) no. 1.606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards ("IFRS adopted by the European Union").

The company also prepares consolidated interim financial statements in accordance with the International Financial Reporting Standards ("IFRS"), as subsequently amended ("OMPF 2.844/2016"), which are available on the company website.

The Individual Interim Financial Statements prepared as of and for the 6 months period ended 30 June 2024 were reviewed by the financial auditor of the Company - PKF Finconta S.R.L.

These Individual Interim Financial Statements were authorized for issue and were signed on 09 August 2024 by the Company's management.

2.2. Going concern

These Financial Statements were drafted according to the going concern principle supposing that the Company will continue its activity, without any significant reduction, as well as in the foreseeable future.

2.3. Presentation of the financial statements

The Individual Interim Financial Statements are presented in compliance with the requirements of IAS 1 – "Presentation of the financial statements" and IAS 34 – „Interim financial reporting". The Company adopted a presentation based on liquidity within the statement of the financial position and a presentation of the income and expenses depending on their nature within the statement of profit or loss account and of other comprehensive income, considering that such presentation models provide credible information being more relevant than those presented according to different methods permitted by IAS 1.

They do not include all information needed for a complete set of financial statements in accordance with IFRS and should be read in conjunction with Individual Financial Statements drafted as at and for the financial year ended on 31 December 2023. Nevertheless, certain explanatory notes selected are included to explain the events and transactions which are significant for understanding the amendments arisen in the financial position and performance of the Company from the last Individual Financial Statements prepared as at and for the financial year ended on 31 December 2023.

2.4. Basis of assessment

The Individual Interim Financial Statements were prepared at historical cost, save for some categories of tangible non-current assets that are measured at fair value, as presented in the accounting policies (see Note 3.3 of the Individual Financial

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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Statements as at, and for the financial year ended on 31 December 2023). Other financial assets and liabilities, such as non-financial assets and liabilities are presented at amortized cost, revalued value or historical cost.

2.5. Functional and presentation currency

The Individual Interim Financial Statements are presented in Romanian LEI ("RON" or "LEU"), as this is also the functional currency of the Company, determined according to IAS 21. All financial information is presented in RON, unless otherwise indicated.

2.6. Use of estimates and judgments

The preparation of the Individual Financial Statements in accordance with IFRS adopted by the European Union involves the management use of some estimates, judgments and assumptions which affect the application of accounting policies, as well as the reported value of assets, liabilities, income and expenses. Judgments and assumptions related to such estimates are based on the historical experience as well as other factors considered to be reasonable in the context of such estimates. Results of such estimates form the basis of judgments relating to the book values of assets and liabilities which cannot be obtained from other information sources. Results obtained could be different from the estimates values.

Judgements and assumptions underpinning them are reviewed on a regular basis. Changes in estimates are accounted prospectively. Revisions of the accounting estimates are recognized during the period in which the estimate is reviewed, if such revision only affects that period, or during the period when the estimated is reviewed, and the future period, where revision affects both the current, and future periods.

Significant judgments used by the management for applying the Company's accounting policies and the main sources of uncertainty relating to estimates were similar to those applied to the Individual Financial Statements as at and for the financial year ended on 31 December 2023.

3. Significant accounting policies

Accounting policies applied in these Individual Interim Financial Statements are similar to those policies applied in the Individual Financial Statements of the Company as at and for the financial year ended on 31 December 2023.

The Individual Interim Financial Statements are prepared based on the assumption that the Company will continue its activity in a foreseeable future. For assessing the applicability of such assumption, the Company's management examines the forecast regarding the future cash inflows.

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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

4. Tangible assets

	Land	Nuclear plants	Plant, machinery and other assets	Non-current assets in progress	TOTAL
Cost					
Balance as at 1 January 2023 (audited)	36,975,047	4,609,767,102	1,309,019,117	1,386,932,797	7,342,694,063
Additions	-	-	96,427,136	1,359,346,028	1,455,773,165
Transfers	-	281,283,159	42,673,451	(323,956,610)	-
Heavy water-related additions	-	17,150,312	-	-	17,150,312
Transfer of inventories	-	-	2,043,294	1,881,461	3,924,754
Transfer from reclassified spare parts	-	-	16,219,611	(16.19.611)	-
Derecognition of inspections	-	(73,865,661)	-	-	(73,865,661)
Derecognition of heavy water	-	(939,008)	-	-	(939,008)
Disposals	-	(138,481,651)	(2,371,096)	-	(141,212,747)
Balance as at 31 December 2023 (audited)	36,975,047	4,694,554,252	1,464,011,513	2,407,984,065	8,603,524,877
Balance as at 1 January 2024 (audited)	36,975,047	4,694,554,252	1,464,011,513	2,407,984,065	8,603,524,877
Additions	-	-	12,151,113	243,095,326	255,246,439
Transfers	-	3,320,468	19,576,303	(22,896,771)	-
Transfer into intangible assets	-	-	-	(12,940,643)	(12,940,643)
Heavy water-additions	-	22,509,901	-	-	22,509,901
Transfer of inventories	-	-	-	(13,261,069)	(13,261,069)
Transfer from reclassified spare parts	-	-	22,673,147	(22,673,147)	-
Derecognition of inspections	-	(547,699)	-	-	(547,699)
Derecognition of heavy water	-	(528,438)	-	-	(528,438)
Disposals	-	-	(2,003,511)	-	(2,003,511)
Balance as at 30 June 2024 (reviewed)	36,975,047	4,719,308,484	1,516,408,566	2,579,307,760	8,851,199,857
Depreciation and impairment					
Balance as at 1 January 2023 (audited)	550,782	767,545,190	691,168,223	146,134,815	1,605,399,010
Depreciation expense	-	510,865,489	93,678,640	-	604,544,129
Accumulated depreciation of inspections	-	(73,865,661)	-	-	(73,865,661)
Accumulated depreciation of disposals	-	(78,011,905)	(2,313,761)	-	(80,325,666)
Impairment adjustments	-	-	9,326,191	61,092	9,387,283
Balance as at 31 December 2023 (audited)	550,782	1,126,533,114	791,859,293	146,195,907	2,065,139,095
Balance as at 1 January 2024 (audited)	550,782	1,126,533,114	791,859,293	146,195,907	2,065,139,095
Depreciation expense	-	272,635,499	43,859,652	-	316,585,151
Accumulated depreciation of inspections	-	(252,867)	-	-	(252,867)
Accumulated depreciation of disposals	-	(528,438)	(1,876,738)	-	(2,405,177)
Impairment adjustments	-	-	2,792,482	(110,740)	2,681,742
Balance as at 30 June 2024 (reviewed)	550,782	1,398,387,308	836,724,688	146,085,167	2,065,139,095
Book value					
Balance as at 01 January 2023 (audited)	36,424,265	3,842,221,912	617,850,894	1,240,797,982	5,737,295,053
Balance as at 31 December 2023 (audited)	36,424,265	3,568,021,139	672,152,220	2,261,788,158	6,538,385,782
Balance as at 30 June 2024 (reviewed)	36,424,265	3,320,921,176	679,683,878	2,433,222,593	6,470,251,913

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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(i) Nuclear plants, machinery and other assets

During the first 6 months of 2024, the Company purchased 8 tons of heavy water from the National Administration of the State Reserves and Special Problems (“ANRSPPS”), needed for Units 1 and 2 amounting to RON 22,509,901, and in 2023 it purchased 6.5 tons of heavy water amounting RON 17,150,312.

(ii) Non-current assets in progress

As at 30 June 2024 the net book value of non-current assets in progress, in amount of RON 2,433,222,593 (31 December 2023: RON 2,261,788,158), included the following items:

- Investment related to Units 3 and 4 with a net book value of RON 469,056,083 (31 December 2023: RON 469,168,168);
- Investments related to Units 1 and 2, in total amount of RON 1,964,166,510, of which the most representative are:
 - ✓ Advance payments for tangible assets: RON 932,765,362 (31 December 2023: RON 931,891,618)
 - ✓ Refurbishment of U1 in amount of RON 577,487,708 (31 December 2023: RON 516,909,182);
 - ✓ Tritium removal facility for D2O in amount of RON 112,194,737 (31 December 2023: RON 104,563,465);
 - ✓ Improving the nuclear safety systems after Fukushima in amount of RON 76,476,425 (31 December 2023: RON 55,638,950);
 - ✓ Major inspections U1 turbine generator in amount of RON 63,740,412;
 - ✓ Building storage and loading premises for the nuclear fuel used (SFIS) in amount of RON 35,293,423 (31 December 2023: RON 29,962,888);
 - ✓ Equipment and materials for investments in amount of RON 25,822,151 (31 December 2023: RON 26,845,309).

The gross investment value related to Units 3 and 4 amounts to RON 470,748,339, of which the book value of Units 3 and 4, amounts to RON 273,960,000 (31 December 2023: RON 273,960,000), the remaining amount representing the heavy water especially purchased for Units 3 and 4, respectively approximately 75 tons, with a book value as at 30 June 2024 of RON 159,253,825 (31 December 2023: RON 159,253,825), as well as equipment and other assets for Units 3 and 4 in amount of RON 37,534,514 (31 December 2023: RON 37,646,599). Prior to the year 1991, Units 1, 2, 3, 4 and 5 were considered as a single project and, consequently, the construction costs incurred were not allocated at the level of each unit. Subsequently, the Company performed the allocation of the construction costs for Units 3 and 4 of the nuclear plant, as well as for Unit 5.

As at 30 June 2024, the gross book value of Unit 5 amounted to RON 137 million (31 December 2023: RON 137 million). As at 31 December 2013 the Company recognized an impairment adjustment of 100% of the amount of Unit 5 since there were no plans to resume its construction as a nuclear unit. In March 2014, the Company’s shareholders approved the change in the destination and use of Unit 5 for other activities of the Company, which was a project in progress following which an asset would result with a different use compared to the initial use of Unit 5.

The main **investments commissioned** by the Company in the first half of 2024 from the projects in progress related to Units 1 and 2 were represented by: fitting of spare parts to the equipment in operation, of RON 29,244,435, hardware for upgrade, amounting to RON 9,212,552 and property development for the operation of Seiru Warehouses, amounting to RON 5,993,712.

(iii) Adjustments for depreciation and impairment

As at 30 June 2024 the Company accounted for movements in the **adjustments for impairment** of fixed assets in the amount of RON 2,681,842, representing expenses increases (31 December 2023: RON 9,387,283).

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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Depreciation is calculated using the straight-line method of cost allocation or of the revalued value of assets, net of their residual values, during the estimated useful lifetime, as follows:

Asset	Number of years
Nuclear Power Plant - Units 1 and 2	30
Heavy water (loading for Units 1 and 2)	30
Buildings	45 – 50
Inspections and overhauls	2
Other plants, equipment and machinery	3 - 20

See Note 3.3 of the significant Accounting policies related to these Individual Financial Statements of the Company prepared as at and for the financial year ended on 31 December 2023 for the other relevant accounting policies for tangible non-current assets.

(iv) Revaluation

Buildings and lands are recognized at their fair value, based on periodical assessments carried out by external independent valuers. The revaluation surplus included in the revaluation reserve is capitalized by the transfer into the result carried forward, upon deregistration of the asset or to the extent of its use. All other tangible non-current assets are recognized at historical cost less amortization.

