



S.N. Nuclearelectrica S.A.

**Consolidated Financial Statements
as at and for the financial year ended at
31 December 2025**

Issued in accordance with
Order of the Minister of Public Finance no 2.844/2016 on the approval of the
Accounting Regulations compliant with the
International Financial Reporting Standards adopted by the European Union

S.N. Nuclearelectrica S.A.

Consolidated Financial Statements as at and for the financial year ended on 31 December 2025

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S.N. Nuclearelectrica S.A.

Consolidated statement of financial position as at 31 December 2025

(All amounts are expressed in RON, unless otherwise indicated.)

	Note	31 December 2025 (audited)	31 December 2024 (audited)
Assets			
Non-current assets			
Tangible non-current assets	5	11,671,978,761	6,733,967,251
Assets representing rights to use underlying assets within a leasing agreement	6	24,513,695	32,505,547
Intangible non-current assets	7	46,585,580	57,013,974
Investment properties	8	11,791,437	-
Financial assets measured at amortized cost	9	1,705,475,268	968,962,604
Financial investments in related entities	10	12,962,323	14,410,333
Total non-current assets		13,473,307,064	7,806,859,709
Current assets			
Inventories	11	1,636,139,229	1,703,143,736
Trade receivables	12	333,451,217	352,031,138
Other financial assets measured at amortized cost	13	356,597,510	399,894,958
Non-current assets held for sale		-	115,701
Bank deposits	14	1,297,840,701	1,720,501,128
Cash and cash equivalents	14	1,538,782,800	2,139,845,361
Total current assets		5,162,811,457	6,315,532,022
Total assets		18,636,118,521	14,122,391,731
Equity and liabilities			
Equity			
Share capital, of which:		3,211,941,683	3,211,941,683
<i>Share capital subscribed and paid up</i>		<i>3,016,438,940</i>	<i>3,016,438,940</i>
<i>Inflation adjustments of the share capital</i>		<i>195,502,743</i>	<i>195,502,743</i>
Share premium		31,474,149	31,474,149
Reserve paid in advance		21,553,548	21,553,548
Revaluation reserve		2,304,865,261	280,106,343
Retained earnings		10,331,084,439	8,755,563,759
Total capital	15	15,900,919,080	12,300,639,482
Liabilities			
Long-term liabilities			
Long-term loans	17	584,978,568	-
Provisions for risks and charges	18	234,517,603	261,905,434
Long-term deferred income	19	6,166,649	21,377,883
Deferred tax liability	28	409,801,305	38,168,115
Liabilities for employee benefits	20	55,405,777	48,785,838
Liabilities under long-term leasing agreements	6	20,310,323	29,614,662
Total long-term liabilities		1,311,180,225	399,851,932
Current liabilities			
Trade and other payables	21	1,008,006,209	1,075,557,344
Current part of provisions for risks and charges	18	142,554,134	111,055,566
Current part of the long-term loans	17	2,509,590	-
Corporate income tax due	28	102,437,678	49,385,467
Short-term deferred income	19	161,120,771	180,917,818
Liabilities under short-term leasing agreements	6	7,390,834	4,984,122
Total current liabilities		1,424,019,216	1,421,900,317
Total liabilities		2,735,199,441	1,821,752,249
Total equity and liabilities		18,636,118,521	14,122,391,731

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	Note	2025 (audited)	2024 (audited)
Income			
Income from the sale of electricity	22	5,593,848,240	4,633,802,442
Income from the transport of electricity		33,277,588	38,269,674
Total income		5,627,125,828	4,672,072,116
Other income	23	195,864,585	190,228,820
Operating expenses			
Depreciation and impairment		(725,832,865)	(677,280,403)
Payroll costs	24	(842,804,452)	(834,382,908)
Cost of electricity purchased		(203,949,990)	(296,241,595)
Repairs and maintenance		(78,342,657)	(73,593,604)
Expenses with the transmission of electricity		(33,277,588)	(38,269,674)
Expenses for spare parts		(30,758,470)	(26,603,862)
Costs of nuclear fuel		(244,243,639)	(205,941,408)
Contribution to the Energy Transition Fund	25	(504,506,729)	(288,738,393)
Other operating expenses	26	(758,900,995)	(706,391,315)
Operating expenses - Total		(3,422,617,385)	(3,147,443,162)
Operating profit		2,400,373,028	1,714,857,774
Financial expenses		(48,135,620)	(50,891,079)
Financial income		375,392,656	318,906,864
Net financial result	27	327,257,036	268,015,785
Profit before corporate income tax		2,727,630,064	1,982,873,559
Part of the (loss) with related entities	10	(1,448,009)	(5,604,515)
Net corporate income tax expenses	28	(383,916,491)	(288,674,772)
Profit of the period		2,342,265,564	1,688,594,272

The Consolidated Financial Statements presented from page 1 to 86 were signed on 20 March 2026 by:

Cosmin Ghita
Chief executive officer

Daniel Adam
Chief Financial Officer

S.N. Nuclearelectrica S.A.

Consolidated statement of comprehensive income for the financial year ended on 31 December 2025

(All amounts are expressed in RON, unless otherwise indicated.)

	Note	<u>2025</u> <u>(audited)</u>	<u>2024</u> <u>(audited)</u>
Profit of the period		2,342,265,564	1,688,594,272
Other comprehensive income			
Items that cannot be reclassified to profit or loss			
Net gain on revaluation of buildings and land		2,477,297,329	-
Deferred tax liability relating to the revaluation reserve		(396,367,572)	-
Actuarial gains / (losses) related to the benefit plans determined		(7,743,413)	863,706
Retained earnings from other adjustments		-	-
Other comprehensive income		2,073,186,344	863,706
Total overall result related to the period		4,415,451,908	1,689,457,978
Earnings per share	16		
Basic earnings per share (RON/share)		7,77	5,60
Diluted earnings per share (RON/share)		7,77	5,60

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S.N. Nuclearelectrica S.A.

Consolidated Statement of Changes in Equity for the financial year ended on 31 December 2025

(All amounts are expressed in RON, unless otherwise indicated.)

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 2025 (audited)	3,016,438,940	195,502,743	31,474,149	21,553,548	280,106,343	8,755,563,759	12,300,639,482
Overall result							
<i>Profit of the financial year</i>	-	-	-	-	-	2,342,265,564	2,342,265,564
<i>Other comprehensive income</i>							
Actuarial gains / (losses) related to the benefit plans	-	-	-	-	-	(7,743,413)	(7,743,413)
Retained earnings from other adjustments - increase in revaluation reserve	-	-	-	-	2,080,929,757	-	2,080,929,757
Total other comprehensive income	-	-	-	-	2,080,929,757	(7,743,413)	2,073,186,344
Total overall result related to the financial year	15	-	-	-	2,080,929,757	2,334,522,151	4,415,451,908
Transactions with shareholders, only recognized in equity							
Distributed dividends	-	-	-	-	-	(815,172,311)	(815,172,311)
Total transactions with shareholders, only recognized in equity	15	-	-	-	-	(815,172,311)	(815,172,311)
Transfer of revaluation reserves into retained earnings due to amortization	-	-	-	-	(56,170,839)	56,170,839	-
Other changes in equity - total	-	-	-	-	(56,170,839)	56,170,839	-
Balance as at 31 December 2025 (audited)	3,016,438,940	195,502,743	31,474,149	21,553,548	2,304,865,261	10,331,084,439	15,900,919,080

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S.N. Nuclearelectrica S.A.

Consolidated Statement of Changes in Equity for the financial year ended on 31 December 2024

(All amounts are expressed in RON, unless otherwise indicated.)

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 2024 (audited)	3,016,438,940	195,502,743	31,474,149	21,553,548	2,101,938,467	6,365,185,539	11,732,093,386
<i>Restatement effect</i>	-	-	-	-	(1,764,941,683)	1,764,941,683	-
Balance as at 1 January 2024 (audited, restated)	3,016,438,940	195,502,743	31,474,149	21,553,548	336,996,784	8,130,127,222	11,732,093,386
Overall result							
<i>Profit of the financial year</i>	-	-	-	-	-	1,688,594,272	1,688,594,272
Other comprehensive income							
Actuarial gains related to the benefit plans	-	-	-	-	-	863,706	863,706
Total other comprehensive income	-	-	-	-	-	863,706	863,706
Total overall result related to the financial year	-	-	-	-	-	1,689,457,978	1,689,457,978
Transactions with shareholders, only recognized in equity							
Distributed dividends	-	-	-	-	-	(1,120,911,882)	(1,120,911,882)
Total transactions with shareholders, only recognized in equity	-	-	-	-	-	(1,120,911,882)	(1,120,911,882)
Transfer of revaluation reserves into retained earnings due to amortization	-	-	-	-	(56,890,441)	56,890,441	-
Other changes in equity - total	-	-	-	-	(56,890,441)	56,890,441	-
Balance as at 31 December 2024 (audited)	3,016,438,940	195,502,743	31,474,149	21,553,548	280,106,343	8,755,563,759	12,300,639,482

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	2025	2024
	(audited)	(audited)
Cash flows from operating activities		
Profit before corporate income tax	2,727,630,064	1,982,873,559
Adjustments for:		
Depreciation and impairment	725,832,865	677,280,403
Value adjustments of trade receivables	6,578,346	568,808
Value adjustments of inventories	(3,160,895)	(2,598,260)
Provisions related to liabilities, risks and operating expenses	18,140,979	43,735,232
Gains/(Losses) from disposal of non-current assets	2,891,946	644,342
Gains/(Losses) from disposal of assets held for sale	(158,603)	-
Part of the loss with related entities	1,448,009	5,604,515
Net financial (income)	(324,269,871)	(266,530,296)
Changes in:		
Decrease/(Increase) in trade receivables	12,010,392	271,194,283
Decrease/(Increase) of other financial assets measured at amortized cost	48,549,782	(135,600,431)
Decrease/(Increase) in inventories	99,499,534	(649,075,336)
Increase/(Decrease) in deferred income	(35,008,281)	150,420,400
Increase/(Decrease) in trade and other payables	(221,346,980)	106,158,028
Cash flows related to the operating activity	3,058,637,286	2,184,675,247
Paid corporate income tax	(369,814,285)	(282,377,533)
Interest received	181,707,555	289,433,410
Interest paid	(4,613,843)	(1,997,057)
Dividends received	15,390	14,821
Net cash related to the operating activity	2,865,932,103	2,189,748,888
Cash flows related to investment activity		
Purchases of intangible non-current assets	(8,792,155)	(9,858,238)
Purchases of tangible non-current assets	(3,131,133,016)	(616,457,475)
(Increase)/Decrease in bank deposits and financial assets measured at amortized cost	423,374,439	(1,608,244,101)
Other investments in financial assets	(589,180,383)	(293,299,420)
Investments in affiliated entities	-	-
Proceeds from the sale of assets held for sale	274,304	-
Proceeds from sale of tangible non-current assets	-	1,747,000
Net cash related to the investment activity	(3,305,456,811)	(2,526,112,234)
Cash flow related to financing activity		
(Payments) / Loans drawdowns	580,737,499	(65,167,260)
Net dividends payments	(734,302,875)	(1,031,860,542)
Payments related to liabilities from leasing agreements, including interest	(7,972,478)	(8,438,067)
Net cash related to the financing activity	(161,537,853)	(1,105,465,869)
Net (Decrease)/Increase Net in cash and cash equivalents	(601,062,561)	(1,441,829,215)
Cash and cash equivalents as at 1 January	2,139,845,361	3,581,674,576
Cash and cash equivalents as at 31 December	1,538,782,800	2,139,845,361

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Notes to the Consolidated Financial Statements for the financial year ended as at 31 December 2025**1. Reporting entity****1.1. General information about the Group**

These Consolidated Financial Statements prepared on the date of, and for, the financial year ended on 31 December 2025 include the Individual Financial Statements of Societatea Nationala Nuclearelectrica S.A. ("Company" "Parent Company" or "SNN") and its subsidiaries, together hereinafter referred to as the "Group".

Societatea Nationala Nuclearelectrica S.A. is a 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, Medgidiei Street, no. 2, registered with the Trade Register under number J13/3442/2007, respectively Pitesti NFP (Nuclear Fuel Plant) - headquartered in Arges County, Mioveni, Campului Street, no. 1, registered with the Trade Register under number J03/457/1998. The address of the registered office is Romania, Bucharest, Sector 1, Iancu de Hunedoara Boulevard no. 48, Crystal Tower building.

As at 31 December 2025, the Company's shareholders were: 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.

The main object of activity of the Parent Company is "Production of electricity" – CAEN Code 3511 and is registered with the Trade Register under number J1998007403409, Unique Registration Code 10874881, tax attribute RO.

As at 31 December 2025 and respectively 31 December 2024, the Company's subsidiaries are:

Subsidiary	Activity	Unique Registration Code	Registered Office	participating interest % as at 31 December 2025	participating interest % as at 31 December 2024
Energonuclear S.A. ("EN")	"Engineering activities and related technical consultancy" - CAEN code 7112	25344972	Bucharest, sector 2, Lacul Tei Boulevard, no. 1 - 3, Lacul Tei Offices Building, 7th floor	100%	100%
Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L. ("FPCU")	"Processing of nuclear fuel" - CAEN code 2446.	44958790	Brasov county, Feldioara locality, Dumbravii Street no. 1, Administrative building, ground floor	100%	100%
Nuclearelectrica Serv S.R.L.	"Repair of machinery" - CAEN code 3312	45374854	Constanta County, Cernavoda Locality, Energiei Street no. 21, Hotel no. 2, Building B, 1st floor	100%	100%

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Notes 1 to 33 are an integral part of these individual financial statements.

As at 31 December 2025, the Parent Company holds only one related entity that is subject to consolidation:

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, Dambovitza County, Doicești Locality, Strada Aleea Sinaia nr. 18, the Administrative Building, 1st floor, being registered with the Trade Register under number J2022001604157, Unique Registration Code 46901014, tax attribute RO. The main activity of the Company consists in the “Production of electricity” - CAEN Code 3511.

As at 31 December 2025, SNN held 50% of the share capital of Ropower Nuclear S.A., the shareholding value amounting to RON 19,943,000 (31 December 2024: RON 19,943,000).

Changes in Group’s structure in 2021: in 2021, the subsidiaries Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L and Nuclearelectrica Serv S.R.L. were established, both held 100% by SNN.

Changes in Group’s structure in 2022: in 2022, the company Ropower Nuclear SA was established as an entity held 50% by SNN.

Changes in Group’s structure between 2023 - 2025: no changes in Group’s structure were recorded.

1.2. Core businesses of the Group

The main activity of the Group consists in the electricity and heat generation by means of nuclear methods. The main place of business is within Cernavoda NPP Branch, where the Parent 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 Parent 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 1.2). By Resolution of the Extraordinary General Meeting of Shareholders („EGMS”) no. 8/12.06.2020, the following were approved: (i) The repeal of the “Strategy for continuing the project of Units 3 and 4 within Cernavoda NPP by organizing an investors’ selection procedure” (2014) as well as of the Reviewed Strategy for continuing the Project of Units 3 and 4 within Cernavoda NPP by organizing an investors’ selection procedure” (2018) (item 2 of the agenda of the Extraordinary General Meeting of Shareholders held on 12 June 2020), (ii) Authorization of the Board of Directors of SNN to initiate the procedures/approaches/steps regarding the cessation of negotiations held with CGN, as well as the cessation of the legal effects (under the parties’ agreement, rescission etc.) of the following documents: “Memorandum of Understanding regarding the development, construction, operation and decommissioning of Units 3 and 4 within Cernavoda NPP (MoU)” and, respectively, “Preliminary Investors’ Agreement” (item 3 of the agenda of the Extraordinary General Meeting of Shareholders held on 12 June 2020) and (iii) Authorization of the Board of Directors of SNN to initiate steps for the examination and materialization of the strategic options relating to the construction of new electricity production capacities from nuclear sources (item 4 of the agenda of the Extraordinary General Meeting of Shareholders held on 12 June 2020).

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:

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Notes 1 to 33 are an integral part of these individual financial statements.

- 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 association 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 Parent Company continues to carry out the activities necessary to complete the stages of the project.

The Addendum no. 1 to the Support Agreement for the Project of Cernavoda NPP Units 3 and 4 was signed on 14 August 2024. The main provisions of the draft Addendum to the Support Agreement aim at: updating the budget related to Stage II - Preliminary Works (LNTP) to EUR 350 million; updating clause 4.1 on financing the budget related to Stage II; updating the data on Investment Decisions I and II in line with the current Project implementation schedule.

Moreover, the Parent 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 assessment of the design requirements for the investment objective On-Site Emergency Control Center ("CCUA") – 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 ("CFSU").

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 CFSU. 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 Group, within Pitesti NFP Branch.

By establishing the **subsidiary Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L.**, the Parent Company aims to ensure production stability, productivity and continuity, by controlling and managing the risks along the entire fuel chain, by acquiring uranium oxide and processing it locally. Thus, the main objective of the subsidiary is the processing of uranium concentrates to obtain the synthesizable uranium dioxide powder required for the manufacture of CANDU 6-type nuclear fuels. The obtained synthesized uranium dioxide powder is intended exclusively for the manufacturing flow of the nuclear fuels existing at Pitesti NFP branch.

The subsidiary Nuclearelectrica Serv S.R.L. will mainly take over collection, segregation and characterization of the radioactive waste, that use to be performed by external providers. Other services provided by this subsidiary are: fire prevention, handling services in the warehouses of Cernavoda NPP branch.

Ropower Nuclear S.A. Company 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 Doicești, County of Dambovită, based on the NuScale technology, consisting of 6 NuScale modules of 77MWe each, totalling 462MWe.

1.3. Consolidation purpose

Accounting principles and methods

(i) Subsidiaries

Subsidiaries are entities under the control of the Group and are fully consolidated, applying the global integration method. The Group controls an investee if and only if the investor has all the following:

- a) Authority over the entity the investment was made in;
- b) Exposure, or rights, to variable returns from its involvement with the investee;
- c) The ability to use its power over the investee to affect the amount of the investor's returns.

When assessing the control, the Group also considers the potential or convertible voting rights that are then exercisable.

The financial statements of the subsidiaries are included in the Consolidated Financial Statements as of the time when the control is exercised, and until the time when such control ceases. The accounting policies of the Group's subsidiaries were amended so as to align with those of the Group.

The subsidiaries falling under the consolidation scope are presented in Note 1.1.

(ii) Related entities

The related entities are companies over which the Group can exercise a significant influence, but cannot control their financial and operating policies.

The Consolidated Financial Statements include the Group's share of the results of the related entities based on the equity method, from the date when the Group started to exercise its significant influence and until the date when this influence ceases.

The interests where the Group holds between 20% and 50% of the voting rights, but over which it does not exercise a significant influence, are qualified as financial assets available for sale.

The related entities are accounted for according to the equity method, and are initially recognized at cost. The Group's investment includes the goodwill identified at the time of purchase, less the accrued impairment losses. The Consolidated Financial Statements include the Group's share of income and expenses, and the movements in the capital of the related entities, after adjustments to align the accounting policies with those of the Group, over the time when such significant influence is effectively exerted. When the Group's share of the losses is greater than the interest in the entity accounted using the equity method, the book value of such interest (including any long-term investments) is zeroed, and recognition of future losses is discontinued, unless the Group has a liability or made payments on behalf of the investee.

(iii) Transactions removed from consolidation

Intra-Group settlements and transactions, as well as the lost profits from intra-Group transactions are completely left out of the Consolidated Financial Statements. Lost profits from transactions with related or jointly-controlled entities are removed up to the Group's participating interest. Lost profits from transactions with a related entity are removed in return for the investment in the related investee. Unrealized losses are removed in the same way as lost profits, but only to the extent that there are no indications of impairment.

(iv) Business Combinations

In application of IFRS 3, business combinations are measured and recognized in accordance with the following principles:

- At the purchase date, the identifiable assets acquired and the liabilities assumed, measured at fair value, and any non-controlling interests in the acquired company (minority interests) are booked separately from goodwill;
- Non-controlling interests can be measured either at fair value (full goodwill method) or at their share in the fair value of the net assets of the acquired company (partial goodwill method). The decision is made on a case-by-case basis, for each transaction;
- Any purchase or sale of an investment in a subsidiary that does not affect the control is qualified as transaction between shareholders and must be booked directly in the equity;
- If additional interests are acquired in a joint venture, a joint operation or a related entity without resulting into a control acquisition, the value of the previously acquired assets and liabilities remains unchanged in the consolidated balance-sheet.

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- Where the control acquisition is staged-out, the cost of the business combination includes the fair value, on the control acquisition date, of the buyer's previously held interest in the acquiree;
- The related costs that can be charged directly to a control-leading acquisition are expenses for the periods when these were incurred, save for the cost of debt instrument or equity instrument issue, which must be accounted in observance of IAS 32 and IFRS 9;
- IFRS 3 does not apply to business combinations under common control, which are examined on a case-by-case basis to determine the appropriate accounting treatment.

1.4. Regulations in the Energy Sector

The Romanian energy sector is regulated by the National Energy Regulatory Authority (“ANRE”), an independent public institution. Effective 1 January 2023, the Parent 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 and subsequently extended until 30 June 2025. During 2025, the Parent Company participated in the competitive segment, and in 2024 in both the competitive segment and in MACEE.

2. The basis of drafting the financial statements

2.1. Declaration of conformity

The Consolidated Financial Statements of the Group have been prepared on the basis of the Order of the Minister of Public Finance no. 2.844/2016 on the approval of the Accounting Regulations compliant with the International Financial Reporting Standards (“IFRS”) (“OMPF no. 2.844/2016”). Within the meaning of OMPF no. 2.844/2016, the International Financial Reporting Standards are standards adopted in accordance with the procedure laid down in European Commission Regulation no. 1.606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards.

The accounting records of the subsidiaries are kept in RON, in accordance with the Romanian Accounting Regulations (RAR). These accounts have been restated to reflect the differences between the RAR accounts and the IFRS accounts. Correspondingly, the RAR accounts were adjusted when necessary to harmonize these financial statements, in all material respects, with the IFRS adopted by the European Union.

Apart from the specific consolidation adjustments, the main restatements of the financial information disclosed in the financial statements prepared in accordance with the Romanian accounting regulations consisted of:

- grouping more elements into more comprehensive categories;
- adjustments of assets, liabilities and equity elements, in accordance with IAS 29 “Financial Reporting in Hyperinflationary Economies” due to the fact that the Romanian economy used to be a hyperinflationary economy until 31 December 2003;
- adjustments for recognition of receivables and payables related to the deferred corporate tax, in accordance with IAS 12 “Corporate Income Tax”;
- the presentation requirements in accordance with IFRS.

The Consolidated Financial Statements prepared for the financial year ended on 31 December 2025 were audited by the financial auditor of the Group - PKF Finconta S.R.L.

These Consolidated Financial Statements were authorized for issue and were signed on 20 March 2026 by the Parent Company’s management.

2.2. Going concern

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

Having examined the implications of the current military conflicts on the Group’s business, the management consider that its business continuity will not be affected (see Note 4).

2.3. Presentation of the financial statements

The Consolidated Financial Statements are presented in compliance with the requirements of IAS 1 – “Presentation of Financial Statements”. The Group has adopted a presentation based on liquidity under the consolidated statement of the

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financial position and a presentation of the income and expenses depending on their nature under the consolidated statement of profit or loss, considering that such presentation approaches provide information that is more relevant than that presented according to different methods permitted under IAS 1.

2.4. Basis of assessment

The Consolidated Financial Statements were prepared based on the fair value convention for financial assets held for sale and tangible non-current assets, such as land and buildings. Other financial assets and liabilities, such as non-financial assets and liabilities are presented at amortized cost or historical cost.

The accounting policies defined below have been consistently applied to all periods covered by these financial statements. These Consolidated Financial Statements were prepared based on the going concern principle.

2.5. Functional and presentation currency

The Consolidated Financial Statements are presented in Romanian LEI ("RON" or "LEU"), as this is also the functional currency of the Group. All financial information is presented in RON, unless otherwise indicated.

