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Approved by,
Laurentiu Nicolae Cazan
Chairman of the Board of Directors

No.....

NOTE

regarding informing the Extraordinary General Meeting of SNN Shareholders on the activities carried out by Energonuclear S.A. in 2025 for the development of Cernavoda NPP Units 3 and 4 Project

1. Background

By the Resolution of the Extraordinary General Meeting of Shareholders of SNN ("EGMS") no. 10/14.11.2024, the following were approved, among others:

1. Investment Decision I and transition to Stage II - Limited Notice to Proceed relating to Cernavoda NPP Units 3 and 4 Project
2. Conclusion of the EPCM (Engineering, Procurement and Construction Management) Contract for Cernavoda NPP Units 3 and 4 Project, between EnergoNuclear S.A. and FCSA Joint Venture comprised of Fluor B.V., Fluor Energy Transition Inc. Wilmington Bucharest Branch, Candu Energy Inc., Ansaldo Nucleare S.p.A., S&L Engineers, Ltd. and Sargent & Lundy Energie S.R.L.

In the context of Units 3 and 4 project evolution and the implementation of the EPCM contract, we consider it necessary to inform SNN EGMS – the corporate forum that adopted the referenced EGMS Resolution – about the main developments recorded at Energonuclear S.A. during 2025, based on note EN no. 5529/15.12.2025.

2. Status of the Units 3 and 4 Project

2.1 Strategy for continuing the U3-4 Project

The strategy for continuing the Cernavoda NPP Units 3 and 4 Project provides for implementation in 3 stages:

- **Stage I – Preliminary Notice to Proceed (2021-2024)**, with the following main objectives:
 - re-operationalising EN;
 - contracting the technical and legal assistance services;
 - contracting engineering services for updating the engineering and nuclear safety documentation necessary to restart the Project.
- **Stage II - Limited Notice to Proceed (LNTTP) - 30 months** - with the following main objectives:
 - developing the engineering required to define the project;
 - structuring and contracting of financing (through cost estimates and an implementation schedule with

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- high degree of certainty);
 - obtaining the Nuclear Safety Licence for the Construction stage;
 - issuing the Final Investment Decision for transition to Stage III (Construction).
- **Stage III - Construction (Final Notice to Proceed – FNTF)**, with the following main objectives:
 - starting and completing the construction and assembly works;
 - commissioning of Units 3 and 4.

Key decision deadlines set out in the updated Support Agreement (approved by Law No. 74/2023 and amended and supplemented by Government Decision No. 1011/2024):

- Investment Decision I – 30 October 2024 (deadline, allows transition to Stage II Limited Notice to Proceed)
- Investment Decision II – 30 June 2027 (deadline, allows transition to Stage III - Construction).

Stage I – Preliminary Notice to Proceed has been completed, with the following main achievements:

- ✓ **Reassessment of existing civil structures** – tests and analyses performed by the original designer Candu Energy Inc. Based on which it is concluded that all buildings can be used for the U3-4 Project and are capable of ensuring 60 years of operation from the commissioning thereof; general rehabilitation and consolidation works are required in respect of certain structural elements by improvement / reinforcement / replacement works;
- ✓ **Obtaining the Letter of Comfort from CNCAN**
- ✓ **Obtaining the opinion of the European Commission under Article 43 of the EURATOM Treaty** - *“The Commission appreciates that during the preparation of this opinion, EnergoNuclear and Candu Energy engaged in broad and constructive discussions and developed a transparent overall strategy best aligning the originally foreseen project for Units 3 and 4 to modern projects”.*
- ✓ **Re-operationalisation of EnergoNuclear**

On 14 November 2024, Investment Decision I was made and Stage II – Limited Notice to Proceed began.