The last **revaluation** of lands and buildings was made on 31 December 2021 by the independent valuer (Primoval S.R.L., a member of the National Association of Authorized Romanian Valuers - ANEVAR). Prior to such revaluation, lands and buildings were revalued as at 31 December 2018.

The valuation report, related to the year 2021 for tangible non-current assets of **lands** and **buildings** classes, prepared by the independent valuer Primoval S.R.L. is based on the Asset Valuation Standards, edition of 2022, valid as at 31 December 2021, drafted by the National Association of Authorized Romanian Valuers (ANEVAR) :

- General standards: SEV 100 – General framework (IVS General framework) ; SEV 101 – Valuation reference terms (IVS 101); SEV 102 – Implementation (IVS 102); SEV 103 – Reporting (IVS 103); SEV 104 – Types of value;
- Asset standards: SEV 300 – Machinery, equipment and plants (IVS 300) ; GEV 630 – Valuation of immovable assets;
- Specific use standards: SEV 430 – Valuations for financial reporting.

The estimate of fair value was made in compliance with the IFRS provisions and of the above-mentioned valuation standards. For the valuation of the administrative buildings the income method was used, with a capitalization rate between 7% - 9%, depending on the specific nature of the building. For the valuation of units 1 and 2 the depreciated replacement cost method was applied. For the valuation of lands, they opted for using the market approach, the direct comparison method.

(v) Significance of estimates – valuation of lands and buildings

Information relating to the valuation of lands and buildings is presented in Note 4 of the Individual Financial Statements of the Group prepared as at and for the financial year ended on 31 December 2023.

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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(vi) The book value that would have been recognized if land and buildings been measured at cost, according to the provisions of IAS 16.77 (e)

If land and buildings had been measured at historical cost, the following amounts would have been:

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Land		
Cost	22,350,779	22,350,779
Accumulated depreciation	-	
Net book value	22,350,779	22,350,779
	30 June 2024	31 December 2023
	(reviewed)	(audited)
Buildings		
Cost	7,240,621,068	7,204,751,539
Accumulated depreciation	(4,593,261,275)	(4,410,510,357)
Net book value	2,647,359,793	2,794,241,183

(vii) Decommissioning of nuclear units

Unit 1 is designed to operate until 2026, and Unit 2 until 2037. Company did not account for any provision for decommissioning of those two units since it was not responsible for the decommissioning works. According to the Government Decision no. 1080/ 2007, Nuclear and Radioactive Waste Agency („ANDR”) is responsible for collecting the contributions paid by the Company during the remaining useful lifetime of units and accept any liability for the management of the decommissioning process at the end of the lifetime of those two units, as well as for the final storage of the nuclear waste at the end of the useful lifetime of those two units and for the permanent storage of the resulting residue (see Note 25). The cost of the Company’s contributions to ANDR in the first half of 2024 amounts to RON 50,711,696 (first half of 2023: RON 50,114,257).

(viii) Pledged assets

As at 30 June 2024, respectively 31 December 2023, the Company had no pledged or mortgaged assets.

(ix) Suppliers credit

As at 30 June 2024, the Company owned fixed assets purchased on credit from suppliers (trade credit) of RON 113,342,216 (31 December 2022: RON 52,649,291).

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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5. Assets representing rights to use underlying assets within a leasing agreement

The Company adopted IFRS 16, and for this reason it recognized in the statement of financial position also assets and liabilities related to the restatement of lease agreements concluded in its capacity as lessee.

The Company concluded lease agreements for assets and liabilities and concession agreements for lands, for which it was estimated the initial value of the asset related to the right to use at a value equal to the debt discounted upon transaction, arising from such agreements, amounting to RON 45,005,690 (31 December 2023: RON 22,171,298).

(i) Amounts recognized in Individual Statement of Financial Position

Assets representing rights to use underlying assets within a leasing agreement	30 June 2024 (reviewed)	31 December 2023 (audited)
Land	23,576,745	1,526,919
Office spaces	21,428,946	20,645,379
Depreciation of assets representing rights to use	(6,186,485)	(3,571,215)
Total net assets representing rights to use	38,819,205	18,601,084
	30 June 2024 (reviewed)	31 December 2023 (audited)
Liabilities under leasing agreements		
Short-term	4,668,360	4,167,292
Long-term	35,645,315	15,605,108
	40,313,675	19,772,400

(ii) Amounts recognized in Individual Statement of Profit or Loss

	Note	30 June 2024 (reviewed)	31 December 2023 (audited)
Depreciation of assets representing rights to use		2,615,271	3,379,695
Interest expenses	26	1,451,849	1,279,532

(iii) Amounts recognized in the Individual Statement of Cash Flows

	30 June 2024 (reviewed)	31 December 2023 (audited)
Total cash outflows related to leasing agreements	4,090,327	3,617,527

(iv) Recognition of leasing agreements

Information relating to the recognition of leasing agreements according to IFRS 16 are presented in Note 3.5 of the significant Accounting policies related to the Individual Financial Statements of the Company prepared as at and for the financial year ended on 31 December 2023.

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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6. Intangible assets

	Licenses and software	Software for the nuclear power plant	Intangible assets in progress	TOTAL
Cost				
Balance as at 1 January 2023 (audited)	253,506,605	57,506,280	-	311,012,885
Additions	2,904,612	44,512	11,516,092	14,465,216
Disposals	(1,406,075)	(199,150)		(1,605,225)
Transfers	10,033,345		(10,033,345)	-
Reclassifications	(30,826,629)	25,109,373	5,717,255	-
Balance as at 31 December 2023 (audited)	234,211,860	82,461,014	7,200,002	323,872,876
Balance as at 1 January 2024 (audited)	234,211,860	82,461,014	7,200,002	323,872,876
Additions	466,980	-	5,087,263	5,554,243
Transfers	130,423	524,729	(655,152)	-
Transfer from tangible assets	9,212,552	-	3,728,090	12,940,643
Disposals	-	-	-	-
Balance as at 30 June 2024 (reviewed)	244,021,815	82,985,744	15,360,203	342,367,762
Accumulated depreciation				
Balance as at 1 January 2023 (audited)	212,074,455	48,164,594	-	260,239,048
Depreciation expense	6,412,163	7,787,133	-	14,199,296
Disposals depreciation	(755,717)	(199,150)	-	(954,867)
Reclassifications	(62,299)	62,299	-	-
Balance as at 31 December 2023 (audited)	217,668,603	55,814,876	-	273,483,478
Balance as at 1 January 2024 (audited)	217,668,603	55,814,876	-	273,483,478
Depreciation expense	3,575,911	3,923,308	-	7,499,219
Disposals depreciation	-	-	-	-
Balance as at 30 June 2024 (reviewed)	221,244,513	59,738,184	-	280,982,696
Book value				
Balance as at 1 January 2023	41,432,150	9,341,686	-	50,773,837
Balance as at 31 December 2023 (audited)	16,543,257	26,646,139	7,200,002	50,389,398
Balance as at 30 June 2024 (reviewed)	22,777,301	23,247,560	15,360,203	61,385,066

As at 30 June 2024, the intangible assets held by the Company are licenses and software products purchased, and internally generated. The Company does not book contractual commitments for development costs.

Accounting policies regarding intangible assets are presented in Note 3.6 of the significant Accounting policies related to the Individual Financial Statements of the Company prepared as at and for the financial year ended on 31 December 2023.

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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7. Financial assets measured at amortized cost

As at 30 June 2024 the Company accounted for in position “Financial assets valued at amortized cost” state government bonds, bonds and loans to subsidiaries and affiliated entities and its contributions as member of the European Liability Insurance for the Nuclear Industry (“ELINI”), of the Romanian Commodities Exchange (“RCE”), of the Romanian Atomic Forum - Romatom (“ROMATOM”) and of HENRO Association.

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Bonds (ii)	539,416,750	552,203,754
Government bonds (i)	29,876,305	30,333,530
Loans granted to subsidiaries	30,999,404	25,116,701
Loans granted to affiliated entities	102,399,895	21,957,885
ELINI contribution	5,032,931	5,032,931
HENRO contribution	250,000	250,000
Romanian Commodities Exchange contribution	24,000	24,000
ROMATOM contribution	100	100
Total	707,999,385	634,918,901

(i) Government bonds

As at 30 June 2024, and respectively 31 December 2023, the Company held governmental bonds issued by the Ministry of Public Finance, with their due date on 24 June 2026, a fixed annual interest rate of 3.25% p.a. and a tendering return of 3.51% p.a.

Movement of financial assets representing governmental bonds:

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Balance as at 1 January	29,824,441	29,751,132
Purchases	-	-
Maturity dates	-	-
Discount depreciation	33,880	73,309
Balance at the end of the reporting period	29,858,321	29,824,441
Accumulated interest	17,984	509,089
Government bonds - total	29,876,305	30,333,530

According to the issue prospectus, in June 2024 the Company received the annual coupon in the amount of RON 975,000.

(ii) Bonds

As at 30 June 2024, the Company holds:

- 450 non-preferential unguaranteed senior bonds, issued by CEC Bank, with a maturity of five years (February 2028) and a fixed annual interest of 7.5% p.a.
- 428 non-preferential unguaranteed senior bonds, issued by CEC Bank, with a maturity of five years (February 2028) and an annually return of 7.75% p.a
- 17.500 non-preferential senior bonds, MREL eligible, issued by Banca Transilvania, with a maturity of five years (December 2028) and an annually return of 7.25% p.a.

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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Movement of financial assets representing bonds:

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Balance at the beginning of the reporting period	522,311,331	-
Purchases	-	518,828,650
Maturity dates	-	-
Discount depreciation	242,995	60,081
Revaluation	263,250	3,422,600
Balance at the end of the reporting period	522,817,577	522,311,331
Accumulated interest	16,599,174	29,892,423
Total bonds	539,416,750	552,203,754

8. Financial investments in subsidiaries

As at 30 June 2024, and respectively 31 December 2023, the situation of investments in subsidiaries is as follows:

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Energonuclear S.A.	222,438,103	222,438,103
F.P.C.U Feldioara	200	200
Nuclearelectrica Serv	17,000,200	17,000,200
Total	239,438,503	239,438,503

Energonuclear S.A.

Energonuclear S.A. subsidiary (“Energonuclear”) has its registered office located in Bucharest, sector 2, Bd. Lacul Tei, nr. 1 - 3, Lacul Tei Offices Building, 8th floor and is registered with the Trade register under number J40/3999/25.03.2009, with Unique Registration Code 25344972, tax attribute RO. The main activity of Energonuclear consists in “Engineering activities and related technical consultancy” - CAEN Code 7112.

As at 30 June 2024 and 31 December 2023, the Company holds 100% of the share capital of Energonuclear. The value of the shareholding, as at 30 June 2024, is RON 222,438,103 (31 December 2023: RON 222,438,103).