2.6. Use of estimates and judgments

Preparation of the Consolidated Financial Statements in accordance with the IFRS adopted by the European Union requires the management to make estimates, judgments and assumptions that affect application of the accounting policies, as well as the reported value of assets, liabilities, income and expenses, the estimated lifetimes of non-current assets (see Note 3.3), the assumptions used to determine the fair value (see Note 4), the assumptions used to determine the fair value of tangible non-current assets (see Note 5), the recognition of spare parts that meet the required conditions of IAS 16 as tangible non-current assets (see Note 5), the recoverability of trade receivables (see Note 12), the assumptions applied for the net recoverable value of inventories (see Note 11), the assumptions applied to calculate the liabilities related to employee benefits (see Note 20), the assumptions applied for the time for restatement of governmental subsidies in the profit or loss account (see Note 3.19 and Note 19), and the estimates concerning the radioactive and non-radioactive waste management obligations (Note 18).

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. 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.

The management's judgments in application of the IFRSs that have a significant impact on the financial statements, as well as the estimates that imply a significant risk of a material adjustment during the next year are shown in Note 4 and 30.

For application of IFRS 10 and IFRS 11, the Group uses judgment to assess the control exercised and determine the type of partnership represented by a jointly-controlled entity.

3. Significant accounting policies

The accounting policies presented below have been consistently applied to all periods covered by these Consolidated Financial Statements and by all Group's entities.

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

3.1. Transactions in foreign currency

Transactions in foreign currency are converted into RON at the exchange rates on the transaction date. Monetary assets and liabilities, expressed in foreign currency at the end of the year, are expressed in RON at the exchange rate displayed by the National Bank of Romania as valid for the last banking day of the year. Gains and losses from exchange rate differences, either realized or unrealized, are included in the profit or loss account of that year. The exchange rates as at 31 December 2025 and 31 December 2024, for the key currencies used by the Group in transactions, are as follows:

	Average rate		Exchange rate as at	
	2025	2024	31 December 2025	31 December 2024
RON/EUR	5.0415	4.9746	5.0985	4.9741
RON/USD	4.4705	4.5984	4.3417	4.7768
RON/CAD	3.1968	3.3575	3.1677	3.3230
RON/GBP	5.8854	5.8769	5.8335	5.9951
RON/CHF	5.3804	5.2240	5.4743	5.2806

Non-monetary assets and liabilities expressed in a foreign currency, that are measured at fair value, are converted into the functional currency at the exchange rate valid on the fair value determination date. The non-monetary items measured at historical cost in a foreign currency are converted applying the exchange rate on the transaction date.

3.2. Adjustment of hyperinflation's effects

In accordance with IAS 29, the financial statements of an entity the functional currency of which is the currency of a hyperinflationary economy must be presented in the current measurement unit on the end date of the reporting period (non-monetary items are restated applying a general price index on the date of the acquisition or contribution).

According to IAS 29, an economy is deemed to be hyperinflationary when, among other factors, the cumulative inflation rate over a 3-year period is higher than 100%. The continuous fall in the inflation rate and other factors related to the characteristics of the Romanian economic environment point out that the economy the functional currency of which was adopted by the Company has ceased to be hyperinflationary, with effects on the financial periods starting with 1 January 2004. Therefore, the provisions of IAS 29 were adopted in preparation of the financial statements before 31 December 2003.

In order to draw up the Consolidated Financial Statements as at 31 December 2025, the Group adjusted the following non-monetary items so as to be expressed in the current measurement unit as at 31 December 2003:

- ✓ Share capital (see Note 15);
- ✓ Tangible non-current assets acquired before 31 December 2003.

3.3. Tangible non-current assets

i) Recognition and measurement

Tangible non-current assets recognized as assets are initially measured at cost. The cost of an item of tangible non-current assets is formed of the purchase price, including any non-recoverable charges, having first deducted any trade price discounts and other costs that can be directly charged to bringing that asset to site and conditions needed for its

operation as envisaged by the management, such as: employee costs resulting directly from construction or acquisition of that asset, site arrangement costs, initial delivery and handling costs, installation and assembly costs, professional fees.

Tangible non-current assets are classified by the Group in the following classes of assets, of the same nature and with similar uses:

- Lands;
- Buildings;
- Equipment, technical plant and machinery;
- Means of transport;
- Furniture and other tangible non-current assets.

Tangible non-current assets, except for land and buildings, are shown at cost, less the accumulated depreciation and write-down adjustment. Land and structures are valued separately at fair value. Thus:

- Land, special structures, administrative buildings and other buildings, including nuclear power plants, are shown at revalued amount. On the date of shifting to IFRS, these were measured using the deemed cost method. Thus, the revaluation surplus, booked by the Company according to the Order of the Minister of Public Finance no. 3055/2009 until 1 January 2012, was transferred to retained earnings, in a distinct analytical account. The revaluation reserves after the date of shifting to IFRS, further to remeasurements, are shown as such in the financial statements. The revaluation surplus, from before the shift to IFRS, and afterwards, is made at disposal.
- Machinery, equipment and other assets (save for special structures, administrative buildings and other buildings, including nuclear power plants) are shown at historical cost, less any accumulated depreciation and any accumulated impairment losses.
- Non-current assets in progress are booked at historical acquisition or construction cost or at inflated cost (restated depending on the measurement unit existing on 31 December 2003 for the non-current assets purchased before 1 January 2004), less any accumulated impairment losses.

The structures and heavy water to be used in expansion of the production capacity are included in the non-current assets in progress; since heavy water is not used and does not chemically depreciate, it is initially and subsequently measured at cost.

Units 1, 2, 3, 4 and 5 were considered one single project, and before 1990, the costs incurred were booked separately for each unit. In 1991, the Group operated a cost allocation for each Unit. This allocation is the cost base of the non-current assets included in tangible non-current assets in progress.

Items, such as spare parts, spare equipment and maintenance equipment are recognized as tangible non-current assets according to IAS 16, when they meet the definition of the tangible non-current assets. All other spare parts are recognized as inventories.

The fair value was determined based on measurements made by independent external valuers, using the market value and net replacement cost methods, less the accumulated depreciation and the accumulated impairment losses, if any.

Revaluations shall be made with sufficient regularity to ensure that the book value does not differ materially from that which would be determined using fair value at the end of the reporting period.

For the SNN Group, as at 31 December 2025, land and buildings of the Parent-Company, SN Nuclearelectrica SA, were revalued by an independent valuer (Primoval S.R.L., a member of the National Association of Romanian Certified Valuers - ANEVAR). Prior to such revaluation, land and buildings were revalued as at 31 December 2021.

If an asset's book value is increased as a result of a revaluation, the increase shall be credited directly to equity under the heading "Revaluation surplus"; however, the increase shall be recognized in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognized in profit or loss.

If an asset's book value is decreased as a result of a revaluation, the decrease shall be recognized in profit or loss; however, the decrease shall be debited directly to equity under the heading of revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognized in other comprehensive income reduces the amount accumulated in equity under the heading of "Revaluation Surplus".

ii) Subsequent expenses

As a rule, subsequent expenses related to a tangible non-current asset are expensed during the period in which these were incurred. Those subsequent expenses or investments made on tangible non-current assets to improve their initial technical parameters and leading to future economic benefits, additional above those initially estimated, are recognized and capitalized as an asset item. Benefits can be obtained either directly by increasing income, or indirectly by reducing the maintenance and operating expenses.

In order to apply the provisions of the international accounting standard IAS 16 "Tangible non-current assets", the regular major inspections carried out at Cernavoda NPP are capitalized under tangible non-current assets, and are subsequently straight-line depreciated over a period of 2 years. The regular major inspections concern mainly the same components of the Units, so the depreciation period considered is the 2-year period between two regular general inspections conducted mainly on the same components, i.e. they substitute one another. The latest overhauls carried out were: for Unit 2 in 2025, and for Unit 1 in 2024.

iii) Repairs and maintenance expenses

Repairs and current maintenance costs are classified as expenses of the respective financial period as they occur.

iv) Depreciation

Depreciation of tangible non-current assets is calculated based on a depreciation plan, since their commissioning date and until full recovery of their input value, according to the useful lifetimes and their usage conditions.

The Group's management estimate that the lifetimes of the plant, property and equipment covered by the Government Decision no. 2139/2004 approving the Catalogue for classification and normal operation periods of plant, property and equipment match the useful operation periods and conditions of use applicable to the tangible non-current assets owned by the Group.

Depreciation of buildings takes place on the basis of equal annual rates in order to depreciate their revalued amount over their remaining lifetime. Depreciation of other tangible non-current assets is booked based on the straight-line method, over their estimated useful life, 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

Land is not subject to depreciation because is considered to have an undefined lifetime.

Tangible non-current assets in progress are not depreciated before they are put into use.

The estimated lifetimes of Units 1 and 2, i.e. 30 years, take into account a number of projected operation hours per Unit of 210,000 hours, equivalent to a capacity factor of 80% over a period of 30 years. Before 31 December 2025, the cumulative capacity factor attained since commissioning of Unit 1 is 92.48%, and 86.27% for Unit 2, which is higher than the designed capacity factor of 80%. Using these capacity factors extrapolated to the same value for the remaining lifetime, it would follow that the estimated effective lifetime of the units will be 26.4 years for Unit 1 and 25.4 years for Unit 2; however, this is a simplistic straight-line extrapolation, as it is expected that the average capacity factor achieved

so far for both units gradually decreases until the end of the initial lifetime due to the fuel canal creeping, hence to the inherent wear of the units.

The operating experience of other CANDU-type nuclear power plants that have reached the number of designed operating hours indicates shows that it is possible to extend the number of initial operating hours beyond the number of designed hours of 210,000 hours. In February 2017, the Group contracted specialty technical assistance services in order to determine the possibility of extending the number of designed hours of operation for Unit 1. The survey carried out concluded with a work plan listing the analyses and assessment due to be performed to prove the functionality of Unit 1 of Cernavoda NPP up to 245,000 effective hours of operation. These analyses and assessment will substantiate the renewal of the operation permit for Unit 1.

The Parent Company's management are confident that they can successfully extend the number of operation hours for Unit 1 above the designed 210,000 hours of operation, which could ensure operation of Unit 1 until 2026 and therefore maintain the remaining estimated lifetime span, given the estimated lifetime of the first operation cycle of 30 years.

By extrapolating this reasoning and taking into account the remaining lifetime of Unit 2, added to the capacity factor of Unit 2 in the upcoming period, related also to the lifecycle of Unit 2, the estimated life is maintained for Unit 2, too. The estimated residual values, for both units, are zero, considering the challenges attached to the refurbishment of the units after their initial lifetime, which allow extending it by another 25 years after refurbishment.

Depending on the actual results concerning the extension of the initial lifetime of Unit 1 beyond the number of design operation hours, the lifetime estimates for both units could be reviewed in the following financial years.

Buildings and other plants, machinery and equipment are presented in Note 5 under the heading "Machinery, Equipment and Other Assets". The general inspections and overhauls, capitalized in accordance with IAS 16, are presented in Note 5 and are reflected in the book value of "Nuclear Power Plants". Heavy water (loading for Units 1 and 2) was reclassified as of 31 December 2019 under the item "Nuclear Power Plants".

When the items of a tangible non-current assets have different lifetimes, they are booked as individual items (major components) of an asset. The asset depreciation methods, useful lifetimes and residual value are reviewed and adjusted, as necessary, at each reporting date.

The book value of the asset is adjusted to the recoverable amount when the book value is higher than the estimated recoverable amount.

The profit or loss from sales are determined by the difference between the income obtained from the sale of the asset and its book value, and are recognized as operating income or operating expenses through profit or loss account.

The cost of loans contracted specifically for the construction of a tangible non-current asset is capitalized under that asset's cost until the date when the activities needed for preparation of the asset for its envisaged use or for sale are carried out.

v) Sale/retirement of tangible non-current assets

The items of tangible non-current assets that are retired or sold are removed from the statement of the financial position, together with their respective accumulated depreciation. Any profit or loss resulting from such an operation is included in the current profit or loss

vi) Impairment of tangible and intangible non-current assets

In accordance with IAS 36, both intangible non-current assets and tangible non-current assets are reviewed at the reporting date for indications of impairment. If there is any indication, or when an annual impairment test is required for

an asset, the Group estimates the recoverable amount of the asset to be the higher of fair value less costs of sale and value in use.

If the net book value of an asset exceeds its recoverable amount, the asset is considered impaired and an impairment loss is recognised to reduce the value of the asset to its recoverable amount. Impairment losses are recognised as income in the consolidated profit or loss statement. If the reasons for the impairment are no longer applicable in a subsequent period, a reversal of impairment is recognised as an expense in the consolidated statement of profit or loss. The book value increased by the reversal of an impairment adjustment must not exceed the book value (net of depreciation) that would have been determined if no impairment adjustment had been recognised in prior years.

3.4. Non-current assets held for sale

Non-current assets are classified as held for sale when their book values are to be recovered primarily through a sale transaction rather than through continued use. Thus, an asset can be classified as held for sale according to IFRS 5 only if the following criteria are met:

- The asset is readily available for sale in its current condition,
- The sale of this asset is very likely.

All criteria listed below must be met for the sale to be highly likely:

- A sale plan was assumed at the appropriate management level,
- An active programme was initiated to find a buyer and realize the plan,
- The asset is actively marketed at a reasonable price given its current fair value,
- No material changes or withdrawal of the plan are likely,
- It is expected that the sale will meet the derecognition criteria in order to be qualified as sale during one year.

i) Measurement before classification as held for sale

As a first step, immediately prior to initial classification of an asset as held for sale, the book value of that asset is measured according to the applicable IFRS standards (e.g. property, production units and equipment are measured according to IAS 16), including any cumulative impairment and any write-down in the balance-sheet, if any. This first step applies to a newly-acquired asset, as well as an existing asset that will be reclassified as held for sale under this policy.

ii) Measurement at initial classification as held for sale

At initial classification as held for sale, the individual asset identified as held for sale is measured at the lower of:

- its book value, and
- its fair value, less the costs to sell.

When the fair value less the costs to sell is higher than the asset's book value, no adjustment is necessary. Otherwise, an impairment loss resulting from this initial measurement is booked directly in the profit or loss account, and value of the non-current asset is adjusted accordingly.

iii) Subsequent measurement

At subsequent measurement, the non-current asset held for sale is measured at the lower of the value carried forward and the fair value less the costs to sell.

Non-current assets held for sale are not depreciated.

iv) Recognition of impairment losses and reversals

Any initial or subsequent write-down of the book value of an asset (or disposal group) to fair value less costs to sell is recognized as impairment loss.

The subsequent increase in fair value less costs to sell of an asset is recognized as gain, but not in excess of the cumulative impairment loss that has been recognized either in accordance with IFRS 5 or previously in accordance with IAS 36 "Impairment of Assets".

v) Derecognition

If the classification criteria for an asset or disposal group held for sale are no longer met, that asset or disposal group will no longer be classified as held for sale.

A non-current asset which is no longer classified as held for sale is measured at the lower of:

- the amount carried forward before classification as held for sale, as adjusted for any impairment, depreciation/amortization or remeasurement needed if the asset or group intended for disposal would not have been classified as held for sale; and
- the recoverable amount on the date of the decision not to sell.

3.5. Investment properties

Accounting policies relevant to investment property according to IAS 40:

(i) Recognition

A piece of investment property is that property (a plot of land or a building - or part of a building or both) held by the owner primarily for rental purposes or for capital appreciation or both.

A piece of investment property should be recognized as an asset when and only insofar that:

- it is possible that future economic benefits are generated from the investment property for the company;
- the cost of the investment property can be reliably estimated.

(ii) Measurement at recognition

Investment properties are initially measured at cost, including the transaction costs. Such cost shall not include start-up costs, abnormal losses or initial operating losses incurred before the investment property reaches the planned occupancy level.

(iii) Reclassifications - Transfers in or from investment properties

Transfers in and from investment properties are made if, and only insofar that there is a change in their use. Rules that apply to booking transfers between categories:

- for a transfer from an IAS 16 owner-occupied property to a property used as an investment under IAS 40, carried at fair value, IAS 16 shall be applied up to the date of reclassification. Any difference that arises between the book value IAS 16 at that date and fair value shall be treated as revaluation under IAS 16;
- for a transfer from property held for investment under IAS 40, carried at fair value, to owner-occupied property (IAS 16) or inventories (IAS 2), the fair value at change in use is the "cost" of the property under its new classification.

(iv) Measurement after recognition

After initial recognition, the Company will opt for the fair value model for all of its investment properties. A gain or loss that results from a change in the fair value of investment property shall be recognized in profit or loss over the period in which it arises.

(v) Derecognition

Derecognition of an investment property is determined by a change in its use or by its disposal, or if it is permanently withdrawn from use and no further economic benefits are expected to arise. When an investment property is disposed

of, it is written off the individual statement of financial position, and any gains or losses arising from its disposal are recognized in the profit or loss account during the period of its writing off or disposal. The gain or loss taking it out of service or disposal is determined as the difference between the net disposal proceeds and the book value of the asset.

When an entity decides to sell a piece of property classified as Investment property under IAS 40 without making improvements or developments, that property shall not be reclassified as inventories under IAS 2, but it shall be treated as investment property until its derecognition.

3.6. Leasing

(i) Recognition

As of 1 January 2019, under IFRS 16 “Leases”, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee under the lease agreement for the space used as headquarters, the Group recognized an asset related to the right to use the underlying asset and a lease liability arises under the same agreement.

As lessor, the financial statements are unaffected by introduction of the new standard.

Exclusions from application of IFRS 16:

- leases with a lease period of 12 months or less, which do not provide for any purchase options, and
- leases, where the underlying asset is of a lower amount.

The Group found that the exclusion criteria were not met and, consequently, restated the leases as a lessee, according to IFRS 16. The Group concluded leases for assets and liabilities and concession contracts for land, for which it estimated the initial value of the asset related to the right to use at an amount equal to the debt discounted upon transaction, arising from such leases.

(ii) Measurement

The Group, as lessee, values also the liability arising from the lease at the present value of the lease payments that are not paid to that date. The discounting is done using the default interest under the lease agreement, provided that this rate can be readily determined. If that rate cannot be readily determined, the lessee’s incremental borrowing rate is used.

The book value of the asset measured on the cost-based model represents the cost of the initial measurement, less any accumulated depreciation and any accumulated impairment losses, and adjusted for to any remeasurements of the liability arising from the leasing agreement.

(iii) Depreciation

The underlying asset is depreciated using the straight-line method. Where ownership is not transferred or there is no purchase option on the underlying asset until the end of its term, the asset is depreciated starting with the effective date of the lease, and until the first of the end of the useful life and the end of the term of the lease that also provides for renewal or termination options.

(iv) Lease liability

At initial recognition of the lease liability, the present value of the lease payments includes fixed payments less any lease incentives receivable, as well as variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (e.g. consumer price index).

The present value of the lease payments that are not paid on the recognition date is determined for the entire term of a leasing agreement, taking into account the periods covered by the agreement renewal options, if the Group has reasonable certainty that it will exercise that option, and the periods covered by agreement termination options, if the Group has reasonable certainty that it will not exercise that option.

The cost of utilities does not pose a liability component arising by the lease, and is recognized in profit or loss as invoices are issued.

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The liability arising from the lease is subsequently measured by increasing the book value to reflect interest on the lease liability, reducing the book value to reflect the lease payments made, and remeasuring the book value to reflect any reassessment or lease modification (such as, in the term of the contract, the lease payments, the asset purchase options, the interest rate, or the contract termination terms).

(v) Derecognition

The Right of Use (ROU) asset use is derecognized at expiry or termination of the contract and is reflected by reducing the book value of the ROU asset and recognizing the gains/losses from lease modification in profit or loss.

3.7. Intangible non-current assets

Intangible non-current assets are mainly represented by software and licenses. These are shown at historical cost less accumulated amortization and write-down adjustment.

i) Research and development

The cost of research conducted to gain new scientific or technical knowledge or interpretations is recognized in profit or loss as it is incurred.

Development activities involve a plan or project aimed at new or substantially improved products or processes. Development costs are capitalized only if they can be reliably measures, the product or process is technically and commercially feasible, the future economic benefits are likely, and the Group intends, and has sufficient resources, to complete the development and use or sell the asset. Capitalized expenses include the cost of materials, direct payroll costs and administrative costs that are directly attributable the preparation of the asset for its intended use, and the capitalized borrowing costs. Other development costs are recognized in profit or loss as they are incurred.

The capitalized development costs are measured at cost less the accumulated amortization and accumulated impairment losses.

ii) Subsequent expenses

Subsequent expenses with intangible non-current assets are capitalized only when they increase the future economic benefits of the asset they refer to. All other costs are recognized in the consolidated statement of profit or loss as they are incurred.

iii) Depreciation

Depreciation is entered in the consolidated statement of profit or loss based on the straight-line method, over their estimated useful life of the intangible non-current assets. Intangible non-current assets are amortized as of the date when the asset is ready for use, its useful life being then determined depending on the period during which the asset can be used.

The Group holds intangible non-current assets from acquisitions, and not generated internally. The useful lives are determined according to the period during which the asset can be used, for a defined time between 2 and 8 years. Windows licenses, MS Office and software programs have a useful life set between 2 and 3 years, and computer programs specific to operation of the nuclear power plant have a useful life between 5 and 8 years. The Group does not hold any intangible non-current assets purchased from governmental subsidies.

3.8. Financial assets and liabilities

i) Classification

The Group adopted IFRS 9 "Financial Instruments".

This standard replaced IAS 39 "Financial Instruments: recognition and measurement" as to classification and measurement of financial assets and replaces the model applied to estimate the adjustments for impairment of financial assets within a model based on expected losses.

IFRS 9 contains a new approach to classification and measurement of financial assets that reflects the business model under which assets are managed and the characteristics of the cash-flow.

IFRS 9 lists three main classification categories for financial assets: measured at amortized costs, measured at fair value through other comprehensive income, and measured at fair value through profit or loss.

The Group classifies the financial instruments held in the following categories:

- **Financial assets measured at amortized cost**

A financial asset shall be measured at amortized cost if it means both of the following conditions and is not designated at measured at fair value through profit or loss:

- is held within a business model whose objective is maintain assets for collection of contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The standard takes over the provisions of IAS 39 about recognition and derecognition of financial instruments.

As at 31 December 2025, respectively 31 December 2024, the Group holds financial assets measured at amortized cost.

- **Financial assets at fair value through other comprehensive income**

A financial asset shall be measured at fair value through other comprehensive income only if both of the following conditions are met and is not designated at fair value through profit or loss:

- is held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Moreover, at initial recognition of an investment in equity instruments that is not held for trading, the Group can make an irrevocable election to present in other comprehensive income changes in the fair value. These options apply to each instrument, as the case may be.

As at 31 December 2025 and 31 December 2024, the Group does not hold any financial assets at fair value through other comprehensive income.

- **Financial assets at fair value through profit or loss**

All financial assets which are not qualified as measured at amortized costs or at fair value by other comprehensive income will be measured at fair value through profit or loss. Moreover, at initial recognition, the Group may irrevocably designate a financial asset, which otherwise meets the requirements to be measured at amortized cost or at fair value through other comprehensive income, to be measured at fair value through profit or loss, when this removes or significantly reduces an accounting inconsistency that would appear in any other approach.

As at 31 December 2025 and 2024, the Group does not hold any financial assets at fair value through profit or loss.

ii) Recognition

Financial assets and financial liabilities are recognized on the date when the Group becomes a contractual party to the terms of that instrument. Financial assets and liabilities are measured when they are initially recognized at fair value.

iii) Offsets

Financial assets and liabilities are offset, and the net result is presented in the statement of the financial position only when there is a legal right to offset and if there is an intention to settle them on a net basis or if the intention is to realize the asset and pay off the debt at the same time.