2.2 Units 3 and 4 Project development activities for carried out in 2025:

Engineering activities:

- The preliminary design of structures, systems, and components progressed in 2025 in accordance with the contractual schedule. The 3D model is being developed in parallel with preliminary design with the aim of finalizing the virtual configuration of the Project. Approximately 100 engineering packages related to the design and planning of construction have been verified and accepted. At the same time, work is underway to consolidate quantities, representing the equipment and materials related to the Project in order to obtain the total cost of the Project. The 3D model at the end of 2025 is 65% complete.
- Laser scanning of existing structures under the EPCM contract has been 90% completed. These scans are included in the 3D model, thus enabling fully digital design of Units 3 and 4.
- Scanning of underground utilities related to the Site has been completed in full. The scan results are used in the development of preliminary designs in order to mitigate risks related to the construction phase.
- The construction strategy and site organization are progressing, with the first options for site organization being finalized in 2025. Discussions and iterations are taking place to streamline site organization, considering the large space requirements and interaction of the Project with the projects already underway at the Cernavoda NPP Site. In order to identify the necessary land, FCSA JV and EN teams made multiple trips to the area surrounding the Cernavoda NPP site and discussions were initiated with Cernavoda City Hall to see if the land owned by the city hall could be used for the site organization.
- The first engineering packages related to equipment and/or materials that have a relevant impact on the budget or completion time of Units 3&4 (the Calandria vessel, the turbine generator, etc.) have been received. These packages contain equipment design and will be provided to various national and international manufacturers in 2026, in order to obtain price quotations for cost estimation and definition of the construction schedule for the construction phase.

- An application to obtain the Technical Approval for Connecting Units 3 and 4 to the National Energy System was submitted to Transelectrica.

Nuclear Safety activities:

In order to obtain the Nuclear Safety Permit, the Preliminary Nuclear Safety Report (PSAR) must be prepared. This document is particularly complex, structured into 19 different documents/chapters covering both Nuclear Safety analyses and the presentation of structures, systems and components that will be part of the Units 3-4 Project. In 2025, chapters 13 - Organization and management of operating activities, 17 - Management system, as well as sections of 15 - Nuclear safety analyses and 19 - Probabilistic nuclear safety assessments and severe accidents were developed. The Nuclear Safety documentation, that will be part of the Preliminary Nuclear Safety Report (PSAR), necessary to obtain the Nuclear Safety Permit for the construction phase, was developed.

With regard to deterministic nuclear safety analyses, the plant models used in the calculation codes were updated, assumptions were defined, and analyses were redone taking into account design changes with an impact on nuclear safety. These analyses will be included in both Chapter 15 and Chapter 19 of the PSAR and present *the plant's response in case of occurrence of all possible events*, as well as results of nuclear safety analyses, demonstrating compliance with dose limits imposed by the regulatory body - CNCAN.

Probabilistic nuclear safety analyses were reviewed and updated to include design changes and integrate new systems that will be part of Units 3 and 4, thus achieving significantly improved results compared to the reference design. These results, which are an order of magnitude better, demonstrate the increased safety level of the plant and are in line with the requirements set out in the European Union's Nuclear Safety Directive. Probabilistic analyses will be included in Chapter 19 and present event assessment results that could lead to core meltdown and massive releases of radioactivity into the environment.

Independent verification reports were prepared for the analyses and assessments carried out by contractors to ensure objectivity and compliance with nuclear safety requirements. This approach guarantees that analyses comply with international standards and national regulations.

Project authorization activities:

A Nuclear Safety Permit application for the construction and assembly phase was submitted to CNCAN, for which activities were carried out to prepare and/or update supporting documentation in order to obtain/maintain the approvals and authorizations required by CNCAN regulations. The Water Management Approval was renewed, as well as the Authorization to Transfer Unpublished Information by SNN through CNE Cernavoda branch.

Chapter 2 – Site Characteristics of the Preliminary Nuclear Safety Report for Cernavoda NPP Units 3 and 4 was drafted and submitted to CNCAN, and discussions were held with the authorities issuing approvals/authorizations (MApN - Ministry of National Defence, IGSU Dobrogea, DSP Constanta, Cernavoda City Hall, MAI - Ministry of Internal Affairs, SRI - Romanian Intelligence Service) in order to establish the content of the technical documentation to be submitted in order to obtain the permits.

The necessary steps have been taken for exemptions from certain legislative provisions of Order No. 275/M.57/2018 for establishing the boundaries of the LRP2 restricted area, for conducting drone overflight activities, and for scanning existing structures of Cernavoda Units 3 and 4.

Activities for estimating the total cost of the Project

The cost estimation strategy has been finalized. This strategy defines the structure of the data used, the assumptions considered, and how data will be collected. Currently, the consolidation of all material quantities necessary for completing the units is being finalized in order to obtain quotes from the local and international markets regarding costs of materials and labour, as well as productivity. With regard to equipment, the request for quotation (RFQ) packages are being finalized and will be provided to the market for price quotations starting in January 2026. This activity is being progressed according to the pre-established schedule, with no delays to date.