By Resolution of the Extraordinary General Meeting of Shareholders no. 4/11.07.2017, the Company’s shareholders approved to grant a loan convertible into shares in amount of maximum RON 5,500,000 to Energonuclear S.A. subsidiary for the purpose of financing the activities of maintenance and preservation of the site of Units 3 and 4 of Cernavoda NPP. Until 31 December 2021, Energonuclear had accessed the entire approved amount, namely RON 5,500,000, for which it had an accumulated interest rate of RON 272,005. The loan was converted into shares according to the Resolution of the Extraordinary General Meeting of Shareholders no. 5/30.06.2021, registered with the Trade Register under application for amendments no. 485731/10.09.2021. As at 30 June 2024, and respectively 31 December 2023, the Company did not register any loans granted to Energonuclear S.A. subsidiary.

In the year 2021, the share capital of Energonuclear S.A. subsidiary was increased two times, as follows:

- according to the Resolution of the Extraordinary General Meeting of Shareholders no. 3/21.04.2021 by issue of new shares amounting to RON 25,000,001.36, and
- according to the Resolution of the Extraordinary General Meeting of Shareholders no. 5/30.06.2021 in amount of RON 5,772,005.22, representing the conversion of the shareholding loan into shares.

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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S.N. Nuclearelectrica S.A.

Notes to the Individual Interim Financial Statements prepared as at and for 6-month period ended 30 June 2024

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

In the year 2022, the share capital of Energonuclear S.A. subsidiary was increased by the amount of RON 26,999,997.52, under Resolution of the Extraordinary General Meeting of Shareholders no. 7/05.05.2022 by issue of new shares.

In 2023, the share capital of Energonuclear S.A. subsidiary was increased by the amount of RON 22,999,997.30, 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.

Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L. subsidiary (“F.P.C.U Feldioara”) has its registered office located in Brasov County, Feldioara Locality, Str. Dumbravii nr. 1, the administrative building, ground floor and is registered with the Trade Register under number J8/2729/23.09.2021, with Unique Registration Code 44958790, tax attribute RO. The main activity of FPCU Feldioara consists in “Processing of nuclear fuel” – CAEN Code 2446.

As at 30 June 2024, and respectively 31 December 2023, the Company held 100% of the share capital of F.P.C.U Feldioara. The value of the shareholding, as at 30 June 2024, is RON 200 (31 December 2023: RON 200).

In 2021, the Company’s shareholder approved the granting of a loan in amount of RON 2,300,000, for the purpose of financing the activities and expenses of the subsidiary upon its establishment, in compliance with the provisions of the activity programs and of the income and expenditure budget for the years 2021 and 2022.

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.

In 2024, the Company’s shareholder approved the granting of a loan in amount of RON 12,025,000, for the purpose of financing the investment activities of the FPCU subsidiary, in compliance with the provisions of the approved income and expenditure budget of the subsidiary for the year 2024.

As at 30 June 2024, the Company had a principal of RON 29,656,949 (31 December 2023: RON 24,780,949) and an accrued interest of RON 1342455 (31 December 2023: RON 277,889).

Nuclearelectrica Serv S.R.L.

Nuclearelectrica Serv S.A. subsidiary has its registered office located in Constanta County, Cernavoda Locality, Str. Energiei nr. 21, Hotel nr. 2, Building B, 1st floor and is registered with the Trade Register under number J13/4108/17.12.2021, with Unique Registration Code 45374854, tax attribute RO. The main activity of Nuclearelectrica Serv consists in “Repair of machinery” - CAEN Code 3312.

As at 30 June 2024, and respectively 31 December 2023, the Company held 100% of the share capital of Nuclearelectrica Serv. The value of the shareholding, as at 30 June 2024, is RON 17000200 (31 December 2023: RON 17,000,200).

In 2023, the share capital of Nuclearelectrica Serv subsidiary 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.

As at 30 June 2024 and 31 December 2023, respectively, the Company does not record in its balance any loans granted to the subsidiary Nuclearelectrica Serv SRL.

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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9. Financial investments in associated entities

Ropower Nuclear S.A.

In September 2022, the special purpose vehicle Ropower Nuclear S.A. was established, owned in equal shares by the shareholders S.N. Nuclearelectrica S.A. and Nova Power&Gas S.R.L. Its registered office is located in Romania, Dambovita County, Doicesti Locality, Strada Aleea Sinaia nr. 18, the Administrative Building, 1st floor, being registered with the Trade Register under number J15/1604/26.09.2022, Unique Registration Code 46901014, tax attribute RO. The main activity of the Company consists in the “Production of electricity” - CAEN Code 3511.

As at 30 June 2024, 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 19,943,000).

In 2023, the share capital of the affiliated entity Ropower Nuclear S.A. was increased as follows:

- based on EGMS Resolution no. 7/27.06.2023 with the amount of RON 20,000,000 through the issue of 20,000 new shares, of which 10,000 new shares represent the cash contribution of SNN, and 10,000 shares the cash contribution of Nova Power & Gas SRL and
- based on EGMS Resolution no. 10/29.08.2023 with the amount of RON 10,000,000 through the issue of 10,000 new shares, of which 5,000 new shares represent the cash contribution of SNN, and 5,000 shares the cash contribution of Nova Power & Gas SRL.

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.

In 2024, an addendum to the 2023 loan agreement was signed, approving an increase in the financing ceiling to USD 22,000,000. The balance of the loan as at 30 June 2024 is EUR 19,504,908 (RON 97,077,876) (31 December 2023): RON 21,178,068), for which it booked an accrued interest of RON 5,322,019 (31 December 2023: RON 779,817).

Ropower Nuclear S.A. Company (the “special purpose vehicle”) is established to develop, raise financing, design, build and operate a facility for production of electricity from nuclear energy based on the small modular reactors in Doicesti, County of Dambovita, based on the NuScale technology, consisting of 6 NuScale modules of 77 MWe each, totalling 462 MWe.

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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

10. Inventories

As at 30 June 2024 and 31 December 2023, inventories are as follows:

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Spare parts	235,457,344	219,146,771
Other raw materials and materials	820,598,705	848,589,760
Total	1,056,056,049	1,067,736,531

(i) Valuation of inventories

Inventories are valued at weighted average cost (WAC) according to IAS 2. See Note 3.11 of the significant Accounting policies related to these Individual Financial Statements of the Company prepared as at and for the financial year ended on 31 December 2023 for the other relevant accounting policies for inventories.

(ii) Amounts recognized in the Individual Profit and Loss Account Statement

The value of the inventories expenses in the 6 months period ended 30 June 2024 is shown under *Cost of Spare Parts* and *Cost of Nuclear Fuel*, in the Statement of profit or loss, and is RON 105,786,369 (first half of 2023: RON 92,425,560).

In the first 6 months of 2024, there were no inventories recognized as expenses in accordance with the provisions of IAS 2.34, representing scrapped, deteriorated, written off inventories (first half of 2023: RON 829,318). The Company examines the evolution of inventories on a periodical basis, providing in time impairment adjustments for inventories deemed to be impaired. Therefore, for inventories scrapped the Company provided impairment adjustments, which it wrote back on income upon their writing off. The effect on the statement of profit or loss is insignificant.

The value of adjustments for impairment of inventories, as at 30 June 2024, amounted to RON 50,907,773 RON (31 December 2023: RON 51,253,363). In the first 6 months of 2024 no impairment adjustments were established (first half of 2023: RON 0) and impairment adjustments were written back on income, in amount of RON 440,836 (first half of 2023: RON 310,825).

In the first 6 months of 2024, no resettlements of inventories written off were accounted for.

(iii) Pledged inventories

As at 30 June 2024, the Company has no pledged or mortgaged inventories.

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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11. Trade receivables

As at 30 June 2024 and 31 December 2023 trade receivables were presented as follows:

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Trade receivables	190,562,706	635,560,727
Impairment adjustments for trade receivables	(11,303,247)	(11,255,214)
Total	179,259,459	624,305,513

(i) Classification of trade receivables

Trade receivables are amounts owed by customers for goods sold or services provided in the normal pursuit of business. Generally, these are due for settlement within 15 days and, therefore, all classified as current. Trade receivables are initially recognized at the amount of the consideration, which is unconditional, save for when they have significant financing components, when they are recognized at fair value. The Company holds trade receivables with the aim of collecting the contractual cash flows and, therefore, subsequently measures them at amortized cost applying the effective interest method.

See Note 3.12 of the significant Accounting policies related to these Individual Financial Statements of the Company prepared as at and for the financial year ended on 31 December 2023 for the other relevant accounting policies for trade receivables.

(ii) Fair value of trade receivables

Due to the short-term nature of current receivables, their book value is considered to be the same as their fair value.

(iii) Other information

As at 30 June 2024, the main trade receivables in balance were in relation with the following partners: Operatorul Pietei de Energie Electrica si de Gaze Naturale OPCOM S.A.: RON 118,779,958 (31 December 2023: RON 240,490,900), CIGA Energy: RON 39,488,110 (31 December 2023: RON 12,088,980) and General Turbo: RON 10,339,963 (31 December 2023: RON 5.644).

Sales made during the first half of 2024 to Operatorul Pietei de Energie Electrica si de Gaze Naturale „OPCOM” S.A. represented approximately 95.94% (first half of 2023: approximately 35.32%) of the total sales of electricity of the Company.

As at 30 June 2024, the headings "Trade Receivables" and "Adjustments for Impairment of Trade Receivables" include a net amount of RON 131,163,909 related to receivables from related parties (31 December 2023: RON 354,605,776).

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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12. Other financial assets measured at amortized cost

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Other receivables	59,561,619	99,618,683
Impairment adjustments for other receivables	(583,180)	(583,180)
Taxes and duties	91,703,816	212,799,398
Advance payments	38,632,575	15,612,035
Dividends receivable	9,714,629	-
Total	199,029,459	327,446,936

(i) Classification of financial assets measured at amortized cost

The Company classifies its financial assets at amortized cost only if both the criteria below are met:

- the asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual clauses give rise to cash flows that are only payments of principal and interest.

See Note 3.8 of the significant Accounting policies related to these Individual Financial Statements of the Company prepared as at and for the financial year ended on 31 December 2023 for the other relevant accounting policies for financial assets.

(ii) Fair value of other assets measured at amortized cost

Due to the short-term nature of other receivables, their book value is considered to be the same as their fair value.

(iii) Other information

As at 30 June 2024, the heading "Pre-Payments" includes the amount of RON 11,432,336 related to payments made in advance to related parties (31 December 2023: RON 258,506).

As at 30 June 2024 the position of "Taxes and duties" represented recoverable VAT in amount of RON 74,097,243 RON (31 December 2023: 193,626,965 RON), as well as the amount related to the Contribution to the Energy Transition Fund to be recovered, in the amount of RON 19,171,499. For more details, see Note 29.