Income and expenses are presented net only when this is permitted under the accounting standards, or for the profit or loss resulting from a group of similar transactions, such as those from the Group's trading activity.

iv) Measurement

- **Measurement at amortized cost**

The amortized cost of a financial asset or liability represents the measured amount of that financial asset or liability after initial recognition, less the principal payments, plus or minus the accumulated amortization up to that time, using the effective interest method, less any reductions related to impairment losses.

- *Fair value measurement*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the main market participants at the measurement date, or in absence of such a main market, on the more advantageous market the Group has then access to.

The Group measures the fair value of a financial instrument using quoted prices on an active market for that instrument. A financial instrument has an active market if quoted prices are readily and regularly available for that instrument. The market price used to determine the fair value is the closing market price of the last trading day before the measurement date.

In the absence of a price quotation on an active market, the Group applies valuation techniques based on the discounted cash flow analysis and other valuation methods commonly used by market participants, making maximum use of the market information, and relying as little as possible on the company-specific information. The Group uses valuation techniques that maximize the use of observable data and minimize the use of unobservable data.

- v) ***Identification and measurement of write-downs for financial assets***

Financial assets measured at amortized cost

The expected credit loss represents the difference between all the contractual cash flows that are owed to the Company and all the cash flows that the Group expects to receive, discounted at the initial effective interest rate.

A financial asset or a group of financial assets is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

The Group assesses whether the credit risk for a financial asset has increased significantly since initial recognition based on the information available, without undue costs or efforts, which is an indicator of significant increases in credit risk since initial recognition.

The Group recognizes in profit or loss the amount of the changes in expected credit losses over the entire lifetime of the financial assets, as a gain or loss from impairment.

The gain or loss from impairment is determined as the difference between the book value of the financial asset and the discounted amount of the future cash flows, using the effective interest rate of the financial asset at the initial time.

The Group recognizes the favourable changes in lifetime expected credit losses as an impairment gain, even if the lifetime expected credit losses are less than the amount of expected credit losses that were included in the estimated cash flows on initial recognition.

- vi) ***Derecognition***

The Group derecognizes a financial asset when the rights to receive cash flows from that financial asset expire, or when the Group has transferred the rights to receive the contractual cash flows related to that financial asset in a transaction where it transferred substantially all the risks and benefits of ownership.

The Group derecognizes a financial liability when the contractual obligations came to an end, or there are annulled or expired.

- vii) ***Gains and losses from disposal***

The gain and loss from disposal of a financial asset or a financial liability measured at fair value through profit or loss is recognized in the current profit or loss.

3.9. Other financial assets and liabilities

Other financial assets and liabilities are measured at amortized cost using the effective interest method, minus any impairment losses.

3.10. Impairment of non-financial assets

The book value of the Group's non-financial assets, other than deferred tax assets, is reviewed at each reporting date for impairment indications. Where there are such indications, the recoverable amount of those assets is estimated.

An impairment loss is recognized when the book value of the asset or its cash-generating unit exceeds the recoverable amount of the asset or its cash-generating unit. A cash-generating unit is the smallest identifiable group that generates cash independently of other assets and groups of assets. Impairment losses are recognized in the statement of profit or loss and other comprehensive income.

The recoverable amount of an asset or a cash-generating unit is the maximum of its value in use and its fair value, less the costs of sale of that asset or unit. To determine the value in use, the future cash flows are discounted applying a discounting rate before taxes that reflects the current market conditions and the asset-specific risks.

Impairment losses recognized in previous periods are measured at each reporting date to determine whether they have decreased or no longer exist. The impairment loss is restated if there has been a change in the estimates used to determine the recovery value. The impairment loss is restated only if the book value of the asset does not exceed the book value that would have been calculated, net of amortization and impairment, had the impairment loss not been recognized.

3.11. Inventories

Inventories consist of consumables, spare parts that do not meet the criteria to be recognized as tangible non-current assets, safety inventories, uranium and other stock needed for the Group's activity. They are booked as inventories at the time of purchase and are expensed as they are used.

Inventories are measured at the lowest of cost and net realizable amount. The net realizable value is the sale price estimated to be obtained during the normal pursuit of business, less the costs estimated for completion and the costs required for sale.

The inventories booked by the Group include:

- nuclear fuel raw material, regardless of the form in which they are found in the production cycle of nuclear fuel bundles;
- other raw materials and materials.

The cost of raw materials for nuclear fuel and production in progress includes direct costs, such as raw materials, directly attributable salary costs and various production-specific services. The discharge of management for nuclear fuel takes place depending on the component that make up this stock item (uranium, zircaloy, production costs) as the nuclear fuel bundles are loaded into the reactor. The discharge of management is done at weighted average cost (WAC).

Under IAS 2 "Inventories", the cost of inventory outflows must be determined using the first-in, first-out (FIFO) method or the weighted average cost (WAC) method. Before and on 31 December 2015, the Group used to apply the FIFO method.

The Group management review on inventories found that application of the WAC method would produce more reliable results for the users of the annual accounts. In this context, effective 1 January 2016, the accounting policy applied to determine the cost for inventory outflows was changed from FIFO into WAC.

In accordance with the requirements for amendment of accounting policies under IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", the Group's management considers that the WAC method leads to financial statements that are more relevant and reliable for the business decision-making needs of their users, as it can be seen from the review of the two methods below:

- The FIFO method assumes that the outflows are measured at the acquisition or production cost of the first entry. For older inventories and when prices rise, this method does not produce the most reliable picture of the comprehensive income.
- The WAC method requires calculation of each item based on the weighted average of the costs of similar inventory items at the beginning of the period and of those purchased during the period.

The Group is unable to retroactively apply the amendment to this accounting policy, in accordance with the requirements of IAS 8, because the effects of such retroactive application cannot be determined as the cumulative impact on all previous periods cannot be calculated. Therefore, the Group prospectively applies the new policy effective 1 January 2016.

3.12. Trade receivables and other receivables

Trade receivables are initially book at their invoiced value and are later measured using the effective interest method, minus the amount of the impairment losses. An adjustment for impairment is operated when there is clear evidence that the Group will not be able to collect the receivables on the set due date. The debtor's significant financial difficulties, the likelihood that they enter bankruptcy or financial reorganization, the payment delays (by more than 360 days) are considered indications that these receivables might require value adjustments.

An impairment loss related to a financial asset measured at amortized cost is calculated as the difference between its book value and the present value of the expected future cash flows, as discounted using the asset's initial effective interest rate. The book value is reduced by using a depreciation adjustment account, and the loss is booked in the profit or loss account under "Other operating expenses".

3.13. Cash and cash equivalents

i) Determination of cash and cash equivalents

- The heading "Cash and Cash Equivalents" includes cash at hand, current accounts and bank deposits without commitments, which are subject to an insignificant risk of changes in fair value. Bank deposits without commitments are understood by the Group as usual bank deposits, the Group has access to at any time, regardless of their initial maturity and whose liquidation before maturity, in case of occurrence making this necessary, does not cause losses.
- The heading "Bank Deposits" in the statement of financial position refers to those bank deposits that have an initial maturity between 3 and 12 months, but that have an attached commitment, i.e. they represent collateral deposits related to letters of bank guarantee issued by banks on behalf of the Group, in favor of customers.
- The heading "Financial Assets Measured at Amortized Cost" from the statement of financial position also includes collateral deposits related to the aforementioned letters of guarantee, but with a maturity greater than 12 months.

ii) Restricted cash

According to IAS 1 para. 66 (d) an entity should classify an asset as current asset when the respective asset represents cash or cash equivalents (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. Restricted cash thus refers to cash that is held for a specific purpose and is therefore not available for use by the company within the next twelve months.

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.

3.14. Cash flows

The cash flow statement presents, in accordance with IAS 7, cash inflows and outflows from operating activities, investing activities and financing activities. Cash flow values are derived indirectly from gross profit.

Cash flows from operating activities are adjusted for non-monetary income and expenses (mainly depreciation and impairment of fixed assets) and take into account changes in working capital as well as actual financial expenses, financial income and taxes.

Investing activities mainly comprise acquisitions of fixed assets, including leased assets, acquisition/disposal of subsidiaries/related entities and changes in term deposits with a maturity of more than one year.

Financing activities comprise cash inflows and outflows from borrowings and repayment of financial debts, from repayment of lease liabilities and from dividends.

3.15. Share capital

The share capital represents all the shares subscribed and paid by the shareholders of the Group. Share capital is entered distinctly in accounts, based on the incorporation documents and supporting documents concerning capital payments.

The capital increase is carried out by subscription and issue of new shares, incorporation of reserves and other operations, according to the law. The capital decrease is mainly operated by reducing the number of shares or decreasing their nominal value due to withdrawal of shareholders, the coverage of accounting losses from previous years or other operations, according to the law.

Writing off an asset that had been brought up as contribution to the share capital does not change the share capital. In all cases of share capital modification, this is done under a resolution of the General Meeting of Shareholders. Gains or losses related to issue or cancellation of shares are not recognized in the profit or loss account. The consideration received or paid in such transactions is recognized directly in equity.

3.16. Legal reserve

Statutory reserves account for 5% of the gross profit at the end of the year, until the statutory reserves reach 20% of the nominal share capital subscribed and paid-up, in accordance with the legal provisions. These reserves are deductible in calculation of the corporate income tax in the amount provided by the Tax Code and are only distributable at the Group's liquidation. The statutory reserve is distributed on the balance-sheet date. The statutory reserve can be found under the heading "Retained Earnings".

3.17. Reserve paid in advance

The reserve paid in advance represents the contributions brought up in cash by the Group's shareholders for a future issue of shares by the Company. The contributed amounts are entered in the credit of the reserve paid in advance, when there is no possibility that such advance payments are returned, and the Group's obligation is only to issue a fixed number of shares.

3.18. Loans

Loans are initially recognised at fair value, net of transaction costs recorded. Subsequently, loans are carried at amortised cost; any difference between the amounts received (net of transaction costs) and the redemption value is recognised in profit or loss over the life of the loans using the effective interest method.

3.19. Government grants

The Group recognizes the governmental subsidies in accordance with the provisions of IAS 20 - Accounting for government grants and disclosure of government assistance.

Government grants are "assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. Subsidies exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal business transactions of the entity".

IAS 20 distinguishes between two types of grants/subsidies: those concerning assets, called investment subsidies, and those concerning income.

Grants related to assets are “government grants whose primary condition is that an entity qualifying for them should purchase, construct or otherwise acquire long-term assets. Subsidiary conditions may also be attached restricting the type or location of the assets or the periods during which they are to be acquired or held”.

3.20. The income subsidies are “governmental subsidies different from those related to assets”.

Accounting of governmental subsidies can be done according to one of the following two approaches: the capital-based approach, where a subsidy is recognized outside profit or loss, and the income-based approach, where the subsidy is entered in the profit or loss account during one or more years.

3.21. Employee benefits

(i) Defined benefit plans

A defined benefit plan is a post-employment benefit plan, other than a defined contribution plan. The Group's net liabilities under the defined benefit plans are calculated separately for each plan, estimating the amount of the future benefits that employees have obtained in exchange for the services rendered in the current and periods; these benefits are discounted to present value. Both any unrecognized costs of past service and the fair value of the benefit plan's assets are deducted.

This calculation is done annually by a qualified actuary, using the projected unit credit method. When the calculation returns a benefit for the Company, the recognized asset is limited to the total of the unrecognized costs of previous services and the present value of the economic benefits available in the form of future reimbursements under the plan or reductions in future contributions. To calculate the present value of the economic benefits, all the minimum funding requirements applicable to any plan within the Group are taken into account. An economic benefit is available to the Group when this is realizable during the lifetime of the plan or at the settlement of the plan's liabilities.

When the benefits of a plan are supplemented, the share of the additional benefit related to the services previously provided by the employees is recognized in the profit or loss statement using the straight-line method, over the average period of time until the benefits take effect. When benefits take effect immediately, the expense is recognized immediately in the profit or loss statement.

The Group immediately recognizes all actuarial gains and losses from defined benefit plans as other comprehensive income and all expenses related to the defined benefit plans in profit or loss.

The Group recognizes the gains or losses related to reduction or settlement of a defined benefit plan when the reduction or settlement concerned actually takes place.

The gains or losses arising from a reduction or settlement must include any resulting change in the present value of the defined benefit liability, any resulting change in the fair value of the plan's assets, any related actuarial gains or losses, and any related cost of past service that had not been previously recognized.

(ii) Other long-term employee benefits

The Group's net liability as to the long-term benefits granted to employees is the amount of the future benefits that the employees have earned in exchange for the services rendered in the current and previous periods. This benefit is discounted to determine its fair value, and the fair value of any related asset is deducted. These benefits are estimated using the projected unit credit method. Any actuarial gains or losses are recognized in the profit or loss during the period when they occur.

(iii) Short-term employee benefits

The liabilities for short-term benefits are measured without being discounted and are expensed as the services are rendered. A provision is recognized at the amount estimated to be paid for short-term benefits in the form of bonuses or

employee profit sharing, only when the Group has a present, legal or implicit obligation to pay this amount for past services rendered by employees, and this can be reliably estimated.

3.22. Provisions for risks and charges

Provisions are recognized only when, further to a past event, the Group has a current legal or implicit liability that can be reliably estimated, and an outflow of benefits is likely to be needed in order to pay off that liability. Provisions are determined by updating the projected future cash-flows using a discounting rate before taxes, that would reflect the current market measurements of the value in time of money and the asset-specific risks. The discounting amortization is as financial cost.

The provision for intermediate storage of the used nuclear fuel is determined as the present value of the future cost of its storage. The provision for the management of low- and medium-level radioactive waste and the provision for the management of non-radioactive waste are determined as the present value of their future management cost. The management of the low- and medium-level radioactive waste and non-radioactive waste takes place in a period after that when it is generated by the operating activity.

3.23. Contingent liabilities and assets

A contingent liability is:

- a) a possible obligation, arising as a result of certain past events, and the existence of which shall be confirmed only due to the occurrence or reoccurrence of one or several future uncertain events, which cannot be entirely under the Company's control; or
- b) a current obligation arising as a result of certain past events, however, which is not recognized as: i. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or ii. the amount of the debt cannot be sufficiently reliably measured.

Contingent debts are not recognized in the financial statements. These are shown in notes, save for when the possibility of an outflow of economic benefits is reduced.

A contingent asset is a potential asset arising as a result of certain past events, and the existence of which shall be confirmed only due to the occurrence or reoccurrence of one or several future uncertain events, which cannot be entirely under the Company's control.

Contingent assets are not recognized in the financial statements, but are shown when an inflow of benefits is likely.

3.24. Income and expenses recognition

Income is recognized to the extent that the economic benefits are likely, and these benefits can be reliably measured. The following criteria must also be met in order to recognize income:

- (i) *Income from the sale of electricity*

In order to recognize the income from the sale of electricity, the Group applies the provisions of IFRS 15 "Income Recognition".

IFRS 15 clarifies how to identify the duty to perform under a contract, how to determine whether an entity acts in their own name or as an intermediary, and whether the income obtained must be recognized at a given time or over time.

IFRS 15 sets out a five-stage model that applies to income under a contract with a customer (except for contracts that are subject to other standards, such as IFRS 16, IFRS 9, IFRS 4, etc.), regardless of the transaction time or the industry. Also, the requirements of the standard will apply to recognition and measurement of gains and losses from the sale of certain non-financial assets, which are not the result of the Group's regular business (e.g.: sale of tangible and intangible non-current assets). The Group assessed the impact of these changes on its financial position and performance, but did not identify any material element before the reporting date.

The group looked into the main income streams, which are represented by the sales of electricity and heat and other income, by applying the "five steps" model set out under IFRS 15. Based on the results of the analysis of the contractual terms for the main types of contracts related to each significant income stream, the Group concluded that IFRS 15 does not have a material impact on the financial statements, compared to the income recognition according to IAS 18 and IAS 11.

The group delivers goods (electricity and heat) for which it considers that income recognition should take place at a given time, when the control over the asset is transferred to the customer, i.e. at delivery of the goods.

(ii) Financial income and expenses

Financial income mainly include income from interest on banking deposits and cash, income from dividends, and income from exchange rate differences. Financial income is recognized in the profit or loss account based on accrual accounting, using the effective interest method. The effective interest rate is the rate that accurately discounts the expected future cash payments and receipts over the expected lifetime of that financial asset or liability (or, where appropriate, over a shorter period) to the book value of that financial asset or liability.

The amount of the interest on the liabilities arising from the leasing agreement contract is determined using a discount rate that can be the interest rate under the contract or the marginal lending rate of the lessee, and is recognized in profit or loss.

Financial costs include mainly the cost of loan interest and exchange rate losses. All borrowing costs that are not directly attributable to the purchase, construction or production of an asset are recognized in the profit or loss account using the effective interest method.

3.25. Expenses recognition

Expenses are decreases in economic benefits recorded during the financial year in the form of outflows or decreases in the value of assets or increases in liabilities, which result in reductions in equity, other than those resulting from their distribution to shareholders.

They are recognised in the consolidated statement of profit or loss when a decrease in the future economic benefits associated with a decrease in the value of an asset or an increase in the value of a liability can be measured reliably. Expense recognition occurs simultaneously with the recognition of an increase in the value of liabilities or a reduction in the value of assets.

3.26. Taxes - other than corporate income tax

IFRIC 21 "Levies" clarifies how levy costs should be recognized in accounts. For an entity, the event that gives rise to a liability to pay a levy is the activity that triggers the payment of the levy, as identified by the legislation. The liability to pay a levy is gradually recognized if the generating event takes place over a period of time.

The Group has implemented the provisions of IFRIC 21 Levies by amending its accounting policies starting with the 2014 annual financial statements. In scope, the Group identified the tax on special constructions and local taxes and duties. The Group recognized the liability for these taxes and duties when the activity giving rise to payment occurred, as this is defined under the relevant legislation. A liability for taxes and duties is gradually estimated only when the activity that gives rise to payment occurs during a period.

IFRIC 21 applies retroactively to all taxes introduced by the governmental authorities according to legislation, other than cash outflows subject to other standards (e.g.: IAS 12 "Corporate Income Tax"), fines and other penalties for infringements of the legislation.

IFRIC 21 points out that this interpretation does not address the method of booking the counterpart of this liability (i.e. asset or cost), but explains that an asset is recognized when a liability has been paid in advance and there is no current payment liability.

The Group considered that liability recognition time is determined by its existence in the assets forming the taxable basis and consequently, the liability for the tax on special structures and the local taxes and duties was recognized in full on 1 January, at the same time with the related cost.

The Group reconsidered the date when the generating event occurs for the taxes and duties that fall under the scope of IFRIC 21 and concluded that this date is 31 December of each year.

3.27. Operating segments

An operating segment is identified by IFRS 8 "Operating Segments" as a component of an entity:

- That engages in business activities from which it may earn income and incur expenses, including income and expenses relating to transactions with other components of the same entity;
- Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
- For which discrete financial information is available.

The Group's management consider its operations as a whole as "one single segment".

Identification of a single reportable segment relies on the following elements:

- The Group generates and delivers only electricity and heat. The share of income delivery of heat is down at only 0.12%.
- The generation activity takes place only in the territory of Romania.
- The two functional nuclear units and the nuclear fuel plant are located in the territory of Romania.
- The electricity delivery is mainly done in the territory of Romania and to legal entities.
- The regulatory framework is consistent for the entire Parent Company. The Group applies accounting regulations compliant with the International Financial Reporting Standards ("IFRS") as approved under OMFP no. 2.844/2016, and Romanian energy sector is regulated by the Romanian Energy Regulatory Authority ("ANRE").

In order to meet the financial statements presentation requirements, we point out the following:

- *IFRS 8.32. - Information about products and services.* As stated in *Note 1 Reporting Entity*, the core business of the Group in the electricity and heat generation by means of nuclear methods.
- *IFRS 8.33. – Information about geographic segmentation:*
 - a) *Amount of income obtained from sale of electricity in the territory of Romania and abroad.* Income from electricity sales was generated 97.84% from customers located in Romania and 2.16% from customers located in the Republic of Moldova.
 - b) *Amount of non-current assets located in Romania and abroad.* All non-current assets of the Group are located in the territory of Romania.
- *IFRS 8.34. – Information about main customers.* The transactions with main customers are presented in both *Note 12 Trade and other receivables* and *Note 30(b) Management of significant risks, Credit risk, where the Group's exposure to the concentrated credit risk was tackled.*

3.28. Net corporate income tax expenses

The net corporate income tax expense of the year includes the current tax, the deferred tax, and the effective minimum tax related for the SNN Group.

The corporate income tax is recognized in profit or loss and in other comprehensive income where the tax relates to capital items.

i) The current tax is the tax payable related to the profit made in the current period, as determined based on the percentages applied at the date of the statement of the financial position and all adjustments related to previous periods. For the period ended on 31 December 2025 and 31 December 2024, the corporate income tax rate was 16%.

ii) Deferred tax is determined for those temporary differences that occur between the taxable amount for assets and liabilities and their book value used for reporting in the financial statements. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets and liabilities from transactions that are not business combinations and that do not affect either the accounting or the tax profit and

differences from investments in subsidiaries, provided that these are not restated in the near future. Deferred tax is calculated based on the tax rates that are expected to be applicable to temporary differences at their restatement, based on the legislation in force on the reporting date or issued on the reporting date and that come into force at a later date.

iii) The effective minimum tax for the SNN group is the tax calculated on the basis of Law no. 431/2023 ensuring a global minimum level of taxation for multinational enterprise groups and large domestic groups, for which additional guidance provided by the Organization for Economic Cooperation and Development (OECD) has been taken into account as a source of illustration or interpretation, with the aim of ensuring consistent application of the legislation in force. The Government Ordinance no. 21/2025, published in the Official Gazette no. 805 of 29 August 2025, clarified the conditions for application of the initial phase of exemption found in Article 53 of Law no. 431/2023, which grants the large national groups an exemption from the global minimum tax for a period of 5 years.

Deferred tax assets and liabilities are only offset when there is a legal right to offset current tax assets and liabilities and these relate to the tax collected by the same tax authority for the same entity subject to taxation or for different tax authorities, but they want to settle the current tax assets and liabilities using a net basis or the related assets and liabilities will be realized simultaneously.

The deferred tax asset is recognized only to the extent that it is likely that future profits are made that can be used to cover for the loss for tax purposes. The asset is reviewed at the end of each financial year and is reduced to the extent that the related tax benefit is unlikely to be realized.

3.29. Dividends to be distributed

Dividends are treated as a profit distribution during the period when these were declared and approved by the General Meeting of Shareholders. Dividends are recognized as liability in the period during which their distribution is approved.

3.30. Earnings per share

Earnings per share are calculated by dividing profit or loss attributable to the Group's ordinary equity holders by the weighted average number of ordinary shares outstanding during the period. The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor.

Dilution is a reduction in earnings per share or an increase in loss per share resulting from the assumption that convertible instruments are converted, that options or warrants are exercised, or that ordinary shares are issued upon the satisfaction of specified conditions. The objective of diluted earnings per share is consistent with that of basic earnings per share, i.e. to provide a measure of the interest of each ordinary share in the performance of an entity.

3.31. Subsequent events

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue.

Subsequent events providing additional information on the Group's position at the end of the reporting period (events requiring adjustments) are reflected in the financial statements.

Events after the reporting period that do not require adjustments are highlighted in the notes, when they are considered material.

3.32. Related parties

Parties are deemed to be related if one party has the ability to control the other party, to exercise significant influence over the other party in making financial or operating decisions, is under common control with another party, has a joint venture in which the entity is a partner or is a member of management as described in IAS 24 'Related Party Disclosures'. In assessing each possible relationship with related parties, the focus is on the substance of the relationship and not

necessarily its legal form. Related parties may enter into transactions that unrelated parties may not enter into and the same terms, conditions and values will not apply to transactions between related parties as to unrelated parties. The related party transactions are a transfer of resources or obligations between related parties, regardless of whether a price is involved.

Considering the status of a company with majority State capital, the Parent Company is subject to specific regulations, and has obligations to report on its transactions with related parties. The Group discloses its transactions with related parties in the financial statements in accordance with IAS 24 “Related Party Disclosures” (see Note 29).