National and international market consultation activities ("Market Engagement")

The market consultation process for the Units 3 and 4 project is currently underway, having been launched in October. The objective of this activity is to assess the capabilities, availability and risk appetite of relevant contractors and suppliers - both nuclear and non-nuclear - for the main work packages and equipment of the project.

This approach allows for validation of the proposed execution models, identification of potential market constraints and establishment of lists of potential bidders for budget requests planned for 2026. Market consultation is a critical stage in reducing risks, optimizing the implementation strategy and aligning the Project with national and international industry capabilities.

The market consultation process is progressing according to plan and has been extended to include additional companies identified along the way. By the end of 2025, all meetings with Tier 1 contractors will be completed, and discussions with Tier 2 and Tier 3 contractors will continue in early January 2026.

Project Controls activities

Management of the EPCM Contract involves monitoring, analysing and coordinating the activities carried out by FCSA JV during the LNTP phase, in accordance with contractual obligations. The main objective of this activity is to ensure an adequate level of control over the costs, schedule and operational performance.

Activities to implement DG Energy recommendations

In June of 2024, EnergoNuclear obtained European Commission's opinion in accordance with Article 43 of the Euratom Treaty regarding Units 3 and 4 of Cernavoda Nuclear Power Plant.

Based on the European Commission's recommendations, during 2025, EN carried out the contract award procedure for specialized technical assistance in CANDU technology.

Activities related to State Aid approval

During 2025, with the support of external consultant Deloitte, EN prepared the draft State Aid Notification Documentation for the Cernavoda NPP Units 3 and 4 Project, with a view to analysing and initiating the necessary steps for its submission to the European Commission - Directorate-General for Competition (DG Comp).

Funding for Stage II – Limited Notice to Proceed (LNTP) is ensured in accordance with the provisions of the legislation in force (Law 74/2023 and Government Decision 1011/2024), with the support of SN Nuclearelectrica (SNN) through:

- Subscription of new shares in order to increase EN's share capital and/or
- Shareholder loans granted by SNN to EN on market terms;
- loans granted and/or taken out/facilitated by the Arranger/Financier (Mandated Lead Arranger) selected by SNN;

By EN EGMS Resolution no. 11/09.09.2025, the following were approved: (i) the contracting by EN of a loan in the amount of EUR 80 million, as borrower, SNN, as guarantor and the banking syndicate (the "Syndicate"), led by J.P. Morgan, in its capacity as lender, to finance the Cernavoda NPP Units 3 and 4 project, and (ii) the contracting by EN, as obligor, from SNN, as guarantor, of the guarantee for the aforementioned EUR 80 million loan.

EGMS Resolution no. 13/22.11.2024 approved the conclusion, by EnergoNuclear S.A. (as borrower) and S.N. Nuclearelectrica S.A. (as lender), of a loan agreement, convertible into shares, up to a maximum limit of RON 841,000,000, for the purpose of financing the Preliminary Works Budget.

2.3 Operational activities:

Preservation of the U3&4 Cernavoda NPP Site

In order to preserve the condition of the Site and existing civil structures, a series of contracts are currently underway:

- Works to improve access and work safety on site, repair works to prevent or minimize deterioration in time of existing buildings and structures at Cernavoda Units 3 and 4;
- Works to dismantle scaffolding and damaged metal panels from the Machine Room - Unit 4. Under this contract, a series of damaged panels located at the top of the integrated building were dismantled. Due to the degree of deterioration, there was a risk that they could be dislodged by the wind and fall uncontrollably on site, with the risk of injuring personnel present on site;
- Maintenance and operation of temporary low-voltage electrical installations on the site of Cernavoda Units 3 and 4;
- The contract for the removal of water from the basements of existing civil structures continued in order to keep them dry and avoid possible further damage to existing civil structures.

3. Proposals submitted for information to the Extraordinary General Meeting of SNN Shareholders

In view of the above, we kindly request the Extraordinary General Meeting of SNN Shareholders take note of the activities carried out by Energonuclear S.A. in 2025 for the development of the Cernavoda NPP Units 3 and 4 Project.

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