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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13. Cash and cash equivalents, bank deposits

As at 30 June 2024 and 31 December 2023, the cash and cash equivalents were as follows:

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Bank deposits less than 3 months	2,815,616,342	3,145,883,700
Cash at bank in RON	252,315,473	232,704,676
Cash at bank in foreign currencies	14,724,886	150,247,917
Other cash equivalents	2,386,117	435,296
Cash in hand	60,460	62,927
Cash and cash equivalents - Total	3,085,103,278	3,529,334,516

As at 30 June 2024 and 31 December 2023, bank deposits having their original maturity of more than 3 months and less than one year were as follows:

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Bank deposits	505,375,844	112,257,027

(i) Reconciliation with the Statement of cash flows

The above items are reconciled with the amount of cash presented in the Statement of cash flows at the end of the reporting period, as follows:

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Bank deposits having their original due date less than 3 months	2,815,616,342	3,145,883,700
Cash at bank	267,040,359	382,952,593
Other cash equivalents	2,386,117	435,296
Cash in hand	60,460	62,927
	3,085,103,278	3,529,334,516

(ii) Classification as cash equivalents

Term deposits are presented as cash equivalents if their due date is of 3 months or less from their set up. See Note 3.13 of the significant Accounting policies related to these Individual Financial Statements of the Company prepared as at and for the financial year ended on 31 December 2023 for the other accounting policies of the Company regarding the cash and cash equivalents.

(iii) Restricted cash

Current accounts opened with banks are permanently at the disposal of the Company and are not restricted or encumbered.

Bank deposits are permanently at the disposal of the Company and are not restricted or encumbered.

As at 30 June 2024, the Company held bank guarantee letters under certain credit facilities, without any collateral deposits, in amount of RON 117,046,053 RON (31 December 2023: RON 140,782,892).

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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14. Equity***Share capital***

The Company was established by spin-off from the former Autonomous Electricity Administration (“RENEL”). Share capital represents the State contribution to the Company’s establishment as at 30 June 1998 (restated with inflation until 31 December 2003), plus subsequent increases.

According to the articles of association, the authorized share capital of the Company amounts to RON 3,016,518,660. Subscribed and paid up share capital as at 30 June 2024 amounted to RON 3,016,438,940 RON, under the authorized capital.

As at 30 June 2024 and 31 December 2023, share capital included the effects of restatements registered also in the previous years according to the application of IAS 29 “Financial reporting in hyperinflationary economies”.

The structure of share capital is presented as follows:

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Share capital subscribed and paid up (nominal value)	3,016,438,940	3,016,438,940
Restatement differences according to IAS 29	195,502,743	195,502,743
Share capital (restated value)	3,211,941,683	3,211,941,683

As at 30 June 2024, the statutory share capital value subscribed and paid up in full amounted to RON 3,016,438,940 RON, made up of 301,643,894 ordinary shares, each with a nominal value of RON 10.

The last increase in the share capital was made in the year 2020 by subscription of a number of 130,043 new shares, in amount of RON 1,300,430, representing the contribution in kind of the Romanian State, represented by the Ministry of Economy, Energy and Business Environment, and in cash representing the contribution of the Company’s shareholders. The increase in the share capital was made based on the Proportioned offer Prospectus related to the increase of the share capital, approved by Decision of AFS no. 976/13.08.2020 and by Resolution of the Extraordinary General Meeting of Shareholders no. 2/04.01.2019 and no. 12/19.12.2019, registered with the National Trade Register Office according to the Certificate of Amendments no. 484154/30.09.2020.

Holders of ordinary shares are entitled to receive dividends, as they are declared at certain timeframes, and the right to vote for one share within the General Meetings of Shareholders of the Company.

As at 30 June 2024 and 31 December 2023, shareholding structure was presented as follows:

Shareholders	Number of shares	% of the	Number of shares	% of the
	30 June 2024	share	31 December 2023	share
		capital		capital
Romanian State - Ministry of Energy	248,850,476	82.4981%	248,850,476	82.4981%
Other shareholders	52,793,418	17.5019%	52,793,418	17.5019%
Total	301,643,894	100%	301,643,894	100%

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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Share premium

In November 2013, the Company issued 28,100,395 ordinary shares to Bucharest Stock Exchange, by an initial public offer and by the shareholder Fondul Proprietatea S.A. exercising the right of preference. The amount received of RON 312,478,099 was made up of the increase of the share capital in amount of RON 281,003,950 and an issue premium in amount of RON 31,474,149.

Reserves paid in advance

Reserve paid in advance amounted to RON 21,553,537 as at 30 June 2024 and 31 December 2023 and represented sites of public utility from Cernavoda NPP (RON 5,439,321 as at 30 June 2024 and 31 December 2023) and budget allowances related to the period 2007 - 2011 for building the Training and Recreation Center for Young People and Children in Cernavoda (RON 16,114,216) as at 30 June 2024 and 31 December 2023).

Statutory Reserves

According to legal requirements, the Company sets up statutory reserves of 5% of the gross profit statutorily registered, up to 20% of the share capital. The value of statutory reserve as at 30 June 2024 amounted to RON 557,764,327 (31 December 2023: RON 557,764,327).

Statutory reserves cannot be distributed to shareholders. The value of statutory reserves was included in the financial position statement, under line "Result carried forward".

Revaluation reserves, net of deferred tax

As at 30 June 2024, the revaluation reserve net of deferred tax amounted to RON 308,551,565 (31 December 2023: RON 336,996,786). The last revaluation of lands, buildings and constructions was made on 31 December 2021 by the independent valuer Primoval S.R.L., a member of the National Association of Authorized Romanian Valuers ("ANEVAR"). Prior to such revaluation, lands and buildings were revalued as at 31 December 2018.

In the first 6 months of 2024, the Company recognized a decrease in the revaluation reserve, net of deferred tax, in amount of RON 28,445,221 as a result of its transfer into retained earnings (first half of 2023: RON 28,686,428).

Retained earnings

Retained earnings represent the accumulated result of the Company. Retained earnings are distributed based on the annual financial statements prepared in compliance with the Order of the Minister of Public Finance no. 2844/2016 for approval of Accounting Regulations compliant with the International Financial Reporting Standards.

In the first 6 months of 2024, the Company distributed dividends of RON 1,120,911,882 from the net profit of the 2023 financial year, according to OGMS Resolution no. 5/25.04.2024 (2023: RON 1,283,215,656, distributed from the net profit of the 2023 financial year, according to OGMS Resolution no. 3/26.04.2023). Net dividends unpaid as at 31 December 2023 amounted to RON 1,670,690 (31 December 2023: RON 1,030,734).

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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Movements in result carried forward

	30 June 2024 (reviewed)	31 December 2023 (audited)
Balance at the beginning of the reporting period	8,153,125,015	6,876,165,858
<i>Net profit of period</i>	<i>843,135,306</i>	<i>2,506,518,832</i>
Actuarial Gains/(Losses) related to the defined benefit plans	-	(3,716,876)
Retained earnings from other adjustments	-	-
Transfer of revaluation reserves into retained earnings due to amortization	28,445,221	57,372,857
Dividends	(1,120,911,882)	(1,283,215,656)
Balance at the end of the reporting period	7,903,793,661	8,153,125,015

15. Earnings per share

As at 30 June 2024 and 30 June 2023, the earnings per share were:

Earnings based on share

	3-month period ended 30 June 2024 (not reviewed)	3-month period ended 30 June 2023 (not reviewed)	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Net profit of period	279,865,655	522,263,043	843,135,306	1,288,781,046
Number of ordinary shares at the beginning of the financial year	301,643,894	301,643,894	301,643,894	301,643,894
Number of ordinary shares issued during the financial year	-	-	-	-
Weighted average number of ordinary shares at the end of the financial year	301,643,894	301,643,894	301,643,894	301,643,894
Earnings per share (RON/share)	0.93	1.73	2.80	4.27

Diluted earnings per share

	3-month period ended 30 June 2024 (not reviewed)	3-month period ended 30 June 2023 (not reviewed)	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Net profit of period	279,865,655	522,263,043	843,135,306	1,288,781,046
Number of ordinary shares at the beginning of the financial year	301,643,894	301,643,894	301,643,894	301,643,894
Number of ordinary shares issued during the financial year	-	-	-	-
Weighted average number of ordinary shares (diluted) at the end of the financial year	301,643,894	301,643,894	301,643,894	301,643,894
Diluted earnings per share (RON/share)	0.93	1.73	2.80	4.27

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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16. Loans

The statement of loans taken out by the Company as at 30 June 2024, respectively 31 December 2023 was the following:

	30 June 2024	< 1 year	> 1 year	31 December 2023	< 1 year	> 1 year
	(reviewed)			(audited)		
Bank loans	32,351,150	32,351,150	-	65,167,260	65,167,260	-
Interest	23,511	232,511	-	473,339	473,339	-
Total	32,583,661	32,583,661	-	65,640,599	65,640,599	-

Bank loans

The loans repayments during the first 6 months of 2024 were:

	Currency	Interest rate	Value	Final maturity year
Balance as at 1 January 2024 (audited)			65,167,260	
New drawdowns				
EURATOM reimbursement	EUR	EURIBOR 6M + 0.08%	(32,840,940)	2024
Foreign exchange differences			24,830	
Balance as at 30 June 2024 (reviewed)			32,351,150	

The loans refer to:

- *Loan granted by EURATOM*

The loan was granted by EURATOM to the Company in 2004. The initial amount of the loan obtained was EUR 223.5 million. The amount due as at 30 June 2024 is EUR 6.5 million (31 December 2023: EUR 13.1 million), related to the following instalments:

- (i) instalment I with a principal of EUR 0 (zero) million (31 December 2023: EUR 0 (zero));
- (ii) instalment II with a principal of EUR 4.5 million (31 December 2023: EUR 9 million) and
- (iii) instalment III with a principal of EUR 2 million (31 December 2023: EUR 4.1 million).

Instalment I was repaid in 20 instalments payable in years 2013-2022; instalment II will be repaid in 20 instalments payable in years 2015-2024, and instalment III will be repaid in 16 instalments payable in years 2017-2024. The loan carries a floating interest rate of EURIBOR 6M + 0.080% for the first two instalments and EURIBOR 6M + 0.079% for the 3rd instalment. The loan is secured by the Romanian State through the Ministry of Finance.

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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17. Provisions for risks and charges

As at 30 June 2024, respectively 31 December 2023, the Company recognized the following provisions, included under position of “Provisions for risks and charges” and under position of “Current part of provisions for risks and charges”:

	30 June 2024 (reviewed)	31 December 2023 (audited)
Liabilities relating to the Spent Fuel Intermediate Storage (SFIS)	105,256,740	101,136,780
Liabilities relating to other low and medium level radioactive and non-radioactive waste	71,625,346	69,517,636
Provision for litigations related to salary bonus	110,634,849	102,341,834
Employee participation in profit	30,906,828	30,764,865
Provisions for disputes	19,171,498	20,698,904
Other provisions for risks and charges	16,900	215,318
Total	337,612,161	324,675,337

As at 30 June 2024, provisions in a total amount of RON 337,612,161 represented long and short-terms liabilities, as follows:

	Current part (< 1 year)	Long-term part (> 1 year)
Liabilities relating to the Spent Fuel Intermediate Storage (SFIS)	69,412,116	35,844,624
Liabilities relating to other low and medium level radioactive and non-radioactive waste	14,195,100	57,430,246
Provision for litigations related to salary bonus (i)	-	110,634,849
Employee participation in profit	30,906,828	-
Provisions for disputes (ii)	-	19,171,498
Other provisions for risks and charges	16,900	-
Total	114,530,944	223,081,217

(i) *The item “Provision for disputes related to salary increases” represents the preliminary effect of the disputes initiated by trade unions against the Company, Cernavoda NPP Trade Union and Energetica Nucleara '90 Free Trade Union, regarding the allowance for nuclear risk, representing a pay supplement.*

(ii) *The item “Provision for litigation” includes the amount of RON 19,171,498 which is related to the appeal against tax decisions no. 17862/17.10.2023 and no. 4125/23.11.2023, respectively, issued as a result of the tax audit carried out by the General Directorate for Fiscal Antifraud, on the calculation of the Contribution to the Energy Transition Fund for the period 1 September - 31 December 2022. For more details, see Note 29.*

See Note 3.22 of the significant Accounting policies related to these Individual Financial Statements of the Company prepared as at and for the financial year ended on 31 December 2023 for the relevant accounting policies for provisions.