3.33. Implications of the new International Financial Reporting Standards (IFRS)

During the year, the Group considered application of all new accounting standards and the amendments made to the International Financial Reporting Standards (IFRS), which are relevant for its operations and are in force for the accounting periods starting on 1 January 2025, as approved by the European Union.

(i) New accounting standards and amendments to the existing accounting standards in force for the current reporting period

The following new accounting standards and the amendments to the existing accounting standards issued by the International Accounting Standards Board (IASB) and adopted by the EU are in effect for the current reporting period:

- **Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability** issued by the IASB on 15 August 2023, published in OJEU on 13 November 2024 and effective from 1 January 2025 (early application is permitted). These amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not exchangeable.

Adoption of these standards and amendments to the existing accounting standards did not lead to significant changes in the financial statements of the Group.

(ii) Accounting standards and amendments to the existing accounting standards issued by IASB and adopted by the EU, but which have not yet taken effect

On the approval date of these financial statements, the following amendments to the existing accounting standards were issued by IASB and adopted by the EU, but have not yet taken effect:

- **Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures, applicable for annual periods beginning on or after 1 January 2026**

As at 30 May 2024, the IASB issued specific amendments to IFRS 9 and IFRS 7 to address recent questions arising in practice and to include new requirements not only for financial institutions, but also for corporate entities. The amendments:

- Clarify the date of recognition and derecognition for certain financial assets and liabilities, introducing a new exception for a portion of financial liabilities settled via an electronic cash transfer system.
- Clarify and add further guidance to assess whether a financial asset meets the Solely Payments of Principal and Interest (SPPI) criterion.
- Introduce new disclosure requirements for certain financial instruments with contractual terms that can modify cash flows (such as financial instruments with features linked to achieving the Environmental, Social, and Governance (ESG) targets) and
- Update the disclosure requirements for equity instruments designated at fair value through other comprehensive income (FVOCI).

- **Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 - Annual Improvements to IFRS Accounting Standards - Volume 11** issued by the IASB on 18 July 2024. These amendments include clarifications, simplifications, corrections and amendments in the following areas: (a) hedge accounting adopted by a first-time adopter (IFRS 1); (b) gain or loss on derecognition (IFRS 7); (c) disclosure of deferred difference between fair value

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and transaction price (IFRS 7); (d) introduction and credit risk disclosures (IFRS 7); (e) derecognition of lease liabilities by the lessee (IFRS 9); (f) transaction price (IFRS 9); (g) determination of a “de facto agent”; (IFRS 10); (h) cost method (IAS 7).

Management have assessed/are currently assessing the potential impact of applying of the above pronouncements on the financial statements of the Company/Group. As at the reporting date, the Company/Group does not expect the adoption of these amendments to have a material impact on the financial statements, as they will be applied by the Company/Group starting with future financial years, in accordance with their effective dates.

(iii) New accounting standards and amendments to the existing accounting standards issued by IASB and not adopted by the EU

New accounting standards and amendments to the existing accounting standards were issued by IASB upon approval of such financial statements, but they have not been adopted yet by the EU:

- **Amendments to IFRS 9 and IFRS 7 - Amendments to Classification and Measurement of Financial Instruments** issued by the IASB on 30 May 2024. The amendments clarify the classification of financial assets that have environmental, social, corporate governance (ESG) and similar characteristics. These amendments also clarify the date on which a financial asset or liability is de-recognized, and introduce additional requirements for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with features affected by contingent events.
- **IFRS 18 Presentation and Disclosure in Financial Statements** issued by the IASB on 9 April 2024 will supersede IAS 1 Presentation of Financial Statements. The standard introduces three sets of new requirements for companies to improve their reporting of financial performance, and gives investors a better basis for analysing and comparing companies' performance. The main amendments of the new standard compared to IAS 1 relate to: (a) introduction of categories (operating, investing and financing – and the corporate income tax and discontinued operations) and sub-totals defined in the statement of profit or loss; (b) introduction of requirements for improved aggregation and disaggregation; (c) introduction of disclosures on Management-Defined Performance Measures (MPMs) in the notes to the financial statements. While IFRS 18 will not impact the recognition or measurement of items in the financial statements, its impact on presentation is material, in particular in terms of financial performance and inclusion of the management-defined performance measures in the financial statements.
- **IFRS 19 Subsidiaries without public accountability: disclosures** issued by the IASB on 9 May 2024. This standard allows subsidiaries to provide reduced disclosures when they apply the IFRS accounting standards in the financial statements. IFRS 19 is voluntary for eligible subsidiaries and sets out the disclosure requirements for the subsidiaries who choose to apply it.
- **IFRS 14 Regulatory disclosure accounts** issued by the IASB on 30 January 2014. This standard is intended to allow entities which adopt IFRS for the first time, and currently recognise deferral accounts for regulated activities under previous generally accepted accounting principles to continue to do so on transition to IFRS.
- **Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 "Investments in Associates and Joint Ventures" - Asset sale or contribution between an investor and its related entities or joint ventures**, issued by IASB on 11 September 2014. The amendments resolve the contradiction between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, gains or losses are recognised when the assets sold or contributed represent an enterprise. This amendment could only be applied when the entity has not devised an accounting policy in this regard.

The Group does not expect that adoption of these new accounting standards and amendments to the existing accounting standards will have a material impact on the Group's future performance.

3.34. Climate-related matters

Mitigation of climate change and energy supply security are two of the most important global challenges in the last years, which require a reconsideration of the world's energy systems. Implementation of nuclear energy in the energy, industry, construction and transport sectors can help reduce dependence on fossil fuels and provide flexibility services to render the renewable energy systems even more reliable.

Nuclear power plants do not release any greenhouse gas emissions while operating and during their life cycle, they produce approximately the same amount of carbon CO₂ equivalent emissions per unit of electricity as wind turbines and a third of the emissions per unit of electricity of the solar energy facilities.

As to the legislative regulations, on 10 December 2021, the European Union adopted the Delegated Act supplementing Article 8 of the Regulation (EU) 2020/852 of 18 June 2020 *on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088*, which aims to classify economic activities depending on their contribution to attainment of the environmental targets. This "Taxonomy Regulation" is part of the European strategy advancing a sustainable financing that helps attain carbon neutrality by 2050, in particular by encouraging capital inflows in sustainable investments. The Regulation requires groups subject to non-financial reporting obligations, such as the SNN Group, to publish three indicators: turnover, capital expenses and operating expenses related to the eligible European taxonomy, and then aligned with the business activities taxonomy.

As at 2 February 2022, the European Commission approved a complementary delegated act on climate, which includes, under strict conditions, activities specific to nuclear and gas energy in the list of economic activities covered by the EU taxonomy. The draft was formally adopted on 9 March 2022, when the versions were made available in all official EU languages. The Complementary Delegated Act (EU) 2022/1214 was published in the Official Journal on 15 July 2022. It is due to apply as of 1 January 2024.

As at 31 July 2023, the European Commission adopted European Sustainability Reporting Standards (ESRS) to be used by all companies in the scope of the Corporate Sustainability Reporting Directive (CSRD).

Thus, starting with the financial year ending on 31 December 2024, Nuclearelectrica prepares the SNN Group Consolidated Sustainability Report in accordance with ESRS standards. SNN Group Consolidated Sustainability Report allows the Parent Company to present environmental, social and governance issues and reinforce its commitment to sustainable development in a way that can be evidenced to both internal and external stakeholders.

No ESG-related risks material enough to be presented to the Parent Company's administration, management and supervisory bodies were identified in 2024.

The SNN Group's Consolidated Financial Statements reflect matters related to climate change and sustainable development under the elements below: implementation of the investment strategy and of a sustainable financing strategy; the costs specifically incurred to respond to the environmental issues, based on the applicable laws and regulations; and the measurement methods applied for the Parent Company's assets and liabilities.

- The Group's investment projects contribute both to energy security and to the decarbonization process, and are source of clean energy, in accordance with the "Fit for 55" measures of the European Commission and the new Complementary Delegated Act that included nuclear energy under the scope of the EU Taxonomy on Sustainable Financing. Completion of the Parent Company's investment projects will lead, after 2031, to ensuring about 33% of the consumption needs and an estimated 66% of the energy free of CO₂ emissions at the national level, as well as to avoiding the release into the atmosphere of approximately 20 million tons of CO₂ annually. The Group has strategic investment projects in progress, including: Refurbishment of Unit 1; the Project of Units 3 and 4; development of small modular reactors in partnership with NuScale ("SMR"), and implementation of support projects for current operation, such as the Tritium Removal Plant. The Group's investment projects will bring clean CO₂-free energy to Romania's energy stability, social and economic development, development of the nuclear industry and training of a new generation of specialists.

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- The three indicators subject to the non-financial reporting obligation (turnover, capital expenses and operating expenses) are disclosed at a consolidated level in the SNN's Group 2025 Sustainability Report, an appendix of the Annual Report of SNN's Board of Directors.
- Measurement of assets and liabilities
 - (i) Provisions for contingent liabilities and losses embedding environmental matters

The provisions for bad debts and unforeseen losses that embed aspects related to the environment are: provisions for management of radioactive and non-radioactive waste, and for the management of spent fuel (DICA provisions). For details, see Note 18.

In 2025 and 2024, respectively, no contingent liabilities related to environmental disputes were booked.

(ii) Assessment measurement

The climate aspects are considered in the measurement of long-term assets through impairment testing. At the end of each reporting period, in order to comply with the provisions of IAS 36, the Group assesses whether there is any indication that an asset is significantly impaired. The impairment testing and recognition of the impairment adjustments are carried out in accordance with the provisions of Note 3.10.

The book value of the Group's non-financial assets, other than deferred tax assets, is reviewed at each reporting date for impairment indications. Where there are such indications, the recoverable amount of those assets is estimated.

As at 31 December 2025, management of the Parent Company have reviewed the impairment indicators for the assets held and concluded that there was no risk of impairment, on top of what it had already been entered into accounts.

4. Accounting estimates and significant judgments

The Group makes estimates and assumptions that affect the value of the reported assets and liabilities. Estimates and judgments are continually assessed and are based on past experience and other factors, including expectations of future events that are deemed reasonable under the given circumstances.

The management discussed about development, selection, presentation and application of the critical accounting policies and estimates. These disclosures supplement the comments on financial risk management (see Note 30).

The significant accounting judgments for application of the Group's accounting policies include:

4.1. Key sources of estimate uncertainty

(i) *Adjustments for impairment of assets measured at amortized cost*

Assets booked at amortized cost are measured for impairment according to the accounting policy described in Note 3.8. Identification and measurement of write-downs.

Receivables are measures for impairment individually and this measurement relies on the best management of the present value of the cash flows expected to be received. In order to estimate these flows, the management makes certain estimates regarding as to the counterparty's financial standing. Each asset is analysed individually. The accuracy of the adjustments depends on the future cash flow estimate for specific counterparties.

(ii) *Fair value determination for financial instruments*

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The fair value of financial instruments that are not traded on an active market is determined using the measurement techniques described in the accounting policy of Note 3.8. For rarely traded financial instruments that do not enjoy price transparency, the fair value is less objective and is determined using different levels of estimates of the liquidity, concentration, uncertainty of market factors, price assumptions and other risks that affects the said financial instrument.

(iii) Fair value hierarchy

Assets and liabilities are measured and presented at fair value in the financial statements, according to the fair value hierarchy under IFRS 13, which requires classification of the measurement methods in the following measurement levels:

The Group uses the following hierarchy of methods to determine the fair value:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (e.g. prices, quoted prices in markets that are not active), or indirectly (e.g. price derivatives)
- Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs). This category includes all instruments for which the measurement technique includes elements that are not based on observable data and for which unobservable input parameters can have a significant effect on the instrument's measurement. This category includes instruments that are measured based on quoted prices for similar instruments, but for which adjustments based largely on unobservable data or estimates are required to reflect the difference between the two instruments.

The Group determines the fair value using mainly active market quotations.

Fair value is the amount for which the financial instrument could be exchanged in regular arm's length transactions between interested and knowledgeable parties, other than those determined by liquidation or forced sale. Fair values are obtained from quoted market prices or cash flows models, as applicable. As at 31 December 2025 and 31 December 2024, the management consider that the fair values of cash and cash equivalents, trade and other receivables, trade payables, as well as other short-term liabilities approximate their book value.

Considering the company's sector, added to the specific nature of the investments that are subject to financing and the structure of the collaterals, that include a government guarantee, as well as due to the floating nature of the interest rate, the Group's management estimate that the fair value of loans is approximately equal to their book value. The book value of loans is the amortized cost. Based on these considerations, the loans were classified at Level 2.

The table below looks into the financial instruments booked at fair value, depending on the measurement method applied:

	Book value	Fair value	Level
31 December 2025 (audited)			
Financial assets			
Financial assets measured at amortized cost	1,705,475,268	1,705,475,268	2
Trade receivables	333,451,217	333,451,217	2
Other financial assets measured at amortized cost	356,597,510	356,597,510	2
Cash and cash equivalents	1,538,782,800	1,538,782,800	2
Bank deposits	1,297,840,701	1,297,840,701	2
	<u>5,232,147,496</u>	<u>5,232,147,496</u>	

	Book value	Fair value	Level
31 December 2025 (audited)			
Long-term financial liabilities			
Long-term loans	584,978,568	584,978,568	2
Liabilities under long-term financial leasing agreements	20,310,323	20,310,323	2
Deferred income	6,166,649	6,166,649	2
	611,455,540	611,455,540	
Short-term financial liabilities			
Trade and other payables	1.008.006.209	1,000,117,354	2
Liabilities under short-term financial leasing agreements	7.390.834	7,390,834	2
Current part of the long-term loans	2.509.590	2,509,590	2
Deferred income	161.120.771	161,120,771	2
	1.179.027.404	1,171,138,549	
	Book value	Fair value	Level
31 December 2024 (audited)			
Financial assets			
Financial assets measured at amortized cost	968,962,604	968,962,604	2
Trade receivables	352,031,138	352,031,138	2
Other financial assets measured at amortized cost	399,894,958	399,894,958	2
Cash and cash equivalents	1,720,501,128	1,720,501,128	2
Bank deposits	2,139,845,361	2,139,845,361	2
	5,581,235,189	5,581,235,189	
	Book value	Fair value	Level
31 December 2024 (audited)			
Long-term financial liabilities			
Long-term loans	-	-	2
Liabilities under long-term financial leasing agreements	29,614,662	29,614,662	2
Deferred income	21,377,883	21,377,883	2
	50,992,545	50,992,545	
Short-term financial liabilities			
Trade and other payables	1,075,557,344	1,075,557,344	2
Liabilities under short-term financial leasing agreements	4,984,122	4,984,122	2
Current part of the long-term loans	-	-	2
Deferred income	180,917,818	180,917,818	2
	1,261,459,284	1,261,459,284	

(iv) Classification of financial assets and liabilities

The accounting policies of the Group provide the basis for the initial classification of assets and liabilities in different accounting categories.

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(v) Re-measurement of tangible non-current assets

Tangible non-current assets, consisting of land and buildings, are subject to revaluation, and the changes in fair value are recognized in other comprehensive income. Revaluations shall be made with sufficient regularity to ensure that the book value does not differ materially from that its value, as determined using the fair value at the end of the reporting period.

(vi) Fair value measurement

The last measurement of tangible non-current assets was made as at 31 December 2025. Thus, the tangible non-current assets of the Company were valued by an external independent valuer, authorized by the National Association of Romanian Authorized Valuers ("ANEVAR"). The revaluations of land and buildings on 31 December 2025 were carried out based on the following methods, in compliance with the principles and valuation techniques included in the ANEVAR Property Valuation Standards:

- The benchmarking method for land owned exclusively;
- The extraction method for land owned under undivided share;
- Income method for the two administrative buildings;
- Replacement cost method for special structures and other assets.

(vii) Fair value hierarchy

Based on the input data used in the valuation technique, the fair value of tangible non-current assets was classified at Level 3 of the fair value hierarchy.

(viii) Impact and implications of the military conflicts

The geopolitical situation worldwide deteriorated after 24 February 2022, with the invasion of Ukraine by Russia, followed by the outbreak of the war in Israel on 7 October 2023.

Both the military conflict in Ukraine and the war in Israel did not have a significant impact, directly or indirectly, on the Parent Company's activities. The operation, production and development of investment projects, and the current activities are carried out normally.

The conflict in Ukraine, beyond the human drama, proved the importance of a balanced energy mix in the EU and a resilient energy system when faced with extreme events. It is also a major alarm signal in terms of energy policy at the EU level, fair inclusion of energy sources with a role in decarbonization to ensure the long-term stability and accessibility of energy, without risking the energy security of the EU and the Member States. The cooperation between States to identify viable and specific solutions is an extremely important next step.

In this context, nuclear energy becomes even more important in the European energy mix and in reducing energy dependence. Nuclear energy responds to the 3 current challenges: energy security, attainment of the decarbonization targets, and maintaining an affordable cost for consumers. The Parent Company plays an important part at the national level, in terms of both the energy stability of the country and reaching the decarbonization targets.

The military conflicts have triggered a realignment of political, military and economic alliances with potential economic impact:

- the prices of many goods will continue to remain high, with the conflicts in Ukraine and Israel leading to high volatility;
- inflation rates are expected to remain high in the near future, both in Romania and in the rest of the world, but declining and with a volatile outlook;
- monetary policy interest rates of central banks (e.g. NBR, Fed, ECB, BoE) are expected to remain high (end of the "cheap money" period);
- disturbance (to the point of disruption) of supply chains is likely to persist and increase as de-globalisation (regionalisation and protectionism) continues.

The geopolitical framework and the global economic situation, marked by increased uncertainty about economic growth, the potential intensification of the war between Russia and Ukraine or the escalation of the war in Israel, are challenging

the financial system in Romania, with adverse implications for commodity markets and global supply chains, as international trade is already relatively fragmented following previous shocks.

Having reviewed the impact of those two conflicts on the Group, we conclude that this has no direct no direct exposure related to Russia, Ukraine or Israel, does not hold any direct or indirect investments in companies of these countries, as this year's supply chains for raw materials were established with companies of Kazakhstan, Canada and Romania. Furthermore, the Group has no exposure to business, companies or banks which are currently affected by the international sanctions.

The indirect impact on the Consolidated Financial Statements is harmonized with the overall and regional effects of the Ukraine conflict and Israel war. Electricity sale prices, national policies for mitigating the effects of such conflicts, and the evolution of the consumer price index are the most notable influences resulting from such conflictual situations.

4.2. Other general matters concerning the Parent Company's activity in the context of military conflicts

a) Impairment of financial instruments and other financial risks

The Group constantly monitors the developments in the credit risk and makes adjustments for impairment on the financial assets based on the history of depreciation of this risk, in accordance with the provisions of IFRS 9. According to the risk analyses carried out in the Group as at 31 December 2025, no degradations of the implemented indices were identified compared to the values obtained on 31 December 2024. Also, the Group does not hold financial assets or liabilities affected by the international restrictions/sanctions related to the states involved in the conflict. No exposures of the Group to liquidity risk or market risk (in particular currency exchange risk) were identified as generated by the transactions with companies from the states involved in military conflicts.

b) Impairment of non-financial assets

Considering that the Group does not own or operate any assets located in the territory of those states involved in the military conflicts, no risks of physical damage, restricted access or impairment indices of the recoverable amount have been identified.

c) Loss of control or joint control or of the ability to exercise a significant influence

The companies falling under the consolidation scope of S.N. Nuclearelectrica S.A. are Romanian companies which carry out their activity only in the territory of Romania and are owned 100%, except for the related entity Ropower Nuclear S.A., which is owned 50%. Therefore, as at 31 December 2025, neither any circumstances liable to significantly limit or even lose the ability of the Parent Company to exercise its rights, nor any provisions concerning the governance of these subsidiaries and/or the related entities have been identified.

d) Other assets, liabilities, income and expenses

In addition to the information found in the previous paragraphs, the military conflicts and the war in Israel did not require any other specific exercise of judgments, estimates or assumptions to determine the value of the assets or liabilities, income and expenses of the period (compared to those disclosed in Note 2.6).

The direct or indirect impact of the military conflicts on the Group's business cannot be quantified value-wise, given that the current developments in inflation and the forecasted developments thereof for the upcoming periods are the result of factors that are difficult to predict. From the point of view of qualitative analysis, the Group monitors the macroeconomic developments and continuously assesses the factors of uncertainty and the potential financial impact of the military conflicts, in order to identify the measures required to be implemented, and advise the investors accordingly.

The Group has in place and applies specific and efficient cyber risk management policies. The military conflicts had no impact upon the Group's companies going concern. The effects of the conflicts on the financial standing, financial performance and cash flows of the Group appear not significant. Similarly to the results of the previous year, the Group obtained very good financial results, complying with and achieving its investment, production programs and performance ratios.

5. Tangible non-current assets

	Land	Nuclear plants	Machinery, equipment and other assets	Non-current assets in progress	Total
Cost					
Balance as at 1 January 2024 (audited)	37,496,567	4,694,554,252	1,824,802,355	2,623,562,455	9,180,451,630
Inflows	-	-	33,370,152	598,183,861	631,554,013
Heavy water-related inflows	-	22,509,901	-	-	22,509,901
Transfers	-	105,617,319	53,481,835	(159,099,154)	-
Transfer of inventories	-	-	-	(17,847,876)	(17,847,876)
Transfer of intangible non-current assets	-	-	-	(13,039,301)	(13,039,301)
Transfer of assets held for sale	-	-	(128,557)	-	(128,557)
Transfer from reclassified spare parts	-	-	31,014,170	(31,014,170)	-
Derecognition of inspections	-	(53,596,906)	-	-	(53,596,906)
Derecognition of heavy water	-	(1,153,926)	-	-	(1,153,926)
Annulment of accumulated depreciation	-	-	-	-	-
Outflows	-	-	(8,494,339)	(985,311)	(9,479,650)
Balance as at 31 December 2024 (audited)	37,496,567	4,767,930,640	1,934,045,617	2,999,760,504	9,739,233,328
Balance as at 1 January 2025 (audited)	37,496,567	4,767,930,640	1,934,045,617	2,999,760,504	9,739,233,328
Inflows	-	-	22,123,447	3,167,197,880	3,189,321,327
Transfers	-	142,600,533	40,997,833	(183,598,365)	-
Heavy water-related inflows	-	16,157,594	-	-	16,157,594
Transfer of inventories	-	-	-	(29,334,133)	(29,334,133)
Transfer from reclassified spare parts	-	-	30,272,123	(30,272,123)	-
Transfer in investments in properties	(3,109,205)	-	(6,918,558)	-	(10,027,763)
Increases from revaluation through reserves	20,675,883	2,055,952,981	400,710,676	-	2,477,339,540
Increases from revaluation through profit or loss	347,609	-	1,705,565	-	2,053,174
Derecognition of inspections	-	-	(42,211)	-	(42,211)
Derecognition of heavy water	(782,442)	-	(17,853)	-	(800,295)
Decreases from revaluation through reserves	-	(1,545,959,407)	(103,603,608)	-	(1,649,563,016)
Decreases from revaluation through the profit or loss account	-	(89,409,814)	-	-	(89,409,814)
Elimination of accumulated depreciation - revaluation	-	(2,280,266)	-	-	(2,280,266)
Outflows	-	(7,245,852)	(4,305,680)	(1,323,010)	(12,874,543)
Balance as at 31 December 2025 (audited)	54,682,412	5,337,746,407	2,314,967,351	5,922,430,752	13,629,772,922
Depreciation and impairment adjustments					
Balance as at 1 January 2024 (audited)	550,782	1,126,533,114	1,128,068,177	154,852,401	2,410,004,474
Depreciation expense	-	546,263,089	98,516,598	-	644,779,687
Accumulated depreciation of derecognized inspections	-	(52,896,136)	-	-	(52,896,136)
Accumulated depreciation of outflows	-	(1,153,926)	(5,922,022)	-	(7,075,948)
Accumulated depreciation for the transfer of assets held for sale	-	-	(12,856)	-	(12,856)
Impairment adjustments	-	-	10,879,641	(412,787)	10,466,854
Balance as at 31 December 2024 (audited)	550,782	1,618,746,141	1,231,529,539	154,439,614	3,005,266,076
Balance as at 1 January 2025 (audited)	550,782	1,618,746,141	1,231,529,539	154,439,614	3,005,266,076
Depreciation expense	-	583,092,558	103,439,464	-	686,532,022
Accumulated depreciation of inspections	-	(89,409,814)	-	-	(89,409,814)
Cumulative depreciation heavy water	-	(2,280,266)	-	-	(2,280,266)
Accumulated depreciation of outflows	-	(3,136,666)	(3,980,420)	-	(7,117,086)
Depreciation related to investment properties transfers	-	-	(700,070)	-	(700,070)
Elimination of accumulated depreciation - revaluation	-	(1,545,959,407)	(103,603,608)	-	(1,649,563,016)
Impairment adjustments	-	-	14,839,343	226,971	15,066,315
Balance as at 31 December 2025 (audited)	550,782	561,052,546	1,241,524,248	154,666,586	1,957,794,161
Book value					
Balance as at 1 January 2024 (audited)	36,945,785	3,568,021,139	696,734,178	2,468,710,054	6,770,411,156
Balance as at 31 December 2024 (audited)	36,945,785	3,149,184,499	702,516,078	2,845,320,889	6,733,967,251
Balance as at 31 December 2025 (audited)	54,077,630	4,776,693,862	1,073,443,103	5,767,764,166	11,671,978,761

(i) Nuclear plants, machinery, equipment and other assets

In 2025, the Parent Company purchased 5.5 tons of heavy water from the National Administration of the State Reserves and Special Problems (“ANRSPS”), needed for Units 1 and 2 amounting to RON 16,157,594, and in 2024 it purchased 8 tons of heavy water amounting to RON 22,509,901.

(ii) Non-current assets in progress

As at 31 December 2025 the net book value of assets in progress, of RON 5,767,764,166 (31 December 2024: RON 2,845,320,889), included the following items:

- Investment relating to the increase in the production capacity with a net book value of RON 1,502,694,328 (31 December 2024: of RON 694,529,898);
- Investments related to units 1 and 2, in total amount of RON 2,537,878,757 (31 December 2024: RON 2,150,790,991), the most outstanding being:
 - ✓ Advance payments for tangible non-current assets: RON 1,727,191,081 (31 December 2024: RON 962,936,319)
 - ✓ Refurbishment of U1 in amount of RON 1,924,071,563 (31 December 2024: RON 708,697,997);
 - ✓ Tritium removal facility for D2O in amount of RON 282,541,208 (31 December 2024: RON 168,596,551);
 - ✓ Improving the nuclear safety systems after Fukushima in amount of RON 150,546,496 (31 December 2024: RON 107,667,318);
 - ✓ Building storage and loading premises for the nuclear fuel used (DICA) in amount of RON 24,801,398 (31 December 2024: RON 23,684,598);
 - ✓ Equipment and materials for investments in amount of RON 128,443,665 (31 December 2024: RON 93,541,232).

The gross investment value relating to the increase in the production capacity amounts to RON 1,513,051,443, of which the book value of Units 3 and 4, amounts to RON 273,960,000 (31 December 2024: 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 31 December 2025 in amount of RON 159,253,825 (31 December 2024: 159,253,825), as well as equipment and other assets for Units 3 and 4 in amount of RON 1,079,837,618 (31 December 2024: RON 271,673,188). 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 Parent 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 31 December 2025, the gross book value of Unit 5 amounted to RON 137 million (31 December 2024: RON 137 million). As at 31 December 2013 the Parent 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.

For the impairment testing of assets related to Units 3 and 4, the Company hired an independent valuer to determine their fair value. The result of the report has been used to proportionally allocate the book value between Units 3 and 4, according to the valuation report.

The main **investments commissioned** by the Company in 2025 from the projects in progress related to Units 1 and 2 were represented by: Major inspections at the U1 Turbogenerator, amounting to RON 63,621,958; installation of spare parts on equipment in operation, totalling RON 27,517,423; construction of spent nuclear fuel storage and loading facilities for (DICA), valued at RON 8,396,834; and property improvement the operation of the Seiru Storage Facilities, amounting to RON 2,463,908.

(iii) Adjustments for impairment, depreciation, depreciation method and lifetime

As at 31 December 2025, the Company accounted for movements in the adjustments for impairment of fixed assets in the amount of RON 16,646,348, representing expenses increases (31 December 2024: RON 10,466,854).

Depreciation is calculated using the straight-line method of cost allocation or of the revalued value of assets, 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 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. According to the Group's policy, in the Consolidated Financial Statements, the revaluation surplus included in the revaluation reserve is capitalized by transfer to the result carried forward, as it is used or when the asset is written off. All other tangible non-current assets are recognized at historical cost less amortization.

The last **revaluation** of lands and buildings of the Parent Company, SN Nuclearelectrica SA, was made on 31 December 2025 by the independent valuer (Primoval S.R.L., a member of the National Association of Authorized Romanian Valuers - ANEVAR). Prior to such revaluation, land and buildings were revalued as at 31 December 2021.

The valuation report, related to the year 2025 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 - ANEVAR 2025, valid as at 31 December 2025, drafted by the National Association of Authorized Romanian Valuers (ANEVAR):

- General standards: SEV 100 – General Framework (IVS General Framework); SEV 104 – Types of Value; SEV 400 – Valuation Review
- Standards for assets: GEV 630 – Valuation of Immovable Property;
- Standards for specific applications: 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 7.5% - 10%, 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.

The impact of asset revaluation as at 31 December 2025, is presented below:

Assets group	Gross value as at 31 December 2025 (before revaluation)	Depreciated amount before 31 December 2025 (before revaluation)	Net value as at 31 December 2025 (before revaluation)	Revalued amount as at 31 December 2025	Revaluation differences as at 31 December 2025
Land	33,315,060	-	33,315,060	53,556,110	20,241,050
Nuclear plants	3,828,829,927	1,545,959,407	2,282,870,520	4,338,823,500	2,055,952,981
Machinery, equipment and other assets *)	344,261,691	103,603,608	240,658,083	643,014,261	402,356,178
TOTAL	4,206,406,678	1,649,563,016	2,556,843,662	5,035,393,871	2,478,550,209

*) The heading "Machinery, equipment and other assets" includes also buildings, other than nuclear power plants, these being subject to revaluation at 31 December 2025.

Assets group	Impact on revaluation reserve - increase -	Impact on revaluation reserve - decrease -	Impact on profit or loss - income -	Impact on profit or loss - expense -	Total revaluation impact - net-
Land	20,675,883	-	347,609	(782,442)	20,241,050
Nuclear plants	2,055,952,981	-	-	-	2,055,952,981
Machinery, equipment and other assets *)	400,710,676	(42,211)	1,705,565	(17,853)	402,356,178
Total	2,477,339,540	(42,211)	2,053,174	(800,295)	2,478,550,209

*) The heading "Machinery, equipment and other assets" includes also buildings, other than nuclear power plants, these being subject to revaluation at 31 December 2025.

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

Information relating to the valuation of lands and buildings is presented in Note 5.

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

If lands and buildings had been valued at historical cost, amounts would have been:

	<u>31 December 2025</u> <u>(audited)</u>	<u>31 December 2024</u> <u>(audited)</u>
Land		
Cost	22,010,971	22,872,298
Accumulated depreciation	-	-
Net book value	<u><u>22,010,971</u></u>	<u><u>22,872,298</u></u>
	<u>31 December 2025</u> <u>(audited)</u>	<u>31 December 2024</u> <u>(audited)</u>
Buildings		
Cost	7,394,999,646	7,324,405,598
Accumulated depreciation	(5,044,804,533)	(4,725,828,202)
Net book value	<u><u>2,350,195,113</u></u>	<u><u>2,598,577,395</u></u>

(vii) **Decommissioning of nuclear units**

Unit 1 is designed to operate until the end of 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 26). The expense with the Company’s contributions to ANDR in 2025 amounts to RON 130,127,882 (31 December 2024: RON 99,666,245).

(viii) **Pledged assets**

As at 31 December 2025, respectively 31 December 2024, the Group had no pledged or mortgaged assets.

(ix) **Supplier credit**

As at 31 December 2025 the Group owned plant, property and equipment purchased with credit from suppliers (commercial credit) in amount of RON 156,102,441 (31 December 2024: RON 88,555,577).

*This is a free translation from the Romanian version. In case of any differences between the Romanian and English version, the Romanian version prevails
Notes 1 to 32 are an integral part of these consolidated financial statements.*

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

The Group 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 Group 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 38,527,309 (31 December 2024: RON 41,772,400).

(i) Amounts recognized in the Statement of financial position

Assets representing rights to use underlying assets within a leasing agreement	31 December 2025 (audited)	31 December 2024 (audited)
Land	10,087,223	16,683,272
Office spaces	28,440,086	25,089,128
Depreciation of assets representing rights to use	(14,013,615)	(9,266,853)
Total net assets representing rights to use	24,513,695	32,505,547
Liabilities under leasing agreements	31 December 2025 (audited)	31 December 2024 (audited)
Short-term	7,390,834	4,984,122
Long-term	20,310,323	29,614,662
	27,701,157	34,598,784

(ii) Amounts recognized in the Profit or loss Account Statement

	31 December 2025 (audited)	31 December 2024 (audited)
Depreciation of assets representing rights to use	6,388,844	5,695,638
Interest expenses	2,322,274	2,827,298

(iii) Amounts recognized in the Statement of cash flows

	31 December 2025 (audited)	31 December 2024 (audited)
Total cash outflows related to leasing agreements	7,972,478	8,438,069

(iv) Recognition of leasing agreements

Information relating to the recognition of leasing agreements according to IFRS 16 are presented in Note 3.6.

7. Intangible non-current assets

	Formation costs	Licenses and software	Software for the nuclear power plant and other intangible non-current assets	Intangible non-current assets in progress	Total
Cost					
Balance as at 1 January 2024 (audited)	257	234,549,902	82,457,891	7,200,002	324,208,052
Inflows	-	703,033	-	9,253,863	9,956,896
Outflows	(135)	(4,865,475)	(54,210)	-	(4,919,820)
Transfers	-	11,734,635	1,348,257	(13,082,893)	-
Transfer from tangible non-current assets	-	9,311,211	-	3,728,090	13,039,301
Balance as at 31 December 2024 (audited)	122	251,433,306	83,751,939	7,099,062	342,284,429
Balance as at 1 January 2025 (audited)	122	251,433,306	83,751,939	7,099,062	342,284,429
Inflows	-	2,653,584	-	6,186,423	8,840,007
Outflows	-	(43,411)	(18,916)	-	(62,327)
Transfers	-	3,105,878	6,918,037	(10,023,916)	-
Balance as at 31 December 2025 (audited)	122	257,149,358	90,651,059	3,261,570	351,062,109
Accumulated depreciation					
Balance as at 1 January 2024 (audited)	92	217,822,064	55,919,099	-	273,741,254
Depreciation expense	166	8,461,815	7,888,380	-	16,350,361
Outflow depreciation	(135)	(4,766,816)	(54,210)	-	(4,821,161)
Balance as at 31 December 2024 (audited)	122	221,517,063	63,753,269	-	285,270,454
Balance as at 1 January 2025 (audited)	122	221,517,063	63,753,269	-	285,270,454
Depreciation expense	-	10,913,810	8,354,592	-	19,268,402
Outflow depreciation	-	(43,411)	(18,916)	-	(62,327)
Balance as at 31 December 2025 (audited)	122	232,387,462	72,088,945	-	304,476,528
Book value					
Balance as at 1 January 2024 (audited)	166	16,727,838	26,538,792	7,200,002	50,466,796
Balance as at 31 December 2024 (audited)	-	29,916,243	19,998,670	7,099,062	57,013,974
Balance as at 31 December 2025 (audited)	-	24,761,896	18,562,115	3,261,570	46,585,580

As at 31 December 2025, the intangible non-current assets held by the Group are licenses and software products purchased, and internally generated. The Group does not book contractual commitments for development costs.

The formation costs are related to the subsidiaries established in 2021.

The accounting policies for intangible non-current assets are presented in Note 3.7.

8. Investment properties

As at 31 December 2025, investment properties are as follows:

	31 December 2025	31 December 2024
	(audited)	(audited)
Balance as at 01 January	-	-
Reclassification from tangible non-current assets	9,327,693	-
Adjustment to fair value during the year	2,463,744	-
Inflows	-	-
Outflows	-	-
Balance at the end of the reporting period	11,791,437	-

As at 31 December 2025, the Parent-Company holds properties (land and buildings) used exclusively for lease. In March 2025, two properties owned by the Company were reclassified into *Investment Property* in accordance with IAS 40. Initially, these properties were used for own activities, and were booked in accordance with IAS 16. At the date of their reclassification in accordance with IAS 40, the fair value of investment properties did not result from a valuation performed by a qualified independent valuer. The fair value at the date of transfer was considered to be the net book value of the properties at the date of transfer under IAS 16.

During 2025, the Parent Company booked rental income from investment properties amounting to RON 919,633 (2024: RON 0), other operating income (utilities reinvoicing, maintenance) amounting to RON 270,538 (2024: RON 0) and direct operating costs of RON 99,699 (2024: RON 0).

Gains resulting from the change in the fair value of investment properties are recognized in the note "Other income", and amount to RON 2,463,744, together with the related deferred tax effect of RON 394,199.

Please note that there are no restrictions on the transfer of disposal proceeds and receipts. There are also no contractual obligations to buy, build or develop any investment properties. The parties' duties concerning repairs, maintenance and improvements are set out in the lease.

9. Financial assets measured at amortized cost

As at 31 December 2025, the Group accounted for in position "Financial assets valued at amortized cost" state government bonds, bonds and loans to 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.

	31 December 2025	31 December 2024
	(audited)	(audited)
Bonds (i)	567,047,632	552,695,022
Government bonds (ii)	-	30,403,869
Loans granted to affiliated entities (iii)	1,132,199,450	378,560,386
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
Other financial assets	921,155	1,996,296
Total	1,705,475,268	968,962,604

(i) Bonds

As at 31 December 2025, the Parent 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.

Movement of financial assets representing bonds:

	31 December 2025	31 December 2024
	(audited)	(audited)
Balance at the beginning of the reporting period	522,747,342	522,311,331
Purchases	-	-
Maturity dates	-	-
Discount depreciation	487,326	488,661
Revaluation ^{*)}	13,099,320	(52,650)
Balance at the end of the reporting period	536,333,989	522,747,342
Accumulated interest	30,713,644	29,947,680
Total bonds	567,047,632	552,695,022

^{*)} Exchange rate revaluation differences

(ii) Government bonds

As at 31 December 2025, respectively 31 December 2024, the Parent Company held government 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:

	31 December 2025	31 December 2024
	(audited)	(audited)
Balance as at 1 January	29,894,378	29,824,441
Purchases	-	-
Maturity dates	-	-
Discount depreciation	71,525	69,937
Balance at the end of the reporting period	29,965,903	29,894,378
Accumulated interest	509,491	509,491
Government bonds - total	30,475,394	30,403,869

According to the issue prospectus, in June 2025 the Parent Company received the annual coupon in the amount of RON 975,000.

(iii) Loans granted to related entities

As at 31 December 2025, the Parent Company is party to an effective loan agreement with the related entity RoPower Nuclear SA. The loans granted to related entities are as follows:

	31 December 2025 (audited)	< 1 year	> 1 year	31 December 2024 (audited)
Principal	1,040,497,491	-	1,040,497,491	360,120,080
Interest	91,701,959	-	91,701,959	18,440,306
Total	1,132,199,450	-	1,132,199,450	378,560,386

In 2023, RoPower Nuclear SA concluded a loan agreement with SNN for the equivalent in EUR of the amount of USD 8,966,023, which matures on 31 May 2028. 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, 3 addenda to the 2023 loan agreement were signed, approving an increase in the financing ceiling to USD 243,000,000 for the purpose of financing the technical assistance activities related to SMR Front End Engineering and Design (FEED) Phase 2.

The EGMS Resolution no. 4/09.04.2025 approved amendment of the Investors' Agreement for RoPower so as to allow the Special Purpose Vehicle to acquire the Land related to the Nuclear Power Plant. At the same time, the shareholders approved execution by SNN, as lender/creditor, of an Addendum to the Framework Loan Agreement no. 1 dated 16 August 2023, for amendment of the subject-matter of the abovementioned loan agreement to the effect of including also the expenses related to acquisition of the site for to the SMR Project of Doicesti, the expenses related to the granting of guarantees by SNN for the loans taken out by the Special Purpose Vehicle Ropower Nuclear S.A. from third-party lenders, and the related financing costs in the scope of the financing granted by SNN to the Special Purpose Vehicle Ropower Nuclear S.A. The amounts extended by SNN to finance acquisition of the SMR Project's site of the Doicesti were secured by setting up a mortgage on the land to be acquired by the Special Purpose Vehicle Company Ropower Nuclear S.A., on the basis of the financing granted by SNN, in favor of SNN.

The balance of the loan as at 31 December 2025 is RON 1,040,497,491, equivalent to EUR 204,079,139 (31 December 2024: RON 360,120,080), for which it booked an accrued interest of RON 91,701,959 (31 December 2024: RON 18,440,306).

10. Financial investments in related entities

The list of investments in related entities as at 31 December 2025, as consolidated according to the equity method, is presented below. This entity has social capital formed exclusively of ordinary shares, which are held directly by the Group, and the participating interest is the same as the number of the voting rights held. Its country of registration and operation is Romania.

	31 December 2025 (audited)	31 December 2024 (audited)
Participating interest (%)	50	50
Share capital percent	19,943,000	19,943,000
Share of retained earnings	(5,532,667)	71,848
Share of profit/(loss) of the year adjusted: profit/(loss)	(1,448,010)	(5,604,515)
Balance at the end of the reporting period	12,962,323	14,410,333

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, Dambovit County, Doicesti Locality, Strada Aleea Sinaia nr. 18, the Administrative Building, 1st floor, being registered with the Trade Register under number J2022001604157, Unique Registration Code 46901014, tax attribute RO. The main activity of the Company consists in the "Production of electricity" - CAEN Code 3511.

As at 31 December 2025, SNN held 50% of the share capital of Ropower Nuclear S.A., the shareholding value amounting to RON 19,943,000 (31 December 2024: 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.

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 Doicești, County of Dambovită, based on the NuScale technology, consisting of 6 NuScale modules of 77MWe each, totalling 462MWe.

Material Judgments

According to the Investors' Agreement on the establishment of a special purpose vehicle for development of electricity generation facilities, the Group has representatives sitting in the Board of Directors of Ropower Nuclear SA, and one of the appointed persons acts as Chairman of the Board of Directors. Thus, the Group takes part in all significant financial and operational decisions of the entity. The Group determined that these aspects, combined with the 50% participating interest, exert a significant influence on the entity.

11. Inventories

As at 31 December 2025 and 31 December 2024 inventories are as follows:

	31 December 2025	31 December 2024
	(audited)	(audited)
Uranium	838,081,429	996,367,163
Spare parts	273,423,079	245,422,206
Other raw materials and materials	524,634,721	461,354,367
Total	1,636,139,229	1,703,143,736

(i) Valuation of inventories

Inventories are valued at weighted average cost (WAC) according to IAS 2. See Note 3.11 for the other accounting policies relevant for inventories.

(ii) Amounts recognized in the Consolidated Statement of the Profit or loss Account

The value of the inventories expensed in the financial year ended on 31 December 2025 is shown under Cost of Spare Parts and Cost of Nuclear Fuel, in the Income Statement and other comprehensive income, and is RON 275,002,109 (31 December 2024: RON 232,545,270).

The value of Inventories recognized as an expense during the financial year ending as at 31 December 2025 in accordance with IAS 2.34, representing inventories scrapped, impaired, written off, is of RON 1,803,759 (31 December 2024: RON 1,250,797). The Parent 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 Parent 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 impairment adjustments for inventories as at 31 December 2025 amounted to RON 47,668,406 (31 December 2024: RON 48,750,348). In the year 2025, depreciation adjustments were set-up in the amount of RON 414,357 (31 December 2024: RON 749,974) and impairment adjustments were written back on income, in amount of RON 1,521,409 (31 December 2024: RON 3,363,728).

In the year 2025, there were no inventory outflows written back.

(iii) Pledged inventories

As at 31 December 2025, the Group has no pledged or mortgaged inventories.

12. Trade receivables

As at 31 December 2025 and 31 December 2024 trade receivables were presented as follows:

	31 December 2025	31 December 2024
	(audited)	(audited)
Trade receivables	351,795,890	363,815,956
Impairment adjustments for trade receivables	(18,344,673)	(11,784,818)
Total	333,451,217	352,031,138

(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 30 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 Group 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 for the other accounting policies relevant 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) *Impairment and risk exposure*

Information about impairment of trade receivables and the Group's exposure to credit risk and currency risk can be found in Note 30.

(iv) *Other information*

As at 31 December 2025, the main trade receivables in the balance were toward: Electrica Furnizare S.A.: RON 69,644,845 (31 December 2024: RON 34,505,774), PPC Energie S.A.: RON 57,751,198 (31 December 2024: RON 51,293,377) and RETELE ELECTRICE ROMANIA S.A.: RON 31,244,934 (31 December 2024: RON 0).

Sales made in 2025 to Electrica Furnizare S.A. accounted for approximately 15.15% (2024: approx. 4.42%), to PPC Energie S.A. for approximately 12.56% (2024: approx. 3.75%), and to Societatea Operatorul Pietei de Energie Electrica si de Gaze Naturale OPCOM S.A. for approximately 12.70% (2024: approx. 71.58%) of the Parent Company's total electricity sales.

The Parent Company's exposure to market and credit risks, as well as the value adjustments related to trade receivables, are presented in Note 30.

As at 31 December 2025, the headings "Trade Receivables" and "Adjustments for Impairment of Trade Receivables" include a net amount of RON 85,071,592 related to receivables from related parties (31 December 2024: RON 347,263,630).

13. Other financial assets measured at amortized cost

	31 December 2025	31 December 2024
	(audited)	(audited)
Treasury certificates	82,930,250	151,274,569
Other receivables	66,066,531	36,153,371
Taxes and duties	136,371,641	190,334,175
Advance payments	60,508,372	22,716,023
Short-term Government bonds	30,475,394	-
Impairment adjustments for financial assets	(19,754,678)	(583,180)
Total	356,597,510	399,894,958

(i) Classification of financial assets measured at amortized cost

The Group 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 for the other accounting policies relevant 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) Impairment and risk exposure

Information about impairment of trade receivables and the Group's exposure to credit risk and currency risk can be found in Note 30.

(iv) Other information

As at 31 December 2025, respectively 31 December 2024, the Parent Company held government 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. For more details, see Note 9.

As at 31 December 2025, item "Taxes and duties" represented the recoverable VAT of RON 108,450,878 (31 December 2024: RON 171,161,741).

As at 31 December 2025, the item "Other receivables" includes the amount related to the recoverable Contribution to the Energy Transition Fund, of RON 19,171,499 (31 December 2024: RON 19,171,499), for which an impairment allowance was established for 100% of the claim in 2025, under the item "Impairment of financial assets", taking into account a potential default risk. For more details, see Note 30.

14. Cash and cash equivalents, bank deposits

As at 31 December 2025 and 31 December 2024 cash and cash equivalents were presented as follows:

	31 December 2025	31 December 2024
	(audited)	(audited)
Bank deposits less than 3 months	1,309,459,010	1,769,294,073
Cash at bank in RON	221,007,362	359,225,531
Cash at bank in foreign currencies	7,383,314	10,920,263
Other cash equivalents	892,338	380,793
Cash in hand	40,776	24,701
Cash and cash equivalents - Total	1,538,782,800	2,139,845,361

As at 31 December 2025 and 31 December 2024, the bank deposits having their original due date more than 3 months and less than one year were presented as follows:

	31 December 2025	31 December 2024
	(audited)	(audited)
Bank deposits	1,297,840,701	1,720,501,128

(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 financial year, as follows:

	31 December 2025	31 December 2024
	(audited)	(audited)
Bank deposits having their original due date less than 3 months	1,309,459,010	1,769,294,073
Cash at bank	228,390,676	370,145,794
Other cash equivalents	892,338	380,793
Cash in hand	40,776	24,701
	1,538,782,800	2,139,845,361

(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 for the other accounting policies of the Group concerning the cash and cash equivalents.