18. Corporate income tax

Corporate income tax recognized in the individual of profit and loss account statement:

	3-month period ended 30 June 2024 (not reviewed)	3-month period ended 30 June 2023 (not reviewed)	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Expense with current corporate income tax	51,626,721	90,581,843	164,135,565	235,171,281
Net (Income)/Expense from deferred tax	2,487,308	142,371	(736,585)	(3,260,178)
Total	54,114,029	90,724,214	163,398,980	231,911,103

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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19. Obligations regarding for employees benefits

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Retirement benefits	28,252,776	28,252,776
Anniversary bonuses	11,046,547	11,046,547
Decease benefits	923,021	923,021
Retirement benefits in electricity	7,865,968	7,865,968
Total	48,088,311	48,088,311

As at 30 June, respectively 31 December 2023, the Company has the following obligations:

- to pay the retiring employees the retirement pension which varies between 2 and 3 base pays, depending on the number of years of service in the field of electricity, heat and nuclear energy;
- to pay the employees anniversary bonuses depending on the number of years of service in the field of electricity, heat and nuclear energy;
- to pay an aid to the employee's family, in case of their decease;
- to pay the retiring employees an energy benefit, representing the equivalent of the electricity quota of 1,200 KWh/year. The criterion for granting this benefit is 15 years of service in the energy field, of which at least the last 10 years with the Company. This benefit is granted starting from 1 April 2017.

The following **macroeconomic and Company-specific assumptions** were considered for application of IAS 19 "Employee Benefits" as at 31 December 2023 and 31 December 2022.

Measurement date	31 December 2023	31 December 2022
Number of employees	2,352	2,344
Salary increase rate	<p>The management of the Company estimated an increase in line with the annual increase rate of consumer prices communicated by the National Prognosis Committee for 2023-2027. The weighted average rate of salary increases is 3.3% p.a.</p> <p>The inflation rate was estimated based on the statistics issued by INSSE and the BNR forecast of November 2023, as follows: 4.8% in 2024, 3.5% in 2025, 3.0% in 2026 and 2.5% p.a. in years 2027-2031, and will follow a downward trend in the following years. The average weighted inflation rate is 3.1% p.a.</p>	<p>The management of the Company estimated an increase in line with the annual increase rate of consumer prices communicated by the National Prognosis Committee for 2022-2026. The weighted average rate of salary increases is 5.7% p.a.</p> <p>The inflation rate was estimated based on the statistics issued by INSSE and the BNR forecast of August 2022, as follows: 13.9% in 2022, 7.5% in 2023, 4.9% in 2024, 3.0% in 2025 and 2.5% p.a. in years 2026-2031, and will follow a downward trend in the following years. The average weighted inflation rate is 3.7% p.a.</p>

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Measurement date	31 December 2023	31 December 2022
Raise rate in kWh price	The kWh price as updated on 31 December 2023 was RON 1.3. For years 2024-2030, the estimates provided by the Company and a similar trend for the following years were used.	The kWh price as updated on 31 December 2022 was RON 1.2961. For years 2023-2030, the estimates provided by the Company and a similar trend for the following years were used. The weighted average rate of the kW price rise is 0.8% p.a.
Weighted average discounting rate	4.8%	7.8%
Mortality tables	2018 Mortality Table of the Romanian population issued by the National Institute of Statistics.	2018 Mortality Table of the Romanian population issued by the National Institute of Statistics.
Gross average salary	13,831	10,895

The above assumptions were taken into considering:

- bond yields on the active market at the end of December 2023. The residual times to maturity available were 1-12 years and 14 years. For the other time periods, the discount rate was estimated using the Smith-Wilson extrapolation method;
- estimated long-term inflation rate of 2.0% p.a. (31 December 2022: 2.0%);
- estimated long-term real yield on governmental bonds of 1.45% p.a. (31 December 2022: 1.45%);
- liquidity premium for Romania of 0% (31 December 2022: 0%);
- weighted average discounting rate of 4.8% (31 December 2022: 7.8%).

Sensitivity analysis

The significant actuarial assumptions considered for calculation of the employee benefit liability are: discounting rate, salary increase and retirement age.

Assumptions	Retirement benefits	Aids for employee decrease	Anniversary bonuses	Retirement benefits in electricity	Total liabilities with defined benefits
PVDBO as at 31 December 2023 (RON)	28,252,776	923,021	11,046,547	7,865,968	48,088,311
Discounting rate +1%	26,720,213	861,808	10,357,500	6,764,623	44,704,143
Discounting rate -1%	29,958,624	992,247	11,820,420	9,240,461	52,011,751
Salary increase rate/kW price +1%	30,020,444	996,779	11,869,511	9,236,198	52,122,932
Salary increase rate/kW price -1%	26,641,630	857,059	10,304,950	6,749,856	44,553,495
Increase in longevity by 1 year	28,388,900	838,541	11,085,308	8,093,726	48,406,475

In the sensitivity analysis above, the updated amount of the benefit liability was calculated using the projected unit credit method, according to the provisions of IAS 19, at the end of the reporting period, which is the same as that applied for calculation of the benefit liabilities recognized in the statement of the financial position.

Notes 1 to 30 are an integral part of these Individual Interim Financial Statements.

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20. Trade and other payables

As at 30 June 2024 and 31 December 2023 trade and other payables were as follows:

	30 June 2024	31 December 2023
	(reviewed)	(audited)
Suppliers of non-current assets	113,342,216	52,649,291
Suppliers	216,331,547	312,646,820
Liabilities for employee debts	25,683,879	77,585,072
Liabilities to the state	32,091,871	365,521,592
Payable gross dividends	16,367,045	1,080,364
Other liabilities	22,113,193	8,632,370
Total	425,929,751	818,115,509

As at 30 June 2024, the main suppliers in balance, under “Suppliers of non-current assets” and “Suppliers”, were: POWERSTATIC SOLUTIONS SRL: RON 74,699,718 (31 December 2023: RON 962,470), Candu Energy Inc. RON 40,831,804 (31 December 2022: RON 54,020,936), CIGA ENERGY: RON 33,894,029 (31 December 2023: RON 7,770,448), Apele Romane Bucuresti – RON 14,921,053 (31 December 2023: RON 18,156,632).

As at 30 June 2024, “Trade Payables and other liabilities” include the amount of RON 70,024,496 (31 December 2023: RON 48,044,941) related to liabilities to related parties, of which, under the headings "Suppliers" and "Suppliers of non-current assets", RON 21,270,668 (31 December 2023: RON 47,996,999).

As at 30 June 2024, the heading "Liabilities to the state" includes mainly the liability regarding the Payable balance of the to the Energy Transition Fund for June 2024 in the amount of RON 1,401,599 (31 December 2023: RON 194,055,709) which was paid in the month following the reporting period.

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21. Income from sale of electricity*(i) Income from sales of electricity*

	3-month period ended 30 June 2024 (not reviewed)	3-month period ended 30 June 2023 (not reviewed)	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Sales of energy via MACEE	418,236,845	393,135,660	1,264,626,680	948,593,160
Sales of energy on the competitive market	433,976,502	1,211,352,744	747,050,979	2,746,374,991
Sales of thermal energy	637,636	1,264,217	3,656,462	4,208,475
Income from the sale of green certificates	7,056	7,606	16,695	17,061
Total	852,858,039	1,605,760,227	2,015,350,816	3,699,193,687

*(ii) Quantity of sold electricity**

	3-month period ended 30 June 2024 (not reviewed)	3-month period ended 30 June 2023 (not reviewed)	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Quantity of electricity sold via MACEE (MWh)	936,208	873,635	2,817,074	2,107,985
Quantity of sold electricity on the competitive market (MWh)	1,047,964	1,294,481	1,934,618	2,832,703
Total	1,984,172	2,168,116	4,751,692	4,940,688

^{*)} *The quantity of energy sold presented does not include the quantity of electricity related to the income from positive imbalances capitalized on the Balancing Market, in a quantity of 40,496 MWh for the 6 months period of 2024 (17,084 MWh during the 6 months of 2023).*

Effective 1 January 2023, the Company is a 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. The Romanian Electricity and Gas Market Operator 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 the price of 450 RON/MWh, respectively 400 RON/MWh starting with 1 April 2024, and sells it to buyers at the same price. In the first half of 2024, the Company sold via MACEE a quantity of 2,817,074 MWh (first half of 2023: RON 2,107,985), representing 58.78% of the total electricity sold during the period (including imbalances).

On the competitive market, in the first 6 months of 2024, the Company sold 40.37% of the total energy sold, including imbalances (6 months of 2023: 57.14%), respectively 1,934,618 MWh (6 months of 2023: 2,832,703 MWh). The average sale price of electricity sold by the Company on this market during 2023 was 367.79 RON /MWh (6 months of 2023: 969.91 RON/MWh), amount net of Tg.

The Company is a participant in the Balancing Market according to the balancing market participation agreement concluded with C.N. Transelectrica S.A. and set up a Guarantee in amount of RON 50,000, valid until 11 June 2025 and is a member of PRE Ciga Energy SA, according to the agreement concluded with Ciga Energy S.A. for the provision of the representation service as a party responsible for balancing, for which it has set up a guarantee in the amount of RON 4,450,000 valid until 18 December 2024.

The Company carries out the activity of generation of heat energy by operation of the energy facilities related to the electricity and heat energy production units in two heat exchangers with a total heat power of 40 Gcal/h and 46.51 MW. The Company delivers heat energy to the heat energy local distribution company S.C. Utilitati Publice S.A. Cernavoda, as well as to certain end consumers in Cernavoda Locality– economic operators, social and cultural institutions. The sales of heat in first half of 2024 amount to RON 3,656,462 (first half of 2023: RON 4,208,475).

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22. Other income

	3-month period ended 30 June 2024 (not reviewed)	3-month period ended 30 June 2023 (not reviewed)	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Income from investments subsidies	3,673,946	3,585,466	7,338,745	7,175,407
Income from operating subsidies	-	(126,349)	-	-
Income from penalties and damages	11,940,206	1,152,962	14,275,556	2,194,550
Other income	35,028,800	40,893,543	61,301,748	55,388,644
Total	50,642,952	45,505,622	82,916,049	64,758,601

The subsidies for investments (long-term deferred income) were granted in 2007 and consisted of writing off penalties and debts under loan agreements. The subsidies are recognized in the profit and loss statement as income for the period 2007 - 2026, over the period remaining to be depreciated for Unit 1.

The item "Other income" mainly represents income from changes in inventories in the amount of RON 39,581,232 (first half of 2023: RON 32,648,540) and income from the production of fixed assets in the amount of RON 16,969,952 (first half of 2023: RON 17,104,121).

23. Staff costs

	3-month period ended 30 June 2024 (not reviewed)	3-month period ended 30 June 2023 (not reviewed)	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Salaries and wages	144,373,829	127,866,422	298,155,196	254,758,842
Costs of social insurance and similar	16,206,482	14,959,443	30,974,042	27,836,714
Total payroll expenses	160,580,311	142,825,865	329,129,238	282,595,556

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24. Contribution to the Energy Transition Fund

	3-month period ended 30 June 2024 (not reviewed)	3-month period ended 30 June 2023 (not reviewed)	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Contribution to the Energy Transition Fund	6,493,256	620,848,761	6,493,256	1,461,690,999
Total	6,493,256	620,848,761	6,493,256	1,461,690,999

The additional income was established and calculated for the first time based on Article II paragraph (1) of Law no. 259/2021 for the approval of Government Emergency Ordinance no. 118/2021, as it was in force until 01 September 2022, and resulted from the difference between the average monthly selling price of electricity and the price of 450 RON/MWh, to which a tax rate of 80% was applied, for the quantity of monthly energy physically delivered from own production. The calculation method was established by Government Emergency Ordinance no. 27/2022 (Appendix 6) and applied, according to Article 4 of the Government Emergency Ordinance no. 27/2022, for the period 1 November 2021 - 31 August 2022.

According to Government Emergency Ordinance no. 119/01.09.2022 for the amendment and supplementation of Government Emergency Ordinance no. 27/2022, starting with 1 September 2022, for the period 1 September 2022 - 31 August 2023, electricity producers must pay a contribution to the Energy Transition Fund, which replaced the additional income tax. The calculation method is provided for in Appendix 6 to Government Emergency Ordinance no. 27/2022 and is determined as a difference between the monthly sale price and the reference price (450 RON/MWh) multiplied by the monthly quantity physically delivered, therefore in a 100% share.

Effective 16 December 2022, Law no. 357/2022 approving the Government Emergency Ordinance no. 119/01.09.2022, which set forth a number of amendments to the provisions of the Government Emergency Ordinance no. 119/2022 on the contribution to the Energy Transition Fund, came into effect. The application period has been extended until 31 March 2025, and the calculation methodology was amended so that the amount of the contribution would be further determined as the product between the difference between the monthly sale price and the price of 450 RON/MWh and the monthly quantity physically delivered from own production. During the application of Law no. 357/2022, only expenses with imbalances are deducted from the calculation base for determining the monthly sales price (until the entry into force of Law no. 357/2022, respectively in the previous reporting period, other types of expenses were also deducted from the calculation base expenses, for example expenses with purchased electricity).

Starting with 1 April 2024, the Government Emergency Ordinance no. 32/2024 for amending and completing the Government Emergency Ordinance no. 27/2022 entered into force, whereby the reference price changes from 450 RON/MWh, to 400 RON/MWh.

In the first 6 months of 2024, the Company booked contribution to the Energy Transition Fund, of RON 6,493,256 (first half of 2023: RON 1,461,690,999).

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25. Other operating expenses

	3-month period ended 30 June 2024 (not reviewed)	3-month period ended 30 June 2023 (not reviewed)	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Other expenses with services executed by third parties	28,328,810	27,615,568	54,620,564	53,679,627
ANDR expenses	25,363,920	25,130,170	50,711,696	50,114,257
Expenses with energy and water	30,656,406	22,838,687	71,322,264	49,046,654
Expenses with fuel and other consumables	24,128,230	17,961,746	40,582,860	33,235,457
Expenses related to ANRE contribution	2,032	1,620,559	1,226,509	3,190,885
Expenses with insurance premiums	2,732,212	2,664,718	6,870,368	6,684,185
Expenses with the transport and telecommunications	4,059,970	4,308,136	8,472,670	7,261,149
Net expenses related to provisions and value adjustments	4,631,904	1,333,500	11,372,363	5,894,086
Other operating expenses	34,632,364	30,463,583	58,122,647	36,350,711
Total	154,535,848	133,936,667	303,301,941	245,457,011

ANDR expenses

Starting with 2007, following the Government Decision no. 1080/2007 regarding the safe management of radioactive waste and decommissioning of the nuclear plants, the Company is required to pay two types of contributions to ANDR:

- Contribution for decommissioning each nuclear unit in amount of 0.6 EUR/MWh net electricity produced and delivered in the system;
- Contribution for the permanent storage of radioactive waste of 1.4 EUR/MWh of net electricity produced and delivered in the system.

According to this legislative act, the annual contribution for decommissioning is paid during the designed lifetime of nuclear units, and the direct annual contribution for the final storage is paid during the operating period of nuclear units, and, therefore, ANDR is held responsible for the management of the entire decommissioning process, at the end of the useful lifetime of nuclear plant and storage of the resulting waste.

Expenses related to ANRE contribution

ANRE contribution for the year 2024 is calculated according to the Order ANRE no. 118/2023, representing 0.1% of the turnover realized in 2023, from activities carried out under the licenses held. In the first half of 2024, the Company recorded a contribution of RON 1,226,509 (first half of 2023: RON 3,190,885). For 2023, the contribution was calculated according to the Order of ANRE no. 140/2022, representing 0.1% of the turnover realized in 2022, from activities carried out under the licenses held.

Other operating expenses

Position of "Other operating expenses" includes expenses related to operating license paid to CNCAN Bucharest, in amount of RON 4,950,000 for the first 6 months of 2024 (first 6 months of 2023: RON 4,950,000).

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26. Financial income and expenses

	3-month period ended 30 June 2024 (not reviewed)	3-month period ended 30 June 2023 (not reviewed)	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Interest income	69,736,944	97,724,257	134,423,701	200,435,062
Income from exchange rate differences	9,062,404	7,507,977	16,891,355	15,740,935
Dividend income	9,729,449	-	9,729,449	-
Financial income regarding the amortization of government bonds differences	136,898	17,833	276,876	35,469
Other financial income	9,744,410	4,170,377	19,446,739	6,589,856
Financial income - Total	98,410,105	109,420,445	190,768,120	222,801,322
Expenses from exchange rate differences	(5,935,835)	(5,639,878)	(16,543,944)	(9,978,924)
Interest expenses	(1,495,312)	(1,963,440)	(3,597,618)	(3,274,379)
Financial expenses - Total	(7,431,147)	(7,603,319)	(20,141,562)	(13,253,303)
Net financial income	90,978,958	101,817,126	160,626,558	209,548,019

Other financial income

Under position “Other financial income” bonds interests are included, estimated for the period until 30 June 2024, in the amount to RON 19,446,739 (first half of 2023: RON 6,589,856).

27. Transactions and balances with related parties**(i) Transactions with State-owned companies**

The Company operates in an economic environment dominated by companies owned or controlled by the Romanian State through its governmental authorities and agencies, collectively known as State-owned companies.

The Company has made significant transactions with other State-owned or controlled companies, including:

- sales of electricity (OPCOM S.A., Electrica Furnizare SA, S.P.E.E.H. Hidroelectrica SA);
- sales of thermal energy (Utilitati Publice S.A. Cernavoda),
- rents invoices (FPCU Feldioara S.R.L., Nuclearelectrica Serv S.R.L., RoPower Nuclear S.A.),
- electricity purchases (OPCOM S.A.);
- purchase of electricity transmission and balancing services (C.N. Transelectrica S.A.);
- contribution for the management of the decommissioning process of the two units and for the final storage of nuclear waste at the end of the useful life of the two units, as well as for the permanent storage of the resulting residues (Nuclear and Radioactive Waste Agency - ANDR)
- water use purchase (Apele Romane Bucuresti)
- purchase of processing services of technical-grade uranium concentrate (F.P.C.U. Feldioara S.R.L.);
- purchase of waste processing services, equipment decontamination, scaffolding erection/dismantling, cleaning, repair and maintenance, preventive maintenance, fire prevention, etc. (Nuclearelectrica Serv S.R.L.)
- purchase of underground water use services (Dobrogea Seaside Water Basin Administration)
- purchase of treatment services for the radioactive water resulting from production activities (Technologies for Nuclear Energy State Owned Company – Institute for Nuclear Research Pitesti)

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In the pursuit of its business, the Company identified the following transactions and balances with its main related parties:

	Sales for 6-month period ended on		Receivables as at	
	30 June 2024 (reviewed)	30 June 2023 (reviewed)	30 June 2024 (reviewed)	31 December 2023 (audited)
The Romanian Electricity and Gas Market Operator (OPCOM S.A.)	1,955,117,836	1,313,436,918	120,178,183	240,751,656
Utilitati Publice S.A. NPP Branch	3,754,800	5,241,155	4,872,553	5,772,723
F.P.C.U. Feldioara S.R.L.	2,088,525	1,956,164	2,485,344	521,425
Electrica Furnizare S.A.	1,859,441	485,760,048	-	107,592,215
Nuclearelectrica Serv S.R.L.	540,920	-	101,850	105,028
RoPower Nuclear S.A.	396,488	-	160,876	76,411
C.N. Transelectrica S.A.	112,258	118,820	17,872	27,305
S.P.E.E.H. Hidroelectrica S.A.	54,458	177,377,306	-	-
Energonuclear S.A.	15,134	14,627	2,703	4,462
Romanian Energy Regulatory Authority.	-	-	6,242,800	-
Total	1,963,939,860	1,983,905,038	134,062,181	354,851,225

The balance of receivables as at 30 June 2024 and 31 December 2023, as presented above, does not include advance paid to suppliers or accrued expenses with related parties.

	Purchases for 6-month period ended on		Liabilities as at	
	30 June 2024 (reviewed)	30 June 2023 (reviewed)	30 June 2024 (reviewed)	31 December 2023 (audited)
Nuclear and Radioactive Waste Agency	50,711,696	50,114,257	8,452,204	9,677,430
Apele Romane Bucharest	50,552,927	35,590,452	14,921,053	18,156,632
F.P.C.U Feldioara S.R.L.	34,133,621	24,568,475	4,047,723	-
Nuclearelectrica Serv S.R.L.	29,486,000	11,156,902	13,714,520	6,456,150
C.N. Transelectrica S.A.	18,188,343	15,699,861	4,929,704	8,320,714
National Commission for Nuclear Activities Control	14,092,117	14,063,650	-	-
Dobrogea Seaside Water Basin Administration	12,652,192	5,934,932	2,860,973	5,624,636
Operatorul Pietei de Energie Electrica si de Gaze Naturale din Romania (OPCOM S.A.)	8,700,736	8,496,479	1,184,491	1,586,094
Regia Autonoma Tehnologii pentru Energia Nucleara - ICN	5,401,680	7,576,206	2,616,978	3,547,342
Raja S.A.	2,907,582	2,166,546	522,891	510,431
S.P.E.E.H. Hidroelectrica S.A.	1,859,593	(41,513)	219,815	895,560
Romanian Energy Regulatory Authority	1,229,634	3,191,510	4,466,753	735,522
Compania Nationala Administratia Canalelor Navigabile S.A.	225,672	360,676	40,378	74,131
Regia Autonoma Tehnologii pentru Energia Nucleara - CITON	130,031	1,175,906	63,563	712,585
Electrica Furnizare S.A.	-	1,099,009	-	-
Compania Nationala a Uraniului S.A.	-	874,567	-	316,577
Total	230,271,827	182,027,914	58,041,046	56,613,806

The balance of intercompany payables as at 30 June 2024 and 31 December 2023, as presented above, does not include advance payments received from related customers.