(iii) Restricted cash

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

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

As at 31 December 2025, the Group held bank guarantee letters under certain credit facilities, without any collateral deposits, in amount of RON 829,498,342 (31 December 2024: RON 242,177,694) of which advance payment guarantees (APGs) set up for a total amount of RON 203 million, as well as performance bank guarantee letters (PBGs) for a total amount of approximately RON 57 million for the EPCM contract related to the Project of Units 3 and 4.

15. Equity

Share capital

The Parent Company was established by spin-off from the former Autonomous Electricity Administration (“RENEL”). The share capital is the contribution of the Romanian State to the establishment of the Parent Company on 30 June 1998 (restated with inflation until 31 December 2003), plus any subsequent increases thereof.

According to the Articles of Association, the authorized share capital of the Parent Company is RON 3,016,518,660. Subscribed and paid-up share capital as at 31 December 2025 amounted to RON 3,016,438,940.

As at 31 December 2025 and 31 December 2024, 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 share capital reconciliation is as follows:

	31 December 2025	31 December 2024
	(audited)	(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 31 December 2025, the statutory share capital value subscribed and paid up in full amounted to RON 3,016,438,940, 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 ASF no. 976/13.08.2020 and by Resolutions 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 31 December 2025 and 31 December 2024 shareholding structure was presented as follows:

Shareholders	Number of shares	% of the	Number of shares	% of the
	31 December 2025	share	31 December 2024	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%

Share premium

In November 2013, the Group 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 21,553,548 as at 31 December 2025 and 31 December 2024 and represented sites of public utility from Cernavoda NPP (RON 5,439,321 as at 31 December 2025 and 31 December 2024) 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 31 December 2025 and 31 December 2024).

*This is a free translation from the Romanian version. In case of any differences between the Romanian and English version, the Romanian version prevails.
Notes 1 to 32 are an integral part of these consolidated financial statements.*

Statutory Reserves

According to legal requirements, the Group sets up statutory reserves in amount of 5% of the gross profit statutorily registered up to the level of 20% of the share capital. The value of statutory reserve as at 31 December 2025 amounted to RON 603,898,498 (31 December 2024: RON 603,898,498).

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 31 December 2025, the revaluation reserve net of deferred tax amounted to RON 2,304,865,261 (31 December 2024: RON 280,106,345). The last revaluation of land, buildings and structures of the Parent Company was made on 31 December 2025 by the independent valuer Primoval S.R.L., a member of the National Association of Romanian Certified Valuers ("ANEVAR"). Prior to such revaluation, land and buildings were revalued as at 31 December 2021.

In 2025, the Company recognized an increase in the revaluation reserve, net of deferred tax, amounting to RON 2,080,929,757 as a result of the revaluation of land and buildings at the end of 2025, as well as a decrease of RON 56,170,839 resulting from the transfer of the revaluation reserve to retained earnings due to depreciation and disposals of property, plant and equipment (a decrease of RON 56,890,441 in 2024).

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. 2.844/2016 for approval of Accounting Regulations compliant with the International Financial Reporting Standards.

In the financial year ended on 31 December 2025, the Parent Company distributed dividends of RON 815,172,311 from the net profit of the 2024 financial year, according to OGMS Resolution no. 5/24.04.2025 (2024: RON 11,120,911,882, distributed from the net profit of the 2023 financial year, according to the Resolution of the Ordinary General Meeting of Shareholders no. 5/25.04.2024). Net dividends unpaid as at 31 December 2025 amounted to RON 1,559,017 (31 December 2024: RON 1,229,453).

Movements in result carried forward

	31 December 2025	31 December 2024
	(audited)	(audited)
Balance as at 1 January	8,755,563,759	8,130,127,222
Net profit of period	2,342,265,564	1,688,594,272
Actuarial Gains/(Losses) related to the defined benefit plans	(7,743,413)	863,706
Retained earnings from other adjustments	-	-
Dividends	(815,172,311)	(1,020,911,882)
Transfer of revaluation reserve as it is depreciated	56,170,839	56,890,441
Balance as at 31 December	10,331,084,439	8,755,563,759

Dividends and profit distribution

In the financial year ended on 31 December 2025, the Parent Company declared dividends of RON 815,172,311 (31 December 2024: RON 1,120,911,882), the subsidiaries declared dividends as follows: Energonuclear S.A. RON 997,297 (31 of December 2024: RON 662,445), FPCU Feldioara SRL RON 13,213,821 (31 December 2024: RON 9,007,176) and Nuclearelectrica Serv SRL. RON 624,461 (31 December 2024: RON 45,009).

16. Earnings per share

As at 31 December 2025 and 31 December 2024, earnings per share were:

Basic earnings per share

	<u>2025</u>	<u>2024</u>
	<u>(audited)</u>	<u>(audited)</u>
Net profit of the financial year	2,344,441,446	1,688,594,272
Number of ordinary shares at the beginning of the financial year	301,643,894	301,643,894
Number of ordinary shares issued during the financial year	-	-
Weighted average number of ordinary shares as at 31 December	301,643,894	301,643,894
Basic earnings per share (RON/share)	<u>7.77</u>	<u>5.60</u>

Diluted earnings per share

	<u>2025</u>	<u>2024</u>
	<u>(audited)</u>	<u>(audited)</u>
Net profit of the financial year	2,342,265,564	1,688,594,272
Number of ordinary shares at the beginning of the financial year	301,643,894	301,643,894
Number of shares issued during the period	-	-
Weighted average number of ordinary shares at the end of the financial year	301,643,894	301,643,894
Weighted average number of ordinary shares (diluted) as at 31 December	301,643,894	301,643,894
Diluted earnings per share (RON/share)	<u>7.77</u>	<u>5.60</u>

17. Loans

The statement of loans taken out by the Group as at 31 December 2025, respectively 31 December 2024 was the following:

	31 December 2025 (audited)	< 1 year	> 1 year	31 December 2024 (audited)
Bank loans	584,978,556	-	584,978,568	-
Interest	2,509,590	2,509,590	-	-
Total	587,488,159	2,509,590	584,978,568	-

The loans refer to:

- *Loan granted by European Investment Bank (EIB)*

Under the EGMS Resolution no. 8/7.12.2023, conclusion by SNN of the financing agreement with IEB for the financing of the “Cernavoda NPP Tritium Removal Facility” Project was approved, with the following essential features:

Signing date:	22 December 2023
Value:	EUR 145 million
Duration:	15 years, of which 4 years representing the grace period for the payment of the principal instalments
Period of use:	39 months from the Contract signing date
Interest:	Fixed or Variable (at the Company’s choice)
Analysis fee:	EUR 145,000 payable within 30 days from the Contract signing date
Non-use fee:	0.12% per year, payable after a period of 12 months from the Agreement signing date, being applicable to the undrawn amount of the loan
Principal and interest rate repayments:	Equal semi – annual instalments

The amount due as at 31 December 2025 is EUR 80 million (31 December 2024: EUR 0), representing the first 2 tranches of the loan amounting to EUR 145 million in total. The 1st tranche shall be repaid in 23 equal instalments payable between 2029 and 2040, with a fixed interest rate of 3.796%, and the 2nd tranche shall be repaid 23 equal instalments payable between 2029 and 2040, with a fixed interest rate of 3.873%.

- *Loan granted by the banking syndicate led by J.P. Morgan SE (“JP”)*

As at 24 September, the Parent Company signed with the banking syndicate formed of, and led by, J.P. two financing agreements for two of the strategic energy projects of Romania: The Cernavoda NPP Unit 1 Refurbishment Project, and the Cernavoda NPP Units 3&4 Project, after their approval by the shareholders of Nuclearelectrica, with the following essential characteristics:

	Financing Agreement for Unit 1 Refurbishment Project	Financing Agreement for Units 3&4 Project
Capacity of the Group	<u>Borrower</u>	<u>Borrower (EnergoNuclear)</u> <u>Guarantor</u> (under the financing agreement concluded between the Syndicate led by J.P. and EnergoNuclear)
Value:	EUR 540 million	EUR 80 million
Duration:	4 years, grace period on principal until 31 December 2027	4 years, grace period on principal until 31 October 2027
Maturity:	Until 30 June 2029	Until 30 June 2026
Interest:	Variable (Euribor 6M) + fixed margin of 2.3%	Variable (Euribor 6M) + fixed margin of 2.3%
Principal and interest rate repayments:	Equal semi-annual instalments, repayment of principal starting 31 December 2027 and ending 30 June 2029	Equal semi-annual instalments, repayment of principal starting 31 October 2027 and ending 30 June 2029

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In 2025, the Group made two drawdowns on 30 October and 10 December from the principal of the loan under the financing agreement entered into by the Syndicate led by J.P. and EnergoNuclear, for the amount of EUR 35 million, *i.e.*, 178,037,500 RON. The financing agreements entered into with JP include a financial covenant relating to the ratio Net Debt/EBITDA ratio, which should not exceed the figure 6, except for the Construction Phase. The financial ratios need to be calculated based on the Consolidated Financial Statements prepared in compliance with the International Financial Reporting Standards.

As at 31 December 2025, the financial ratio set out in the agreements signed with J.P. is met.

The movements in borrowings during the financial years ended 31 December 2025 and 31 December 2024 were:

	<u>2025 Amount</u>	<u>2024 Amount</u>
Balance as at 1 January (audited)	0	0
<u>Drawdowns, of which:</u>	<u>580,737,500</u>	<u>0</u>
EIB	402,700,000	0
J.P.	178,037,500	0
<u>Repayments, of which:</u>	<u>0</u>	<u>0</u>
EIB	0	0
J.P.	0	0
Financing costs	1,348,932	0
Foreign exchange differences	5,590,000	0
Balance as at 31 December (audited)	<u>584,978,568</u>	<u>0</u>

As at 31 December 2025, the borrowings totalling RON 587,488,159 (31 December 2024: RON 0) include long and short-terms loans, as follows:

	<u>31 December 2025</u>			<u>31 December 2024</u>		
	<u>(audited)</u>			<u>(audited)</u>		
	<u>Total</u>	<u>< 1 year</u>	<u>> 1 year</u>	<u>Total</u>	<u>< 1</u>	<u>> 1</u>
	<u>of which:</u>			<u>of which:</u>	<u>year</u>	<u>year</u>
Principal	584,978,568	-	584,978,568	-	-	-
EIB	406,531,068	-	406,531,068	-	-	-
J.P.	178,447,500	-	178,447,500	-	-	-
Interest	2,509,590	2,509,590	-	-	-	-
EIB	2,487,662	2,487,662	-	-	-	-
J.P.	21,929	21,929	-	-	-	-
Total	<u>587,488,159</u>	<u>2,509,590</u>	<u>584,978,568</u>	<u>-</u>	<u>-</u>	<u>-</u>

18. Provisions for risks and charges

As at 31 December 2025, respectively 31 December 2024, the Group 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”:

	31 December 2025	31 December 2024
	(audited)	(audited)
Liabilities relating to the Intermediary Spent Fuel Storage Facility (DICA)	131,794,749	123,920,654
Liabilities relating to other low and medium level radioactive and non-radioactive waste	80,627,206	74,214,466
Provision for litigations related to salary bonus	132,458,263	117,376,068
Employee participation in profit	30,600,000	38,245,689
Provisions for litigations	-	19,171,498
Other provisions for risks and charges	1,591,519	32,625
Total	377,071,737	372,961,000

As at 31 December 2025, provisions in a total amount of RON 377,071,737 represented long and short-terms liabilities, as follows:

	Current part	Long-term part
	(< 1 year)	(> 1 year)
Liabilities relating to the Intermediary Spent Fuel Storage Facility (DICA)	95,774,932	36,019,817
Liabilities relating to other low and medium level radioactive and non-radioactive waste	14,587,683	66,039,523
Provision for litigations related to salary bonus (i)	-	132,458,263
Employee participation in profit	30,600,000	-
Provisions for litigations (ii)	-	-
Other provisions for risks and charges	1,591,519	-
Total	142,554,134	234,517,603

- (i) The item “Provision for litigations related to salary increases” represents the preliminary effect of the litigations initiated by trade unions against the Company regarding the allowance for nuclear risk, representing a pay supplement.
- (ii) The item “Provision for litigation” was reduced by RON 19,171,498 further to the favourable settlement on substance of the court action seeking the setting aside of the Assessment Decisions no. 17862/17.10.2024 and no. 4125/23.11.2024, issued after the tax inspection carried out by the General Tax Antifraud Directorate on the calculation of the Contribution to the Energy Transition Fund for the period 1 September - 31 December 2022. For more details, see Note 31.

See Note 3.22 for the provision-relevant accounting policies.

19. Deferred income

As at 31 December 2025 and 31 December 2024, deferred income is as follows:

	31 December 2025	31 December 2024
	(audited)	(audited)
Creditor customer	145,645,103	165,883,141
Grants of subsidy nature (i)	14,344,661	28,689,323
Governmental investment subsidies (ii)	6,477,549	7,344,121
Other deferred income	820,107	379,116
Total	167,287,420	202,295,701

(i) Grants of subsidy nature

As at 31 December 2025, the Group has grants coming from: *Subsidy amortized during the lifetime of Unit 1*

The subsidies were granted in 2007 and consisted of writing off penalties and debts under loan agreements. The subsidies are recognized in the profit or loss account as income for the period 2007 - 2026, over the period remaining to be depreciated for Unit 1. The value of the income from subsidies recognized in the Income Statement under "Other income" in 2025 amounts to RON 14,344,661 (2024: RON 14,344,661). The balance amount of the subsidy as at 31 December 2025 is RON 14,344,661 (31 December 2024: RON 28,689,323).

(ii) Governmental investment subsidies

a) Grant agreement under the "Connecting Europe Facility" (CEF) - telecommunications sector, for the action "Cynergy - first ISAC for the Energy Sector in Romania", carried out through the European Health and Digital Executive Agency (HaDEA), in accordance with the rights delegated by the European Commission.

The action (Cynergy) aims to create a national information sharing and analysis center (ISAC) in the energy sector (electricity sub-sector) in Romania, which will serve the most prominent companies in this industry of the country, but taking into account a potential expansion to the South-Eastern Europe. The action will develop a robust and trusted sharing community that can easily provide useful knowledge and support to ISAC members when faced with cyber security threats.

Costs were incurred within the period 1 September 2021 – 30 August 2024. According to the agreement, the maximum amount granted is EUR 445,024 and accounts for 75% of the eligible costs of the action. By 31 December 2024, the full costs of the project have been recorded in the amount of RON 2,074,028 of which 25% financed from own sources. Before the preparation date of the financial statements, the Company collected the subsidy in full (balance as at 31 December 2023: RON 238,430). At the date of these financial statements, the Company does not report either any defaults of the conditions imposed for granting the subsidy, or any contingencies.

The value of the income from subsidies recognized in the Income Statement under "Other income" in 2025 amounts to RON 310,889 (2024: RON 0). The balance amount of the subsidy as at 31 December 2025 is RON 932,699 (31 December 2024: RON 1,243,598).

b) *USTDA Grant*

The Parent Company received from the US Trade and Development Agency (USTDA) a grant of USD 1.2 million in order to finance identification and assessment of a number of sites in Romania, including sites with existing coal-fired thermal plants that could be replaced by small modular reactors. The study identified a number of potentially suitable sites, and eventually the site chosen for development of the first small modular reactor in Romania was that of Doicesti, County of Dambovita.

The grants and governmental subsidies are recognized according to the provisions of IAS 20 "Accounting for government grants and disclosure of government assistance" (see Note 3.20).

20. Liabilities for employee benefits

	31 December 2025	31 December 2024
	(audited)	(audited)
Retirement benefits	34,650,555	29,193,192
Anniversary bonuses	10,712,190	10,738,739
Decease benefits	970,040	851,395
Retirement benefits in electricity	9,072,992	8,002,512
Total	55,405,777	48,785,838

As at 31 December 2025, 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 2025 and 31 December 2024.

Measurement date	31 December 2025	31 December 2024
Number of employees	2,500	2,402
Salary increase rate	<p>The wage growth rate for 2026 was 2.9%; for the following years an average wage growth rate was considered, with the average annual rate of consumer price growth communicated by the National Prognosis Committee in the 2025-2028 fall prognosis. The weighted average rate of salary increases is 2.6% p.a.</p> <p>The inflation rate was estimated based on the 2025-2028 Summer Prognosis issued by the National Strategy and Prognosis Committee, as follows: 7.1% in 2025, 5.8% in 2026, 3.2% in 2027, 3% in 2028, 2.8% in 2029 and 2.5% 2030-2031, and will follow a downward trend in the following years. The average weighted inflation rate is 2.6% p.a.</p>	<p>The wage growth rate used for 2025 was 4%; for 2026, this is 2.9%; for the following years an average wage growth rate was considered, with the average annual rate of consumer price growth communicated by the National Prognosis Committee in the 2024-2028 fall prognosis. The weighted average rate of salary increases is 2.6% p.a.</p> <p>The inflation rate was estimated based on the statistics issued by INSSE and the NBR forecast of December 2024, as follows: 3.8% in 2025, 2.9% in 2026, 2.7% in 2027 and 2.5% p.a. in years 2028-2031, and will follow a downward trend in the following years. The average weighted inflation rate is 2.6% p.a.</p>
Raise rate in kWh price	<p>The kWh price as updated on 31 December 2025 was RON 1.5. For years 2025-2030, the estimates provided by the Company and a similar trend for the following years were used.</p>	<p>The kWh price as updated on 31 December 2024 was RON 1.3. For years 2025-2030, the estimates provided by the Company and a similar trend for the following years were used.</p>

Measurement date	31 December 2025	31 December 2024
Weighted average discounting rate	6.3%	6.8%
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	16,661	15,738

The above assumptions were taken into considering:

- bond yields on the active market at the end of December 2025. 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 2024: 2.0%);
- estimated long-term real yield on governmental bonds of 1.3% p.a. (31 December 2024: 1.3%);
- liquidity premium for Romania of 0% (31 December 2024: 0%);
- weighted average discounting rate of 6.3% (31 December 2024: 6.8%).

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 decease	Anniversary bonuses	Retirement benefits in electricity	Total liabilities with defined benefits
PVDBO as at 31 December 2025 (RON)	34,650,555	970,040	10,712,190	9,072,992	55,405,777
Discounting rate +1%	32,801,048	905,449	10,025,824	7,804,654	51,536,966
Discounting rate -1%	36,704,990	1,043,263	11,485,976	10,652,936	59,887,165
Salary increase rate/kW price +1%	36,760,868	1,046,496	11,518,972	10,695,656	60,021,993
Salary increase rate/kW price -1%	32,721,754	901,724	9,986,950	7,755,612	51,366,040
Increase in longevity by 1 year	34,813,606	880,731	10,749,899	9,338,229	55,782,465

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.

21. Trade and other payables

As at 31 December 2025 and 31 December 2024 suppliers and other liabilities are as follows:

	31 December 2025	31 December 2024
	(audited)	(audited)
Suppliers of non-current assets	156,102,411	88,555,577
Suppliers	621,240,267	693,801,247
Liabilities for employee debts	46,997,927	47,891,506
Liabilities to the state	166,576,700	229,308,634
Payable dividends	1,604,147	1,271,616
Other payables	15,484,757	14,728,764
Total	1,008,006,209	1,075,557,344

As at 31 December 2025, the main suppliers in the balance, from positions of “Suppliers of non-current assets” and “Suppliers”, were: Candu Energy Inc. RON 192,930,621 (31 December 2024: RON 72,918,979) and Korea Hydro and Nuclear Power CO RON 145,523,308 (31 December 2024: RON 47,249,738) and Ansaldo Nucleare S.P.A. RON 91,168,624 (31 December 2024: RON 0)

As at 31 December 2025, “Trade Payables and other Payables” include the amount of RON 60,668,993 (31 December 2024: RON 19,871,034) related to liabilities to related parties, of which, under the headings “Suppliers” and “Suppliers of non-current assets”, RON 22,350,909 (31 December 2024: RON 5,703,124).

As at 31 December 2025, the heading “Liabilities to the State” includes mainly the liability related to the local taxes and duties set by the State authorities in 2025, of RON 99,793,631 (31 December 2024: RON 91,229,619) which, according to *IFRIC 21 - Levies*, it is recognized on 31 December 2025. The taxes and duties fall due in the 2026 financial year.

22. Income from the sale of electricity**(i) Income from sales of electricity**

	2025	2024
	(audited)	(audited)
Sales of thermal energy via MACEE	-	2,289,155,390
Sales of energy on the competitive market	5,587,072,358	2,338,712,563
Sales of thermal energy	6,744,889	5,903,949
Income from the sale of green certificates	30,993	30,540
Total	5,593,848,240	4,633,802,442

(ii) Quantity of sold electricity*)

	2025	2024
	(audited)	(audited)
Quantity of electricity sold via MACEE (MWh)	-	5,110,338
Quantity of sold electricity on the competitive market (MWh)	10,411,612	5,051,511
Total	10,411,612	10,161,849

**) The amount of electricity sold does not include the amount of electricity related to income from positive imbalances recovered on the Balancing Market, of 45,603 MWh for the financial year ended on 31 December 2025 (64,383 MWh for the financial year ended on 31 December 2024).*

Effective 1 January 2023, the Parent 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 and subsequently extended by Government Emergency Ordinance no. 6/2025 until 30 June 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 2025, the Parent Company did not sell any electricity on MACEE (2024: 5,110,338 MWh, representing 50.29% of the total electricity sold during the period, excluding imbalances).

In 2025, the Parent Company sold all its electricity on the competitive market (2024: 49.71%), respectively 10,411,612 MWh (2024: 5,051,511 MWh). The average sale price of electricity sold by the Company on this market during 2025 was 532.84 RON/MWh (2024: 449.2 RON/MWh), amount net of Tg.

The Parent Company is a participant in the Balancing Market according to the balancing market participation agreement concluded with C.N. Transelectrica S.A. 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 5,100,000 valid until 11 July 2026.

The Parent 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 Parent 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 2025 amount to RON 6,744,889 (2024: RON 5,903,949).

23. Other income

	2025	2024
	(audited)	(audited)
Income from investments subsidies	14,733,658	14,694,876
Income from compensation, fines and penalties	3,661,813	15,876,927
Net income from sale of assets held for sale	158,603	-
Other income	177,310,511	159,657,017
Total	195,864,585	190,228,820

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 or loss account 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 74,637,094 (31 December 2024: RON 90,362,484) and income from the production of fixed assets in the amount of RON 56,570,088 (31 December 2024: RON 42,394,775).

24. Payroll costs

	2025	2024
	(audited)	(audited)
Salaries and wages	750,769,614	758,606,593
Social security and similar expenses	92,034,838	75,776,315
Total payroll expenses	842,804,452	834,382,908

The breakdown on categories of employees is as follows:

	2025	2024
	(audited)	(audited)
Management staff	131	142
Operational staff	3,439	3,222
Total effective headcount	3,570	3,364

The average headcount of the Group in 2025 was 3,332 (2024: 3,172 employees).

25. Contribution to the Energy Transition Fund

	2025	2024
	(audited)	(audited)
Contribution to the Energy Transition Fund	504,506,729	288,738,393
Total	504,506,729	288,738,393

The Government Emergency Ordinance no. 119/2022 amending and supplementing the of Government Emergency Ordinance no. 27/2022, placed on electricity producers the obligation to pay a contribution to the Energy Transition Fund, which replaced the previously charged tax on additional income tax, for the period 1 September 2022 - 31 August 2023.

Law no. 357/2022 approving the Government Emergency Ordinance no. 119/01.09.2022 introduced a number of amendments to the provisions of the Government Emergency Ordinance no. 119/2022 on the contribution to the Energy Transition Fund: the application period was extended until 31 March 2025, and the calculation methodology was amended so that, during 1 January 2024 - 31 March 2024, 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 output.

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 (for the energy contracted starting with 1 April 2024) changes to 400 RON/MWh.

The Government Emergency Ordinance no. 6/28.02.2025 provides for extension of the calculation period of the Contribution to the Energy Transition Fund until 30 June 2025.

During 2025, the Parent Company booked Contribution to the Energy Transition Fund in the amount of RON 504,506,729 (2024: RON 288,738,393).

26. Other operating expenses

	<u>2025</u>	<u>2024</u>
	<u>(audited)</u>	<u>(audited)</u>
Expenses related to services performed by third parties	128,357,844	99,908,622
ANDR expenses	130,127,882	99,666,245
Expenses with energy and water	166,649,522	158,769,924
Expenses with fuel and other consumables	103,772,702	90,584,305
Expenses related to ANRE contribution	4,680,534	7,469,309
Expenses with insurance premiums	15,653,230	15,540,443
Expenses with the transport and telecommunications	19,239,658	19,458,586
Expenses with building tax	98,796,898	91,304,947
Net expenses related to provisions and value adjustments	33,554,672	36,563,188
Other operating expenses	58,068,053	87,125,746
Total	<u>758,900,995</u>	<u>706,391,315</u>

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 Parent Company is required to pay two types of contributions to ANDR as follows:

- Until 30 September 2025 the contributions have been set as follows:
 - 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.
- As of 1 October 2025, in accordance with the recent legislative amendments of Government Decision 1080/2017, the new applicable fees are:
 - contribution for decommissioning each nuclear unit in amount of 1.2 EUR/MWh net electricity produced and delivered in the system;
 - contribution for the permanent storage of radioactive waste of 2.8 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 2025 is calculated according to the Order ANRE no. 93/2024, representing 0.1% of the turnover realized in 2024, from activities carried out under the licenses held. In 2025, the Parent Company recorded a contribution of RON 4,680,534 (2024: RON 7,469,309). For 2024, the contribution was calculated according to the Order of ANRE no. 118/2023, representing 0.1% of the turnover realized in 2023, 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 9,900,000 (31 December 2024: RON 9,900,000).

27. Financial income and expenses

	2025	2024
	(audited)	(audited)
Interest income	261,541,271	246,996,139
Income from exchange rate differences	67,808,223	23,260,765
Dividend income	15,390	14,821
Financial income regarding the amortization of government bonds and securities differences	6,296,970	9,487,629
Other financial income	39,730,802	39,147,510
Total financial income	375,392,656	318,906,864
Expenses from exchange rate differences	(40,088,838)	(41,910,685)
Interest expenses	(8,046,782)	(8,980,394)
Total financial expenses	(48,135,620)	(50,891,079)
Net financial income/(expenses)	327,257,036	268,015,785

Other financial income

Under position "Other financial income" bonds interests are included. estimated for the period until 31 December 2025, in the amount to RON 39,634,453 (31 December 2024: RON 39,147,510), as well as the difference between the net book value and the fair value of the assets transferred as a contribution to the share capital of the FPCU subsidiary in the amount of RON 13,451,148.

28. Corporate income tax

Corporate income tax recognized in profit or loss account:

	2025	2024
	(audited)	(audited)
Expense with current corporate income tax	(422,866,497)	(299,122,396)
Net income from deferred tax	24,734,383	24,663,247
Expenses on the effective minimum tax for the SNN Group	14,215,623	(14,215,623)
Total	(383,916,491)	(288,674,772)

Deferred tax assets and liabilities are measured on 31 December 2025 and 31 December 2024 at the standard tax rate of 16%, representing the currently adopted tax rate.

Expenses on the effective minimum tax for the SNN Group

The expenses on the global minimum tax applied since 2024 pursuant to Law no. 431/2023 were initially determined and book for FY2024 in the amount of RON 14,215,623, based on the legislation applicable at the time of their calculation, without determining also a related deferred tax, considering the additional guidance provided by the Organization for Economic Cooperation and Development (OECD) as a source of illustration or interpretation, with the aim of ensuring consistent application of the legislation in force. Later, the Government Ordinance no. 21/2025, published in the Official Gazette no. 805 of 29 August 2025, clarified the conditions for application of the initial phase of exemption found in Article 53 of Law no. 431/2023, which grants the large national groups an exemption from the global minimum tax for a period of 5 years. After having reviewed again the Company's situation against the backdrop of these legal provisions and the answer of the National Agency for Fiscal Administration (ANAF) served to the Company with the letter no. 18938/19.11.2025, the global minimum tax applicable to the Company was found to be reduced down to zero.

Therefore, the amount booked in 2024 as the global minimum tax was versed in 2025 to ensure compliance with the applicable legal framework, accounting compliance and fair presentation of the statement of financial position and profit or loss account, as at the date of these financial statements.

Reconciliation of the effective tax rate:

	2025	2024
	(audited)	(audited)
Profit before corporate income tax	2,727,630,065	1,982,873,559
Tax in accordance with the statutory tax rate of 16%	436,420,810	317,259,769
Effect on corporate income tax of:		
Legal reserve	(228,005)	(7,306,834)
Tax amortization	(1,198,034)	(1,750,652)
Non-taxable income	(27,682,919)	(22,216,124)
Non-deductible expenses	47,303,834	47,504,531
Gain from revaluation reserves	17,871,811	16,578,256
Temporary differences	(24,734,383)	(24,663,247)
Expenses on the effective minimum tax for the SNN Group	(14,215,623)	14,215,623
Tax loss of subsidiaries carried forward	-	-
Consolidation effect	12,687,973	6,697,670
Sponsorship	(1,658,485)	(5,142,435)
Reinvested profit	(8,239,571)	(11,626,720)
Corporate income tax reduction according to the Government Emergency Ordinance no. 33/2020 and Government Emergency Ordinance 99/2020	(895)	
Corporate income tax reduction according to the Government Emergency Ordinance no. 153/2020	(52,410,022)	(40,875,065)
Net cost of corporate income tax	383,916,491	288,674,772

The deferred tax consists of:

31 December 2025 (audited)	Assets	Liabilities	Net
Tangible non-current assets	-	98,362,246	98,362,246
Intangible non-current assets	-	2,230,426	2,230,426
Investment properties	-	4,334,548	4,334,548
Inventories	(1,782,465)	-	(1,782,465)
Trade receivables	(7,805,734)	-	(7,805,734)
Liabilities for employee benefits	(6,281,790)	-	(6,281,790)
Employee participation in profit	(18,780,169)	-	(18,780,169)

This is a free translation from the Romanian version. In case of any differences between the Romanian and English version, the Romanian version prevails. Notes 1 to 32 are an integral part of these consolidated financial statements.

Provision for salary increases	(2,187,559)	-	(2,187,559)
Leaves not taken	(14,975,406)	-	(14,975,406)
Taxes and duties	(3,071,668)	-	(3,071,668)
Provisions for risks and charges	(11,874,315)	-	(11,874,315)
Other provisions	(66,759,106)	104,927,221	38,168,115
Radioactive and non-radioactive waste	-	98,362,246	98,362,246
Net tax (asset)/liability	-	2,230,426	2,230,426
31 December 2024 (audited)			
	Assets	Liabilities	Net
Tangible non-current assets	-	98,362,246	98,362,246
Intangible non-current assets	-	2,230,426	2,230,426
Inventories	-	4,334,548	4,334,548
Trade receivables	(1,782,465)	-	(1,782,465)
Liabilities for employee benefits	(7,805,734)	-	(7,805,734)
Employee participation in profit	(6,281,790)	-	(6,281,790)
Provision for salary increases	(18,780,169)	-	(18,780,169)
Leaves not taken	(2,187,559)	-	(2,187,559)
Taxes and duties	(14,975,406)	-	(14,975,406)
Other provisions	(3,071,668)	-	(3,071,668)
Radioactive and non-radioactive waste	(11,874,315)	-	(11,874,315)
Net tax (asset)/liability	(66,759,106)	104,927,221	38,168,115

The table with the movements in the 2025 and 2024 deferred tax liabilities is as follows:

	Balance as at 1 January 2024 (audited)	Deferred tax recognized in profit or loss	Balance as at 31 December 2024 (audited)	Deferred tax recognized in profit or loss	Deferred tax recognized in reserve	Balance as at 31 December 2025 (audited)
Tangible non-current assets	119,888,090	(21,525,844)	98,362,246	(20,128,701)	396,367,572	474,601,118
Intangible non-current assets	1,305,389	925,037	2,230,426	(7,095)	-	2,223,331
Investment properties	-	-	-	394,199	-	394,199
Inventories	3,698,424	636,124	4,334,548	404,237	-	4,738,786
Trade receivables	(1,705,871)	(76,594)	(1,782,465)	(723,868)	-	(2,506,333)
Liabilities for employee benefits	(7,694,130)	(111,604)	(7,805,734)	(1,059,190)	-	(8,864,924)
Provision for salary increases	(16,374,692)	(2,405,477)	(18,780,169)	(2,413,151)	-	(21,193,320)
Employee participation in profit	(5,084,858)	(1,196,932)	(6,281,790)	1,239,951	-	(5,041,839)
Leaves not taken	(2,198,092)	10,533	(2,187,559)	(19,983)	-	(2,207,543)
Taxes and duties	(14,651,603)	(323,802)	(14,975,406)	(1,156,434)	-	(16,131,839)
Radioactive and non-radioactive waste	(11,122,822)	(751,493)	(11,874,315)	(1,026,038)	-	(12,900,353)
Provisions for risks and charges	-	-	-	(3,067,440)	-	(3,067,440)
Other provisions	(3,228,474)	156,806	(3,071,669)	2,829,130	-	(242,538)
Net tax (asset)/liability	62,831,361	(24,663,246)	38,168,115	(24,734,382)	396,367,572	409,801,305

29. Related party transactions**i) Transactions with State-owned companies**

The Group 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 Group 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, Distributie Energii Electrica Romania S.A./, C.N. Transelectrica S.A.);
- sales of thermal energy (Utilitati Publice S.A. Cernavoda),
- 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 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).

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

	Sales		Receivables as at	
	2025 (audited)	2024 (audited)	31 December 2025 (audited)	31 December 2024 (audited)
Electrica Furnizare S.A.	853,407,562	208,488,094	69,644,845	34,505,774
The Romanian Electricity and Gas Market Operator (OPCOM S.A.)	715,758,068	3,350,351,359	1,300,265	168,497,246
Distributie Energie Electrica Romania S.A.	129,306,423	37,883,179	-	-
Hidroelectrica S.A.	183,266,443	54,458	10,020,655	-
Utilitati Publice S.A. Cernavoda	7,433,748	6,382,200	5,994,702	5,597,233
C.N. Transelectrica S.A.	256,878	24,366,786	30,413	8,996,481
Total	1,889,429,123	3,627,526,076	86,990,880	217,596,735

The balance of receivables as at 31 December 2025 and 31 December 2024, as presented above, does not include advance paid to suppliers or accrued expenses with related parties.

	Purchases		Liabilities as at	
	2025 (audited)	2024 (audited)	31 December 2025 (audited)	31 December 2024 (audited)
Hydroelectrica S.A.	96,194,663	7,672,466	22,623,342	640,757
Apele Romane Bucharest	114,416,271	107,972,753	12,138,338	9,490,896
Nuclear and Radioactive Waste Agency	130,127,882	99,666,245	-	6,681,630
The Romanian Electricity and Gas Market Operator (OPCOM S.A.)	27,025,787	107,029,459	144,586	361,402
C.N. Transelectrica S.A.	33,344,578	38,301,799	3,648,965	4,274,366
National Commission for Nuclear Activities Control	22,671,853	19,234,644	-	-
Dobrogea Seaside Water Basin Administration	29,625,401	27,381,261	3,769,808	2,913,779
Regia Autonoma Tehnologii pentru Energia Nucleara - ICN	12,327,319	11,142,453	3,314,850	3,887,103
Raja S.A.	5,995,428	5,885,699	514,535	449,983
National Energy Regulatory Authority	4,680,659	7,484,409	735,522	737,122
Agency for Monitoring and Performance Assessment of Public Enterprises	-	7,200,586	-	-
Regia Autonoma Tehnologii pentru Energia Nucleara - CITON	569,166	1,917,530	577,918	2,090,800
Compania Nationala a Uraniului S.A.	486,837	902,633	322,731	26,266
Distributie Energie Electrica Romania S.A.	-	-	11,955,178	13,433,355
Total	477,465,844	441,791,936	59,745,773	44,987,460

The balance of intercompany payables as at 31 December 2025 and 31 December 2024, as presented above, does not include advance payments received from related customers.

ii) Waging of the Group's management

The Group's management include:

- The members of the Board of Directors of the Company and the subsidiaries, who have mandate contracts concluded with the group's companies;
- Executives with mandate contract in the Group;
- Other executives of the Group 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 Group, 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.

	2025 (audited)	2024 (audited)
Remuneration of the Group's management (gross amounts)	29,502,033	29,153,460
	29,502,033	29,153,460

30. Management of significant risks

The main risks the Group is exposed to are:

- a) market risk (price risk, interest rate risk and currency risk);
- b) credit risk;
- c) liquidity risk;
- d) taxation risk;
- e) operational risk;
- f) regulatory risk.

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

The Group 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 Group 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.

a) **Market Risk**

Market risk is defined as the risk of incurring a loss or not obtaining the expected profit, due to fluctuations of prices, interest rates and currency exchange rates.

The Group is exposed to the following categories of market risk:

(i) **Price risk**

The Group, through its Parent Company, is exposed to the risk related to variation in the price of electricity traded on the competitive and spot (DAM+IDM) markets, as well as on the balancing market. To mitigate this risk, the Parent Company trades most of the electricity generated on the competitive market, by concluding long-term bilateral contracts, with fixed prices and well-defined price formulas.

In 2025, the amount of electricity sold on the competitive market accounted for 100% (2024: 47.91%) of the total volume of electricity sold, and on the spot market (DAM+IDM), an amount of electricity representing 12.64% was sold (2024: 24.18%) and imbalances represented 0.43% (2024: 0.63%). For 2024, an amount of 49.85% of the total electricity sold during the period (excluding imbalances) was sold through MACEE. In 2025, the average sale price on the competitive market was 533.71 RON/MWh, Tg included (2024: 476.77 RON/MWh, Tg included), and on the spot market (DAM+IDM) the average price was 538.18 RON/MWh, Tg included (2024: 427.99 RON/MWh, Tg included). The price of the electricity sold through MACEE in 2024 was 450 RON/MWh, Tg included, until 31 March 2024, and 400 RON/MWh, Tg included, starting 1 April 2024.

A positive variation of 10% in the price of electricity sold would lead to an increase in profit after taxes on 31 December 2025 by RON 562,036,807 (31 December 2024: RON 466,615,183), a negative variation of 10% having an equal net impact, but with the opposite sign.

(ii) **Interest rate risk**

The Group faces interest rate risk due to its exposure to unfavourable interest rate fluctuations. The change in the market interest rate has a direct influence on the income and expenses related to the financial assets and liabilities bearing floating interest rates, as well as on the market value of those bearing fixed interest rates. As at 31 December 2025 and 31 December 2024, most of the Group's assets and liabilities are interest-bearing. As a result, the Group is directly affected by the risk of interest rate fluctuations. Cash and cash equivalents are generally invested at interest rates for a maximum period of one year. However, the decrease in market yields could affect the measured amount of the assets held by the Parent Company.

From the total financial liabilities of the Group, the only liabilities bearing floating interest are represented by long-term bank loans. For more information about the contractual maturity of the Parent Company's interest-bearing financial assets and liabilities, see Note 30. The Group does not use derivative financial instruments to hedge against interest rate fluctuations. The impact on the Group's net profit of a $\pm 1.00\%$ change in the interest rate related to interest-bearing assets and liabilities is \pm RON 5874882 (31 December 2024: RON 0, given the full repayment of the loans).

	Book value (*)	
	31 December 2025 (audited)	31 December 2024 (audited)
Fixed-rate instruments		
Financial assets	3,287,752,987	4,224,168,660
	3,287,752,987	4,224,168,660
Floating-rate instruments		
Financial liabilities	587,488,159	-
	587,488,158	-

(*) *Gross book value, before deduction of the trading costs.*

Sensitivity analysis of cash flows for floating interest rate instruments

A change in interest rates by $\pm 1.00\%$ on the reporting date would have determined the increase (decrease) in profit or loss with the amounts below. This analysis assumes that all other variables, particularly exchange rates, remain constant.

	Profit or loss	
	+ 1.00% increase	- 1.00% decrease
31 December 2025		
Floating-rate instruments	(5,874,882)	5,874,882
Cash flow sensitivity (net)	(5,874,882)	5,874,882
31 December 2024		
Floating-rate instruments	-	-
Cash flow sensitivity (net)	-	-

(iii) Currency Risk

The currency risk is the risk of incurring losses or not making the estimated profit due to unfavourable exchange rate fluctuations. The Group is exposed to exchange rate fluctuations, but it does not have a formal foreign exchange risk hedging policy. Most of the financial assets and liabilities of the Parent Company are expressed in the national currency; the other currencies in which transactions are performed are EUR, CAD, USD, GBP and CHF.

The Group is exposed to currency risk fluctuations for cash and cash equivalents and its purchases and long-term loans in a currency other than the Group's functional currency. Long-term loans are denominated in foreign currency and are converted into RON, at the exchange rate on the balance-sheet date, as communicated by the National Bank of Romania. The resulting differences are included in the profit or loss account, and do not affect the cash flow until the time when the debt is paid-off.

Financial assets and liabilities expressed in RON and in other currencies as at 31 December 2025 and 31 December 2024 are presented in the following tables.

	Book value(*)	RON	EUR	USD	CAD	GBP	CHF
31 December 2025							
Financial assets							
Cash and cash equivalents	2,836,623,501	2,757,647,336	56,437,755	13,231,729	9,251,224	50,141	5,317
Bonds	567,047,632	-	567,047,632	-	-	-	-
Government bonds	30,475,394	30,475,394	-	-	-	-	-
Trade receivables	333,451,217	309,620,306	23,830,910	-	-	-	-
Advance payments	60,508,372	16,305,731	2,150,230	39,872,872	2,179,539	-	-
Tangible non-current assets (pre-payments)	1,727,191,081	72,514,998	706,545,091	61,370,677	886,760,315	-	-
Inventories (advances)	3,476,062	1,720,245	55,026	1,099,387	601,404	-	-
Gross exposure	5,558,773,259	3,188,284,010	1,356,066,644	115,574,665	898,792,482	50,141	5,317
Financial liabilities							
Suppliers and suppliers of non-current assets	(777,342,677)	(159,438,748)	(328,090,941)	(68,421,656)	(221,391,333)	-	-
Loans	(587,488,159)	-	(587,488,159)	-	-	-	-
Gross exposure	(1,364,830,836)	(159,438,748)	(915,579,099)	(68,421,656)	(221,391,333)	-	-
Net exposure in the financial position statement (audited)	4,193,942,423	3,028,845,262	440,487,545	47,153,009	677,401,148	50,141	5,317

(*) Gross book value, before deduction of the trading costs.

	Book value(*)	RON	EUR	USD	CAD	GBP	CHF
31 December 2024							
Financial assets							
Cash, cash equivalents and deposits	3,860,346,489	3,691,051,635	32,741,201	58,078,159	77,907,442	564,687	3,365
Bonds	552,695,022	-	552,695,022	-	-	-	-
Government bonds	30,403,869	30,403,869	-	-	-	-	-
Trade receivables	352,031,138	347,689,929	3,681,109	639,703	20,398	-	-
Advance payments	22,716,023	16,593,898	432,631	497,723	4,789,376	25,803	376,590
Tangible non-current assets (pre-payments)	963,405,314	28,432,013	203,379,740	4,632,678	762,960,882	-	-
Gross exposure	5,781,597,855	4,114,171,344	792,929,703	63,848,264	809,678,097	590,491	379,955
Financial liabilities							
Suppliers and suppliers of non-current assets	(782,177,319)	(135,478,003)	(93,487,133)	494,924,398	57,783,067	(504,719)	-
Loans	-	-	-	-	-	-	-
Gross exposure	(782,177,319)	(135,478,003)	(93,487,133)	494,924,398	57,783,067	(504,719)	-
Net exposure in the financial position statement (audited)	4,999,420,535	3,978,693,341	699,442,571	431,076,134	751,895,031	85,771	379,955

(*) Gross book value, before deduction of the trading costs.

The following rates of exchange were applied:

	Average rate		Exchange rate as at	
	2025	2024	31 December 2025	31 December 2024
RON/EUR	5.0415	4.9746	5.0985	4.9741
RON/USD	4.4705	4.5984	4.3417	4.7768
RON/CAD	3.1968	3.3575	3.1677	3.3230
RON/GBP	5.8854	5.8769	5.8335	5.9951
RON/CHF	5.3804	5.2240	5.4743	5.2806

This is a free translation from the Romanian version. In case of any differences between the Romanian and English version, the Romanian version prevails. Notes 1 to 32 are an integral part of these consolidated financial statements.

Sensitivity analysis

A 10% appreciation of the national currency compared to the following foreign currencies on 31 December 2025 and on 31 December 2024 would have increased the gross profit by the amounts indicated below. This analysis assumes that all other variables remain constant.

	2025 profit (audited)	2024 profit (audited)
EUR	(44,048,754)	(69,944,257)
USD	(4,715,301)	43,107,613
CAD	(67,740,115)	(75,189,503)
GBP	(5,014)	(8,577)
CHF	(532)	(37,966)
Total	(116,509,716)	(102,072,719)

A 10% depreciation in the national currency against the following foreign currencies on 31 December 2025 and on 31 December 2024 would have had a similar, but opposite effect, on the above amounts, assuming that all other variables remained constant.

	Loss 2025 (audited)	Loss 2024 (audited)
EUR	44,048,754	69,944,257
USD	4,715,301	(43,107,613)
CAD	67,740,115	75,189,503
GBP	5,014	8,577
CHF	532	37,966
Total	116,509,716	102,072,719

b) 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 Group 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

Credit risk is managed at Group level.

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 contracts 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 31 December 2025, the Group is exposed to a moderate credit risk, considering that approximately 70% of its gross trade receivables are against Electrica Furnizare S.A., PPC Energie SA, Retele Electrice Romania SA, Engie Romania and OMV Petrom. (see Note 12). Counterparty risk is limited considering the guarantees obtained from clients in the form of letters of bank guarantee.

The Group'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 Group obtains guarantees in the form of letters of bank guarantee, which can be executed if the partner is default of the contractual term.

(iii) Adjustments for impairment

The Group 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 main financial institutions where these financial assets are placed are the following:

	31 December 2025	31 December 2024
	(audited)	(audited)
EximBank S.A.	848,378,917	868,657,471
Alpha Bank S.A.	-	750,648,415
Garanti Bank S.A.	144,616,114	466,137,944
Unicredit Bank S.A.	157,986,842	401,339,599
Banca Comerciala Romana S.A.	539,260,863	431,210,959
BRD Societe Generale S.A.	430,658,073	498,875,620
Vista Bank S.A.	270,590,340	156,261,396
CEC Bank S.A.	2,748,844	119,280,768
INTESA SANPAOLO Romania S.A.	250,000,357	40,000,000
Treasury	2,754,682	1,619,030
Citi Bank Romania	44,491,745	126,289,531
Banca Transilvania S.A.	31,167	715
	145,050,040	-
Other	55,518	25,042
Total cash and bank deposits	2,836,623,501	3,860,346,489

The maximum credit risk exposure on the reporting date was:

	Net amount	
	31 December 2025	31 December 2024
	(audited)	(audited)
Financial assets		
Trade receivables	333,451,217	352,031,138
Bank deposits	1,297,840,701	1,720,501,128
Cash and cash equivalents	1,538,782,800	2,139,845,361
Other financial assets measured at amortized cost	1,138,427,636	399,894,958
Government bonds	326,122,116	30,403,869
Bonds	30,475,394	552,695,022
	5,232,147,496	5,195,371,476

Trade receivables

The Group 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.