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	Interest income for 6-month period ended 30 June 2024 (reviewed)	Interest income for 6-month period ended 30 June 2023 (reviewed)	Loan balance receivable, including interest, as at 30 June 2024 (reviewed)	Loan balance receivable, including interest, as at 31 December 2023 (audited)
Energonuclear S.A.	-	-		
FPCU Feldioara S.R.L.	1,064,565	170,771	30,999,404	25,058,839
Nuclearelectrica Serv S.R.L.	-	138,611	-	57,863
Ropower Nuclear S.A.	4,539,105	-	102,399,895	21,957,885
TOTAL	5,603,670	309,381	133,399,299	47,074,586

	Dividend income for 6-month period ended 30 June 2024 (reviewed)	Dividend income for 6-month period ended 30 June 2023 (reviewed)	Balance of dividends to be collected as at 30 June 2024 (reviewed)	Balance of dividends to be collected as at 31 December 2023 (audited)
Energonuclear S.A.	662,445	-	662,445	-
FPCU Feldioara S.R.L.	9,007,176	-	9,007,176	-
Nuclearelectrica Serv S.R.L.	45,008	-	45,008	-
TOTAL	9,714,629	-	9,714,629	-

(ii) Waging of the Company's management

The Company's management include:

- The members of the Board of Directors, who have mandate contracts concluded with the Company;
- Executives with mandate contract in the Company;
- Other executives of the Company who signed individual employment agreements, under the terms laid down in the collective bargaining agreements, as applicable.

Members of the Board of Directors, who have directorship (mandate) contracts concluded with the Company, and the remuneration of whom is approved by the General Meeting of Shareholders. Executives with mandate contracts are remunerated based on the contractual provisions, within the general limits approved by the GMS. Detailed information on the remuneration of the Company's directors and executives is included in the Annual Report of the Nomination and Remuneration Committee, set up under the Company's Board of Directors. The amounts shown are gross remunerations.

	6-month period ended 30 June 2024 (reviewed)	6-month period ended 30 June 2023 (reviewed)
Remuneration of the Company's management (gross amounts)	10,816,504	8,156,509
	10,816,504	8,156,509

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28. Management of significant risks

The main risks the Company is exposed to are:

- market risk (price risk, interest rate risk and currency risk);
- credit risk;
- liquidity risk;
- taxation risk;
- operational risk.

The general risk management strategy seeks to maximize the Company's profit against the level of risk it is exposed to, and to minimize any potential adverse variations on the Company's financial performance.

The Company has no formal agreements to hedge financial risks. Despite the fact that there are no formal hedge agreements, financial risks are strictly monitored by the management considering the financial needs of the Company in order to effectively manage risks and opportunities. The financial department regularly prepares forecasts of cash flows in order to help the management make decisions.

The main aspects regarding the credit risk to which the Company is exposed are detailed below.

a) Credit Risk

Credit risk is the risk of incurring losses or not realizing the estimated profits due to the counterparty not fulfilling their financial obligations. The Company is exposed to credit risk as a result of the investments measured at amortized cost, cash and cash equivalents and trade receivables.

(i) Risk Management

In order to manage the counterparty risk, investment of the available funds is only done with banking institutions with a minimum rating of BB-, Fitch equivalent. Exposure limits for banks that do not have a public rating are set at a maximum of 3% per bank of total assets, but no more than 7% of total assets accumulated for all banks that do not have a public rating. The medium-term objective is to ensure an adequate spread so that the net exposure to a financial institution does not exceed 8% (percentage calculated by reference to the net investments in a financial institution, out of total assets).

Electricity sale/purchase agreements are concluded in compliance with the electricity and gas law no. 123/2012, the agreements for participation in the centralized electricity markets managed by OPCOM and RCE and ratified by SNN, as well as the procedures associated thereto. The amount of receivables, net of adjustments for impairment, represents the maximum amount exposed to credit risk.

As at 30 June 2024, the Company is exposed to a moderate credit risk, considering that approximately 62.33% of its gross trade receivables are against Societatea Operatorul Pietei de Energie Electrica si de Gaze Naturale OPCOM S.A. (see Note 11). Counterparty risk to the other clients is limited considering the guarantees obtained from clients in the form of letters of bank guarantee.

The Company's investments in debt instruments are considered to be low-risk investments. Credit ratings of investments are monitored for credit deterioration.

(ii) Securities

For commercial receivables from the sale of electricity, the Company obtains guarantees in the form of letters of bank guarantee, which can be executed if the partner is default of the contractual term.

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(iii) Adjustments for impairment

The Company holds the following financial assets that are subject to the "expected credit losses" model:

- Trade receivables coming from the sale of electricity; and
- Financial assets measured at amortized cost

Although cash and cash equivalents are subject to impairment testing according to IFRS 9, the expected credit losses for these assets are insignificant.

Cash and cash equivalents

Cash and deposits are placed with different financial institutions (banks), with the aim of reducing the counterparty risk, by limiting the exposure to a single financial institution.

The maximum credit risk exposure on the reporting date was:

	Net amount	
	30 June 2024 (reviewed)	31 December 2023 (audited)
Financial assets		
Trade receivables	179,259,459	624,305,513
Bank deposits	505,375,844	112,257,024
Cash and cash equivalents	3,085,103,278	3,529,334,516
Other financial assets at amortized cost	199,029,459	327,446,936
Government bonds	29,876,305	30,333,530
Bonds	539,416,750	552,203,754
TOTAL	4,538,061,095	5.175.88.276

Trade receivables

The Company applies the simplified method of measuring expected credit losses, as provided under IFRS 9, for the measurement of trade receivables. IFRS 9 allows entities to apply a "simplified approach" to trade receivables, contractual assets and lease receivables. The simplified approach allows entities to recognize expected losses over the lifetime of all these assets without having to identify significant increases in credit risk.

In order to measure the expected credit losses, trade receivables were grouped based on the common characteristics of the credit risk and the days of delay. Expected loss rates are based on customer payment profiles over a 1-year period, analysed at 30-day intervals and historical losses. Historical loss rates are adjusted to reflect the current and prospective information on the macroeconomic factors that affect the customers' ability to pay.

Trade receivables ageing analysis on the reporting date was as follows:

	Gross amount 30 June 2024 (reviewed)	Value adjustments as at 30 June 2024 (reviewed)	Gross amount 31 December 2023 (audited)	Value adjustments as at 31 December 2023 (audited)
Not yet due	166,567,736	-	571,093,207	-
Overdue between 1-30 days	8,379,809	-	49,456,539	-
Overdue between 31-90 days	2,215,647	-	161,033	-
Overdue between 91-180 days	1,904,962	-	806,457	-
Overdue between 181-270 days	-	-	2,788,278	-
Overdue between 271-365 days	191,306	-	-	-
More than one year	11,303,247	(11,303,247)	11,255,214	(11,255,214)
Total	190,562,707	(11,303,247)	635,560,727	(11,255,214)

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Other receivables ageing analysis, including the recoverable VAT, on the reporting date was as follows:

	Gross amount 30 June 2024 (reviewed)	Value adjustments as at 30 June 2024 (reviewed)	Gross amount 31 December 2023 (audited)	Value adjustments as at 31 December 2023 (audited)
Not yet due	59,921,219	-	99,035,503	-
Overdue between 1-30 days	38,023	-	-	-
Overdue between 31-90 days	-	-	-	-
Overdue between 91-180 days	-	-	-	-
Overdue between 181-270 days	-	-	-	-
Overdue between 271-365 days	-	-	-	-
More than one year	602,377	(583,180)	583,180	(583,180)
Total	59,561,619	(583,180)	99,618,683	(583,180)

Movement in **adjustment for impairment of trade receivables** are as follows:

	30 June 2024 (reviewed)	31 December 2023 (audited)
Balance at the beginning of the year	(11,255,214)	(12,001,436)
Recognized impairment adjustments, net of restatements	48,034	746,223
Balance at the end of the year	(11,303,247)	(11,255,214)

Trade receivables are derecognized when there is no longer a reasonable expectation of recovery. The ratios according to which there is no reasonable expectation of recovery include, among others, a debtor's inability to commit to a repayment plan and the inability to make payments for longer than 270 days. Impairment losses of trade receivables and contractual assets are presented as net impairment losses under the operating profit. Subsequent recoveries of previously cancelled amounts are credited to the same heading as the Statement of Profit or Loss.

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29. Contingencies, commitments and operational risks

(i) Taxation

The taxation system in Romania is undergoing a stage of consolidation and harmonization with the European laws. Nevertheless, there are no different interpretations of the tax laws. In certain cases, tax authorities may deal with certain issues differently, proceeding to the calculation of some taxes and additional duties and of the related default interest and delay penalties. In Romania, the financial year remains open for tax verification for a 5-year period. The Company's management considers that the tax liabilities included in such financial statements are adequate and it is not aware of certain circumstances likely to determine possible significant liabilities in this respect.

(ii) Other controls

In accordance with the Half-Yearly Activity Plan for the period January – June 2022, Antifraud, Integrity and Inspection Directorate within the Ministry of Energy, performed an inspection within SNN in the first week of June, for the purpose of checking the manner of employment / promotion of staff, conclusion and performance of consultancy agreements, the manner in which the purchase activity was carried on; the comparative analysis of the economic and financial results, any other relevant issues for such inspection. The official result of the inspection has not been communicated yet to the Company's representatives. Nevertheless, there were no doubts about breach of laws or important findings of the inspection team.

During the period 9 May 2023 - 15 June 2023, ANAF - Directorate General Anti-Fiscal Fraud (hereinafter referred to as "ANAF- DGAF") carried out an inspection with the objective of verifying the calculation and the information on which the determination and declaration of the Contribution to the Energy Transition Fund for the period 1 September 2022 - 15 December 2022 were based. Following the control, by comparing the amounts calculated and declared by SNN and those calculated by the control team, a payment difference to the Contribution to the Energy Transition Fund of RON 18,041,598 was recorded in protocol no. 1186/15.06.2023, a protocol which does not represent a tax debt title. This difference was generated by the interpretation of the moment of application of the calculation methodology established by Law 357/2022.

SNN expressed its point of view to the Ministry of Finance, ANAF - DGAF by letter no. 7204/22.06.2023, which explains the fact that Law no. 357/2022 takes effect starting with the date of publication, i.e. 16 December 2022. In legislative matters, without other special provisions in the contents of Law no. 357/2022, this produces effects in the future and not before the publication date, as it was interpreted by the control bodies.

Later, on 2 October 2023, by letter no. 16855/02.10.2023, ANAF - DGAF presented the draft Assessment Decision regarding the payment of the amount of RON 18,041,598 and, at the same time, the invitation to a hearing during which SNN had an opportunity to express their opinion on the draft Assessment Decision. Regarding this project, SNN expressed its point of view in writing, by letter no. 11246/12.10.2023 in which it upheld the nonretroactivity of Law no. 357/2022.

ANAF's position was recorded in the ADAA tax assessment decision no. 17862/ 17.10.2023, with entry no. SNN 11449/ 18.10.2023, which established the main tax liabilities in the total amount of RON 18,041,598, with payment deadline until the 20th of the following month inclusive, i.e. 20 November 2023. By definition, the tax assessment decision is a tax administrative act, issued by the tax authority, which establishes and individualizes a tax debt, owed to the general consolidated budget. If the taxpayer fails to pay the main tax obligations by the due date, he will be charged interest and late payment penalties and will be subject to enforcement, which is why SNN has proceeded to the payment of the amount of RON 18,041,598, paid by payment order no. 2329/17.11.2023.

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On 23 November 2023, by tax assessment decision no. 4125/23.11.2023, ANAF - Directorate General for the Administration of Large Taxpayers requested payment of the total amount of RON 1,164,503 representing interest and late payment penalties for two distinct situations, as follows:

- 1) interest and accessory late payment penalties calculated for the amount of RON 18,041,598, representing the difference of the contribution paid by SNN to the Energy Transition Fund, pursuant to the ADAF Tax Decision no. 17862/18.10.2023 and challenged at ANAF, by Appeal no. 12891/20.11.2023, which is currently under resolution.
- 2) interest and accessory late payment penalties calculated on the amounts due in addition to the amounts initially declared in the Tax Return 100 and recorded in the D170 corrective declarations, drawn up and submitted to ANAF, General Directorate for the Administration of Large Taxpayers, according to Article 9 of Annex no. 6 of Government Emergency Ordinance 27/2022, respectively Article 36 of Law no. 357/13.12.2022. The amounts declared in the D710 corrective declarations represent differences from the settlement of imbalances, differences provided by OPCOM after the publication of the final prices.

Taking into account that the amount of RON 1,164,503 represents a tax obligation imposed by Decision no. 4125/23.11.2023 and a claim under Article 152, paragraph (2), in order to avoid the enforcement of SNN, it decided to pay this amount on 19 December 2023, the deadline being 20 December 2023 under Article 156, paragraph. (1), point b. of the Fiscal Procedure Code. This was paid with two payment orders as follows: OP 2569/19.12.2023 - RON 1,129,901 and OP 2570/19.12.2023 - RON 34,602.

In the context of the tax decisions regarding the additional contribution to the Energy Transition Fund (Law 357/2022) SNN submitted the following appeals to ANAF - DGAF:

1. Appeal no. 12891/20.11.2023 for the annulment of Tax Decision no. 17862/17.10.2023 and the refund of the additional contribution to the Energy Transition Fund for the period 1 September 2022 - 15 December 2022, in the amount of RON 18,041,598;
2. Appeal no. 14489/28.12.2023 for the partial annulment of the Tax Decision no. 4125/23.11.2023 and the refund of the amount representing accessory tax obligations in the amount of RON 1,129,900, which is currently being resolved; On 26 April 2024, the Ministry of Finance – General Directorate for the Settlement of Challenges sent Decision no. 1581/26.04.2024 which provides for the total rejection, as unfounded, of the appeal filed, unfavourable solution. In this case, SNN referred to the administrative litigation court, court case no. 3455/2/2024, the case is under trial, no hearing has been set.
3. Appeal no. 14490/28.12.2023 for the partial annulment of the Tax Decision no. 4125/23.11.2023 and the refund of the amount representing accessory tax obligations in the amount of RON 34,602, which is currently being resolved. On 8 July 2024, the Ministry of Finance – General Directorate for the Settlement of Challenges sent Decision no. 2445/08.07.2024, by which it decides as follows:
 - partial cancellation of Decision no. 4125/ 23.11.2023, regarding the ancillary tax liabilities, in the amount of RON 34,602.
 - as a result of this Decision for partial cancellation, the Directorate General for the Administration of Large Taxpayers will issue a new administrative fiscal document within 60 calendar days from the date of issuance of Decision no. 2445/08.07.2024.
4. Appeal no. 5620/29.04.2024 for the partial annulment of the Tax Decision no. 1030/02.04.2024 and the refund of the amount representing accessory tax obligations in the amount of RON 3,317.

In the event of an unfavourable response, SNN will appeal to the competent administrative court.

As at 30 June 2024, an inspection is being carried out by the Ministry of Energy - Minister's Cabinet, to verify some aspects regarding the contribution of the Romanian state registered in the share capital of S.N. Nuclearelectrica S.A. and the dividends due to the State pro rata to the contribution.

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(iii) Insurance policies

As at 30 June 2024, the following operational insurance policies were valid:

- a) The property insurance policy for material damages, all risks, including mechanical and electrical destruction (for Units 1 and 2 Cernavoda NPP and Pitesti NFP). The insured amount is of USD 1,560 million for the entire year for all damages.
- b) Civil liability policy to third parties for nuclear damages. The insured amount is SDR 300 million (for Units 1 and 2 of Cernavoda NPP), plus a limit of SDR 20 million for costs and expenses.
- c) The third-party/professional liability insurance policy for SNN's directors and executive officers. The liability limit is EUR 27 million.

(iv) Environmental matters

The Company did not register any liabilities as at 30 June 2024 and 31 December 2023 for any anticipated costs regarding the environmental issues, including legal and consultancy fees, land surveys, design and application of the rehabilitation plans. The liability for decommission of nuclear plants was taken over by ANDR (see Note 25). Management considers that the plant fully complies with the Romanian and international environmental standards and it is estimated that any additional costs related to the observance of environmental laws as at 30 June 2024 are not significant. Moreover, the Company is insured against the risk of nuclear accidents, up to the amount of SDR 300 million, as described at paragraph b) above.

Nevertheless, the enforcement of the environmental regulations in Romania is progressing and their application by governmental authorities is continuously changing. The Company assesses the obligations incumbent on it pursuant to the environmental regulations on a periodical basis. Obligations determined are immediately recognized. Potential liabilities, likely to arise as a result of the amendments of the existing regulations, civil or legislation litigations, cannot be estimated, however, they could be significant. In the context of the applicable laws, the management considers that there are no significant liabilities for damages caused to environment.

(v) Litigations in progress

In the first half of 2024, the Company is involved in a number of legal proceedings pertaining to its normal course of business. The management examines the situation of litigations in progress on a regular basis, and following consultation with its legal advisors or lawyers, decides the need for setting up certain provisions for the amounts involved or their presentation in the financial statements.

In the Company's management opinion, at present there are no legal proceedings or claims likely to have any significant impact on the financial result and financial position of the Company, which was not presented in these Individual Financial Statements.

(vi) Commitments

As at 30 June 2024, the total amount of commitments was fully reflected under "*Trade and other payables*", representing capital and operating expenses.

In addition, the Parent Company is party to some commitments included in the Investor Agreement of the entity Ropower Nuclear S.A. This agreement sets forth that Nova Power&Gas S.R.L. ("NPG") - the company that owns 50% of the shares of RoPower Nuclear S.A., is entitled to sell a part or all shares held in the associated entity of SNN. When NPG exercises their right to sell the Shares by sending a written notification, SNN shall have the obligation to purchase those shares.

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Also, according to the provisions of this Agreement, on the date of the shares purchase, NPG will have the right to assign to SNN the shareholder loans. If NPG exercises this right, SNN will be required to take over and NPG will be required to assign, by contract assignment, the shareholder loans granted by NPG to RoPower Nuclear SA.

The price of the assignment of the loans granted by NPG to RoPower Nuclear S.A. will be calculated according to a formula that takes into account the period elapsed from the date of granting these loans and the expected date for reaching the Ready to Build stage, as well as the budget agreed by the parties until the date of reaching the Ready to Build stage.

As of 30 June 2024, NPG had not granted any shareholder loans to RoPower Nuclear S.A.

Until the date of these Individual Financial Statements, NPG has not notified SNN in writing of the assignment of shares.

(vii) Securities

Trade of electricity produced on the platforms managed by OPCOM, supposes that for certain transactions, the Company should provide bank guarantee letters for participation in certain markets such as DAM (Day-Ahead Market) and IDM (Intra-Day Market), bids (CM-OTC – Centralized Market with double continuous negotiation of bilateral electricity agreements) or in favour of the clients CMBC-CN– Centralized Market of Bilateral Agreements with Continuous Negotiation, CMBC-Le-flex LE – Centralized Market of Bilateral Agreements by Extended Auction and the use of products ensuring flexibility of trading and CMUS).

As at 30 June 2024, the total amount of the letters of bank guarantee issued in favour of OPCOM, for participation in DAM and IDM, is RON 98.1 million.

Moreover, as at 30 June 2024, the Company issued up letters of bank guarantee in favour of Transelectrica S.A. (of RON 50,000), for the purpose of ensuring the liquidity on the Balancing Market, by each Party Responsible for Balancing setting up a financial guarantee in favour of Transelectrica S.A., on account of the Agreement of Party Responsible for Balancing concluded between the Company as a license holder, and Transelectrica S.A. For all such bank guarantee letters, the Company set up collateral deposits with banks issuing guarantee letters. The Company also holds a letter of bank guarantee of RON 4.424 million in favour of Transelectrica, for provision of the transmission service.

As at 30 June 2024, the Company had set up with the Treasury, a deposit in amount of RON 1,436,176, representing the establishment of precautionary measures according to ANAF (National Agency for Fiscal Administration) Decision – General Directorate for Fiscal Antifraud.

As at 30 June 2024, the total value of the bank guarantee letters issued by clients in favour of the Company for the agreements concluded on CMBC-LE and CM-OTC amounted to RON 248.610 million. Such guarantees cover the risk for non-performance of the contractual obligations assumed by clients under the electricity sales agreements.

30. Subsequent events

By Resolution of the Ordinary General Meeting of Shareholders (“OGMS”) no. 7/19.07.2024, the following were approved:

- continuing the Small Modular Reactors Project, based on the pre-feasibility study documentation, Revision 1.1;
- the amendment of the Income and Expenditure Budget of SNN for 2024.

By Resolution of the Extraordinary General Meeting of Shareholders (“EGMS”) no. 8/19.07.2024, the following were approved:

- the increase of the loan facility granted by SNN (as lender) under the Framework Loan Agreement no. 1 dated 16

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August 2023 up to the amount of USD 243,000,000, 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, or bank loans/loans or other sources of financing) and, in any case, only until such other sources of financing are identified; and of the conclusion between SNN and RoPower Nuclear of Addendum no. 3 to the Movable Mortgage Agreement signed between SNN and RoPower Nuclear as collateral for the above mentioned loan;

- 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;
- 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 2 and the loan referred at this paragraph 3 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.

The company has not identified other events subsequent to 30 June 2024 that could have a significant impact and are of a nature of being presented in the Individual Interim Financial Statements.

Date: 09 August 2024

Cosmin Ghita
Chief Executive Officer

Vasile Dascalu
Chief Financial Officer

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