Based on these ratios, the expected credit losses on 31 December 2025 and on 31 December 2024 were determined for trade receivables and other receivables, as follows:

The age of **trade receivables** on the reporting date was as follows:

	Gross amount 31 December 2025 (audited)	Value adjustments as at 31 December 2025 (audited)	Gross amount 31 December 2024 (audited)	Value adjustments as at 31 December 2024 (audited)
Not yet due	329,906,075	-		
Overdue between 1-30 days	451,617	-	347,125,958	-
Overdue between 31-90 days	205,202	-	1,912,907	-
Overdue between 91-180 days	531,764	-	211,827	-
Overdue between 181-270 days	2,354,106	-	367,822	-
Overdue between 271-365 days	2,453	-	2,412,625	-
More than one year	18,344,673	(18,344,673)	-	(11,784,818)
Total	351,795,889	(18,344,673)	11,784,818	(11,784,818)

The age of **other receivables**, including the recoverable VAT, on the reporting date was as follows:

	Gross amount 31 December 2025 (audited)	Value adjustments as at 31 December 2025 (audited)	Gross amount 31 December 2024 (audited)	Value adjustments as at 31 December 2024 (audited)
Not yet due	46,063,328	-	35,050,444	-
Overdue between 1-30 days	18,354	-	58,851	-
Overdue between 31-90 days	90,858	-	147,850	-
Overdue between 91-180 days	139,313	-	90,001	-
Overdue between 181-270 days	-	-	98,672	-
Overdue between 271-365 days	-	-	124,373	-
More than one year	19,754,678	(19,754,678)	583,180	(583,180)
Total	66,066,531	(19,754,678)	36,153,371	(583,180)

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

	31 December 2025 (audited)	31 December 2024 (audited)
Balance at the beginning of the year	(11,784,818)	(11,255,214)
Recognized impairment adjustments, net of restatements, recognized in the consolidated statement of profit or loss	6,559,855	529,605
Balance at the end of the year	(18,344,673)	(11,784,818)

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.

c) Liquidity risk

Liquidity risk represents the risk of incurring losses or not realizing the estimated profits, which results from the impossibility of making short-term payment obligations at any time, without this involving excessive costs or losses that cannot be borne by the Group.

A prudent liquidity risk management policy implies maintaining a sufficient level of cash and cash equivalents and the availability of financing through appropriate contracted credit facilities. Considering the dynamic nature of its business, the Group strives to maintain financing flexibility by having access to various financing sources.

The structure of the assets and liabilities was analysed based on the remaining period from the date of the financial position until the contractual maturity date, both for the period ended on 31 December 2025, and for the financial year ended on 31 December 2024, as follows:

	Book value 31 December 2025 (audited)	Contract amount	< 1 year	> 1 year	Book value 31 December 2024 (audited)
Financial assets					
Cash and current accounts	1,538,782,800	1,538,782,800	1,538,782,800	-	2,139,845,361
Deposits with banks	1,297,840,701	1,297,840,701	1,297,840,701	-	1,720,501,128
Trade receivables	333,451,217	333,451,217	333,451,217	-	352,031,138
Financial assets measured at amortized cost	1,705,475,268	1,705,475,268		1,705,475,268	968,962,604
Other financial assets measured at amortized cost	356,597,510	356,597,510	356,597,510	-	399,894,958
Total financial assets	5,232,147,496	5,232,147,496	3,526,672,228	1,705,475,268	5,581,235,189
Financial liabilities					
Loans	587,488,158	587,488,158	2,509,590	584,978,568	-
Trade payables	1,008,006,209	1,008,006,209	1,008,006,209		1,075,557,344
Liabilities under leasing agreements	27,701,157	27,701,157	7,390,834	20,310,323	34,598,784
Other financial liabilities	167,287,420	167,287,420	161,120,771	6,166,649	202,295,701
Total financial liabilities	1,790,482,947	1,179,027,404	1,179,027,404	611,455,540	1,312,451,829
Excess liquidity	3,441,664,555	3,441,664,552	2,347,644,824	1,094,019,728	4,268,783,360

d) Taxation risk

The Romanian tax legislation provides detailed and complex rules that underwent repeated in recent years. The interpretation of the text and the practical procedures implementing the tax legislation could vary, and there is a risk that certain transactions are interpreted by the tax authorities differently than the Group's treatment.

From the point of view of the corporate income tax, there is a risk that tax authorities give a different interpretation to the applied tax rules determined under the Accounting Regulations compliant with IFRS.

The Government of Romania has a number of agencies authorized to audit (inspect) the companies operating in the territory of Romania. These inspections are similar to the tax audits undertaken in other countries, and may cover more than just tax issues, meaning legal and regulatory matters of interest for these agencies. It is possible that the Group is subject to tax inspections as new tax regulations are issued.

e) Operational Risk

Operational risk is defined as the risk of incurring losses or not realizing the estimated profits due to internal factors, such as improper performance of internal activities, inadequate personnel or systems, or to external factors, such as economic conditions, changes on the capital market, technological progress. Operational risk is inherent in all the Group's activities.

Operational risk relates to the Group's ability to secure the amounts of electricity assumed under contracts on the regulated and competitive market, taking into account both the planned and unplanned outage of Units 1 and 2. The means of managing these risks imply assessment, maintenance and continuous upgrading of the Parent Company's systems, as well as a good planning and performance of preventive and corrective maintenance activities to control the nuclear risks, as well as to reduce the number of unplanned outage hours.

The policies defined for operational risk management took into account each type of event that can generate significant risks and how these manifest, in order to remove or reduce losses of a financial or reputational nature.

f) Regulatory risk

Regulatory risk is the risk of financial losses, including fines and penalties, resulting from non-compliance with the laws and regulations due to potential amendments of the legislative framework. These may refer to the local and central authorities or the energy regulatory authority (ANRE) imposing new contractual provisions or tax changes. This risk is limited by the continuous monitoring and assessment of the impact of the legislative framework amendments on the Company.

Capital adequacy

The management's policy on capital adequacy focuses on maintaining a solid capital base, in order to support the continuous development of the Group and attainment of its investment objectives.

Risk Management

The Group's capital management objectives are:

- to protect its ability to continue to pursue its business, so that it can continue to provide shareholders with profit and the other stakeholders with benefits, and
- to maintain an optimal capital structure so as to reduce the cost of capital.

To maintain or adjust the capital structure, the Group can adjust the amount of the dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce liabilities.

In line with other industries, the Group monitors the capital based on the following ratio:

Net leverage = net liabilities/equity (as presented in the Statement of the financial position, including the non-controlling interests)

	31 December 2025 (audited)	31 December 2024 (audited)
Net debt	(2.818.957.212)	(4,408,846,596)
Equity	15.900.919.080	12,300,639,482
Net debt/Equity	(0.2x)	(0.4x)

As at 31 December 2025, a negative net debt of RON 2.8 billion was booked by the Group (31 December 2024: RON 4.4 billion). The net leverage ratio being (0.2x).

Net debt

The net debt includes the total of credits and financial liabilities, less cash and cash equivalents and liquid assets. Liquid assets are financial assets with an initial maturity of more than three years, that are easily convertible into cash and are managed according to a liquidity-focused policy. In this category, the Group recognized financial assets measured at amortized cost of the nature of governmental bonds and bonds.

	31 December 2025 (audited)	31 December 2024 (audited)
Cash and cash equivalents	(1,538,782,800)	(2,139,845,361)
Bank deposits	(1,297,840,701)	(1,720,501,128)
Financial assets measured at amortized cost in the form of bonds	(567,047,632)	(552,695,022)
Financial assets measured at amortized cost in the form of governmental bonds	(30,475,394)	(30,403,869)
Bank loans	587,488,158	-
Liabilities under leasing agreements	27,701,157	34,598,784
Net debt	(2,818,957,212)	(4,408,846,596)

31. 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 Parent 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.

As of 2024, the Group has recognized an effective minimum tax for the SNN Group of RON 14,215,623, further to application of the provisions of Law no. 431/2023 ensuring a global minimum level of taxation for multinational enterprise groups and large domestic groups, and considering the additional guidance provided by the Organization for Economic Cooperation and Development (OECD) has been taken into account as a source of illustration or interpretation, with the aim of ensuring consistent application of the legislation in force. Based on the amendments to IAS 12 Corporate Income Tax, the Group has not recognized deferred tax in relation to the effective minimum tax for the SNN Group.

Later, the Government Ordinance no. 21/2025, published in the Official Gazette no. 805 of 29 August 2025, clarified the conditions for application of the initial phase of exemption found in Article 53 of Law no. 431/2023, which grants the large national groups an exemption from the global minimum tax for a period of 5 years. After having reviewed again the Parent Company's situation against the backdrop of these legal provisions and the answer of the National Agency for Fiscal Administration (ANAF) served to the Company with the letter no. 18938/19.11.2025, the global minimum tax applicable to the Company was found to be reduced down to zero.

Therefore, the amount booked in 2024 as the global minimum tax was versed in 2025 to ensure compliance with the applicable legal framework, accounting compliance and fair presentation of the statement of financial position and profit or loss account, as at the date of these financial statements.

(ii) Other controls

During 9 May 2023 - 15 June 2023, ANAF - General Tax Antifraud Directorate (DGAF) carried out an anti-fraud inspection on application of the energy provisions of the aforementioned regulatory acts over the 1 April 2022 - 31 March 2023. 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 no. 357/2022.

SNN expressed its point of view to the Ministry of Finance, ANAF - DGAF by letter no. 7204/22.06.2023, by which explained 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 law produces legal 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 ADAF tax assessment decision no. 17862/ 17.10.2023 (registered with SNN under no. 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 by payment order no. 2329/17.11.2023.

By tax assessment decision no. 4125/23.11.2023 (registered with SNN under no. 13102/23.11.2023), ANAF - Directorate General for the Administration of Large Taxpayers (DGAMC) requested payment of the total amount of RON 1,164,503 representing interest and late payment penalties for two distinct situations, as follows:

- 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;
- 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, DGAMC, 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, SNN has proceeded to the payment of this amount by payment order no. 2569/19.12.2023 (the deadline being 20 December 2023 under Article 156, paragraph. (1), point b. of the Fiscal Procedure Code).

SNN filed the following challenges against the assessment decisions on the Additional Contribution to the Energy Transition Fund with the National Agency for Fiscal Administration (ANAF) - Anti-Tax Fraud General Directorate (DGAF):

- challenge 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;
- challenge 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;
- challenge 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;
- challenge 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.

Concerning the **Challenge no. 12891/20.11.2023** filed by SNN to have the Assessment Decision no. A-DAF 17862/17.10.2023 set aside and the additional contribution paid to the Energy Transition Fund for the period 1 September 2022 - 15 December 2022, **amounting to RON 18,041,598**, the Ministry of Finance – General Directorate for Settlement of Challenges (DGSC) issued the Decision nr. 516/12.02.2024 (which was served to SNN on 15 February 2024), whereby it dismissed the challenge of SNN in its entirety as unfounded, and hence confirmed in full the Assessment Decision no. A-DAF 17862/17.10.2023 as to the principal tax liabilities assessed after the documentary inspection. As at 10 May 2024, SNN challenged the Decision no. 516/12.02.2024 in administrative proceedings; our action is heard in the Case no. 3063/2/2024. As at 13 February 2025, the

court postponed the ruling to 25 February 2025. As at 25 February 2025, the court redocketed the case for a discussion about the applicability to the case of the Decision of the Constitutional Court of Romania (CCR) rendered on 7 November 2024 upholding the plea of non-constitutionality, and finding that the provisions of Article 15 and Annex no. 6 of the Government Emergency Ordinance no. 27/2022 on measures applicable to end customers on the electricity and natural gas market between 1 April 2022 and 31 March 2023, and amending and supplementing certain regulatory acts in the energy sector, as subsequently amended and supplemented, were not constitutional, and asked the parties to state their viewpoints on the applicability to the case of the Decision of the Constitutional Court of Romania (CCR) rendered on 7 November 2024 (a decision that had not been then yet published in the Official Gazette). During the hearing of 26 March 2025, the court stayed the try of the case pending submission of the adjoined casefile - Casefile no. 3455/2/2024. During the hearing of 4 June 2025, the court stayed the try of the case pending attachment of the Casefile no. 3455/2/2024. Also, by referring to the provisions of paragraph 41 of the Romanian Court of Auditors Decision no. 640/07.11.2024, at the request of the Ministry of Finance, the court considered that the case should be adjourned. During the hearing of 30 September 2025, the court stayed the try of the case under the Resolution no. 2/26.08.2025 of the General Meeting of Judges in Bucharest Court of Appeal (the protest of magistrates). The following hearing date was set for 25 November 2025. During the hearing of 25 November 2025, the case was postponed to allow service of the documents on record.

During the last hearing of **18 February 2026**, the court dismissed as unfounded the pleas of inadmissibility and prematurity, as well as the plea of lack of capacity to stand trial of the defendant, the Ministry of Finance - General Directorate for Settlement of Complaints, on the heads of claim under the adjoined request for the setting aside of the Assessment Decision no. 4125/23.11.2023 and the refund of the paid amount paid, plus the related interest. The court upheld the adjoined applications (Case no. 3063/2/2024 and Case no. 3455/2/2024). Sets aside the decisions issued on the challenges no. 516/12.02.2024 and no. 1581/26.04.2024, the Assessment Decision no. A-DAF 17862/17.10.2023 (concerning the main tax liabilities of RON 18,041,598, representing additional contribution to the Energy Transition Fund for the period 1 September 2022 - 15 December 2022), and part of the Decision no. 4125/23.11.2023 for the amount of RON 1,129,901, representing ancillary tax liabilities (interest and penalties) related to the main tax liability of RON 18,041,598. Orders the defendants to repay to the claimant the amount of: RON 18,041,598 and RON 1,129,901. Orders the defendants to pay to the claimant the tax interest on the repaid amounts, as follows: for the amount of RON 18,041,598, the tax interest will be calculated from 17 November 2023 and until the effective payment date, whereas for the amount of RON 1,129,901, the tax interest will be calculated from 19 December 2023 and until the effective payment date. Orders the defendants to pay to the claimant the amount of RON 750, as court expenses (judicial stamp duty). Subject to second appeal within 15 days of service. The solution is not final.

Concerning the Challenge no. **14489/28.12.2023** filed by SNN to have the Assessment Decision no. 4125/23.11.2023 set aside and the ancillary tax liabilities related to the difference of the contribution to the Energy Transition Fund RON 1,129,901 refunded, the Ministry of Finance – General Directorate for Settlement of Challenges (DGSC) issued the Decision nr. 1581/26.04.2024 (which was served to SNN on 9 May 2024) dismissing the SNN challenge in its entirety as unfounded. As at 28 May 2024, SNN challenged the Decision no. 1581/26.04.2024 in administrative proceedings; our action is heard in the Case no. 3455/2/2024. On 12 March 2025, the Case no. 3455/2/2024 was adjoined with Case no. 3063/2/2024.

After filing the **Challenge no. 14490/28.12.2023** for the partial set aside of the Assessment Decision no. 4125/23.11.2023 and the refund of the ancillary tax liabilities of **RON 34,602**, the Ministry of Finance – General Directorate for Settlement of Challenges issued the Decision no. 2445/08.07.2024 (which was served to SNN on 11 July 2024) partially reversing the Decision no. 4125/23.11.2023 as regards ancillary tax liabilities of RON 34,602, which was a favourable solution for SNN. As a result of this Decision for partial cancellation, the General Directorate for Large Taxpayers Management will issue a new administrative and tax document within 60 calendar days of the date of issuance of the Decision no. 2445/08.07.2024. In this case, the General Director for Management of Large Taxpayers (DGAMC) issued a note for addition of the tax liabilities to payer record as overpaid amounts. As at 28 October 2025, SNN received from ANAF the Decision offsetting the tax liabilities with other due payment liabilities, for the amount of RON 34,602.

After filing the **Challenge no. 5620/29.04.2024** for the partial set aside of the Assessment Decision no. 1030/02.04.2024 and the refund of the ancillary tax liabilities of RON 3,317, the Ministry of Finance – General Directorate for Settlement of Challenges issued the Decision no. 3594/01.10.2024 (which was served to SNN on 7 October 2024) partially reversing the Decision no. 1030/02.04.2024 as regards ancillary tax liabilities of RON 3,317, which was a favourable solution for SNN. As a result of this Decision for partial set aside, the General Directorate for Large Taxpayers Management (DGAMC) was to issue a new administrative and tax document within 60 calendar days of the issue date of the Decision no. 3594/02.04.2024, asking for the settlement of the case and the refund of the amount concerned. In this case, the General Director for Management of

Large Taxpayers (DGAMC) issued a note for addition of the tax liabilities to payer record as overpaid amounts. As at 28 October 2025, SNN received from ANAF the Decision offsetting the tax liabilities with other due payment liabilities, for the amount of RON 3,317.

In 2025, the Parent Company was subject to an inspection conducted by the Ministry of Finance - General Directorate of Economic and Financial Inspection, aimed at checking its business activity carried out in years 2019-2025.

This economic and financial inspection carried out by the Ministry of Finance, as documented in the Economic and Financial Inspection Report no. 5129/EF/11.11.2025, ordered a number of measures under the Mandatory Order no. 6035/870989/EF/11.11.2025. As to the implementation status of these measures, SNN has proceeded as follows:

- Concerning Measure no. 1, the entity has reviewed the findings of the inspection team and has taken the necessary steps to act upon them by entering into its accounts the assessed liabilities, and further ordering corrective measures.
- The total amount assessed by the inspection bodies, *i.e.*, RON 1,510,101, has been fully paid in accordance with the time-limits set out in the Mandatory Order.
- The ordered corrective measures have been applied in compliance with the applicable legal provisions.

A preliminary complaint has been filed within the statutory term and in compliance with the administrative litigation legislation against this Mandatory Order; however, such filing has not stayed the obligation to act upon the ordered measures.

Thus, we conclude that SNN has completed Measure no. 1 and fulfilled the other obligations imposed by the inspection bodies, has fully paid the amounts ordered and has also acted to exercise its legal right to challenge by filing a preliminary complaint.

(iii) Insurance policies

On 31 December 2025, 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 Group did not register any liabilities as at 31 December 2025 and 31 December 2024 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 the decommissioning of nuclear plants was taken over by ANDR (see Notes 5 and 27). 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 31 December 2025 are not significant. Moreover, the Parent 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 Parent 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 2025, the Parent 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 Parent 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 31 December 2025, the total amount of the commercial commitments was fully reflected under "Trade and other payables", representing capital and operating expenses.

In addition, the Group is party to a commitment 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 related entity to SNN. When NPG exercises their right to sell the Shares by sending a written notification, SNN shall have the obligation to purchase those shares.

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 transfer price of the loans granted by NPG to RoPower Nuclear will be calculated as the nominal value of these loans, plus a variable component that takes into account the application of yield thresholds depending on the moment of reaching the "Ready-to-Build" stage by reference to the Implementation Schedule.

As of 31 December 2025, NPG had not granted any shareholder loans to RPN.

As at the date of these Individual Financial Statements, NPG has not notified SNN in writing to this effect.

The EGMS Resolution no. 4/09.04.2025 approved amendment of the Investors' Agreement for RoPower so as to allow the Special Purpose Vehicle to acquire the Land related to the Nuclear Power Plant. At the same time, the shareholders approved execution by SNN, as lender/creditor, of an Addendum to the Framework Loan Agreement no. 1 dated 16 August 2023, for amendment of the subject-matter of the abovementioned loan agreement to the effect of including also the expenses related to acquisition of the site for to the SMR Project of Doicesti, the expenses related to the granting of guarantees by SNN for the loans taken out by the Special Purpose Vehicle Ropower Nuclear S.A. from third-party lenders, and the related financing costs in the scope of the financing granted by SNN to the Special Purpose Vehicle Ropower Nuclear S.A. The amounts extended by SNN to finance acquisition of the SMR Project's site of the Doicesti were secured by setting up a mortgage on the land to be acquired by the Special Purpose Vehicle Company Ropower Nuclear S.A., on the basis of the financing granted by SNN, in favor of SNN.

(vii) Securities

Trade of electricity produced on the platforms managed by OPCOM, supposes that for certain transactions, the Group 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 contracts) or in favor of the clients CMBC-CN– Centralized Market of Bilateral Contracts with Continuous Negotiation, CMBC-Le-flex LE – Centralized Market of Bilateral Contracts by Extended Auction and the use of products ensuring flexibility of trading and CMUS).

As at 31 December 2025, the total amount of the letters of bank guarantee issued in favor of OPCOM, for participation in DAM and IDM, amounts to RON 149.1 million.

The Group is a participant in the balancing market and a member of PRE Ciga Energy SA, according to the agreement concluded with Ciga Energy S.A. for provision of the representation service as a party responsible for balancing, and set up a guarantee of RON 5.1 million.

The Group also holds a letter of bank guarantee of RON 4.424 million in favor of Transelectrica, for provision of the transmission service.

As at 31 December 2025, the total amount of the letters of bank guarantee issued by customers in favor of the Parent Company for the contracts concluded on the CMBC-EA and CM-OTC markets was RON 756.132 thousand. Such guarantees cover the risk for non-performance of the contractual obligations assumed by clients under the electricity sales agreements.

As at 31 December 2025, the Parent 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 31 December 2025, the Parent Company has set up a financial guarantee, as guarantor, in favor of the banking syndicate led by J.P. Morgan, in the amount of EUR 80 million, equivalent to RON 406.5 million, to secure the credit facility taken out by Energonuclear S.A.

(viii) Fees

The total fees (excluding VAT) for the audit of the Individual Financial Statements and Consolidated Financial Statements as at 31 December 2025 was RON 842,250 (31 December 2024: RON 750,000), for the review of the Individual Financial Statements and Consolidated Financial Statements as at 30 June 2025 was RON 202,140 (30 June 2024: RON 180,000), and for other services (reviews under agreed procedures and assurance engagements) in 2025 is RON 66,150 (2024: RON 75,000).

32. Subsequent events to the Balance-Sheet Date

Under the Current Report dated 23 January 2026, the Parent Company informed its shareholders and investors about the request made by Mr. Ionel Bucur, a member of the Board of Directors of SN Nuclearelectrica SA, to terminate his contract of mandate concluded SN Nuclearelectrica SA on 24 November 2025, effective 23 January 2026.

Under the EGMS Resolution no. 1 of 12 February 2026, shareholders of SN Nuclearelectrica SA approved the final investment decision for the Small Modular Reactors (SMR) Project of Doicești. Through this decision, Romania marks the most advanced step at the European level in developing a SMR project, subject to a number of additional conditions intended to put in place a solid support and cooperation framework with partners and authorities, aiming for a smooth development and deployment process.

On February 28, 2026, an armed conflict broke out in Iran, a conflict with regional geopolitical and economic implications. The Company's management assessed the impact of this event and concluded that it represents a subsequent event that does not require an adjustment of the financial statements as of December 31, 2025. However, subsequent developments may have potential economic effects, including through increases in the prices of petroleum fuels (diesel, gasoline), which could impact future operating costs—both for products and services—directly or indirectly. The Company has implemented a raw-material supply strategy (uranium concentrates) that ensures stability and predictability, providing protection against crisis situations that may have short-term, localized effects. In situations where a crisis extends over longer periods (more than one year), certain effects may be felt in the procurement prices of raw materials. Management notes that this conflict does not affect the security of the raw-material supply. In addition, rising fossil-fuel costs (primarily oil and gas, but also their derivatives) during periods of geopolitical tension tend to drive increases in electricity prices on European markets.

The Group has not identified other events subsequent to 31 December 2025 that could have a significant impact and are of a nature of being presented in the Consolidated Financial Statements.

Date: 20 March 2026

Cosmin Ghita
Chief executive officer

Daniel Adam
Chief Financial Officer