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SNN no.

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

NOTE

on the approval by the Extraordinary General Meeting of Shareholders (“EGMS”) of SNN of (i) the proposal of Shareholders’ Agreement to be concluded between SNN and the Romanian State, through the Ministry of Energy, which will regulate the rights and obligations of SNN and of the Romanian State, as shareholders of EN- in the form and having the content presented in Annex no. 1 to the Note, (ii) the mandate of the Chief Executive Officer of SNN to negotiate and implement, within the limits provided by the law, any subsequent amendments to the Shareholders’ Agreement, (iii) the mandate of the Chief Executive Officer of SNN to sign the EN Shareholders’ Agreement and any document in connection with the items approved above”

1. The Project of Units 3 - 4: Background and Status

The construction of Cernavodă NPP Units 3 and 4 (the “**Project**”) was started the early-mid 1980s, these units being in conservation since 1992. The performance ratio of Cernavodă NPP Units 3 and 4 is of approximately 40%. The project of Units 3 and 4 uses Unit 2 as reference and shall include improvements from the point of view of nuclear safety, as well as any other changes in the project intended to improve the operation of the plant and thus, provide higher installed capacity utilization factors. The two nuclear units are designed to have a unitary gross installed capacity of 724 MWe.

The Project is listed in Romania’s 2019–2030 Draft Energy Strategy, towards 2050, as well as in the Integrated National Energy and Climate Change Plan, as approved by Government Decision of Romania no. 1076/2021, as a pillar supporting Romania’s energy independence and attainment of the decarbonisation targets undertaken by Romania as an EU Member State, and stands for a strategic objective of national interest with an essential role in achieving Romania’s energy security objectives, while also contributing to meeting the decarbonization targets for the electricity generation sector and maintaining the stability of the National Energy System.

Societatea Nationala NUCLEARELECTRICA S.A.

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J1998007403409, Unique Registration Code with the Trade Register (CUI) 10874881, Tax identification Code (CIF) RO10874881,
IBAN code RO94 RNCB 0072 0497 1852 0001, opened with BCR - Sector 1 Branch;
Subscribed and paid-up share capital: RON 3,016,438,940.
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According to the Support Agreement between the Romanian State and S.N. Nuclearelectrica S.A. for the Project of Cernavoda NPP's Units 3 and 4, as approved by Law no. 74/2023 and as amended by the Government Decision no. 1011/2024, the Parties hereby agree that the Project shall be developed and implemented by EN, incorporated as a "Special Purpose Vehicle" joint-stock company.

The strategy for continuing the Cernavoda NPP Units 3 and 4 Project involves a phased implementation:

- **Stage I – Preparatory Stage**, pursuing the following main goals: re-operationalising EN, contracting the technical and legal assistance services, contracting engineering services for updating the engineering and nuclear safety documentation necessary for the Project restart.

- **Stage II – Limited Notice to Proceed (LNTP)** – 30 months;

- **Stage III – Construction (Final Notice to Proceed – FNTP)** - pursuing the main objectives of starting and completing the construction and assembly works, and of commissioning Units 3 and 4.

Key decision deadlines set out in the updated Support Agreement:

- **1st Investment Decision** – 30 October 2024 (deadline, allows transition to Stage II Limited Notice to Proceed)

- **2nd Investment Decision** – 30 June 2027 (deadline, allows transition to Stage III - Construction).

On 14 November 2024, the shareholders of SNN *approved the 1st Investment Decision* and the transition to Stage II – Limited Notice to Proceed.

The business activities of EnergoNuclear S.A. in this stage are essential for the development of the Project Units 3 and 4, with an exponential increase being envisaged in the work to be rendered out across the company, with a view to a smooth performance of the activities and to attaining the objectives set for Stage II – Limited Notice to Proceed.

So far, in this stage, the following activities have been carried out:

- ✓ The interinstitutional group (with representatives of ANRE, OPCOM, the Competition Council, and the Ministry of Energy) prepared the formal State Aid Notice, containing information such as the type of aid measures, the investment amount, the financing cost, the amount of the in-kind contribution – heavy water and uranium octoxide from the Romanian State and land and buildings from SNN, the return on equity, and the Project's rate of return
- ✓ The Operation and Maintenance Plan for 4 nuclear units was prepared and agreed with the SPV (EN); it sets out how the operation and maintenance services will be provided for the units (the "O&M Contract")
- ✓ The Technical Connection Approval was obtained from Transelectrica for connection to the National Energy System.
- ✓ The necessary technical documentation underlaying the Preliminary Nuclear Safety Report, a document needed to be issued the Building Permit, is currently being prepared; the Project budget cost estimated is rated with an accuracy of +15% - 20%.
- ✓ The Procurement and Construction Strategy is under review, and aims to fine-tune the procurement model, to identify the main contracts, and to plan the stages of supply and work; these will determine the Project's programme for the Project's Stage III.
- ✓ The SNN EGMS' Resolution no. 8 of 3 September 2025 approved the conclusion of the EUR 80 million loan agreement between EnergoNuclear S.A., with SNN acting as guarantor in favour of EN, and the banking syndicate led by J.P. Morgan.
- ✓ The Shareholders' Agreement for participation of the Romanian State, together with Societatea Nationala Nuclearelectrica S.A., in the share capital of EnergoNuclear S.A., the Special Purpose Vehicle that will develop the Project of Cernavoda NPP's Units 3 and 4, was drafted.

2. Clearance/Approval Powers

Article 4(2) of Law no. 74/2023 approving the signing of the Support Agreement between the Romanian State and SNN, which was signed on 9 June 2023, provisions that:

- *Article 4(2) By way of derogation from the provisions of Articles 5 – 7 of Law no. 137/2002, as subsequently amended and supplemented, the **shareholders' agreement**, as defined in the Support Agreement, as well as any other amendments or additions to clauses of the Shareholders' Agreement, shall be approved by Government Decision*

Also:

- According to the provisions of Article 13(4)(c) of the Articles of Association of SNN, current version, *“In addition to the powers and duties listed above or laid down under paragraph 3 above, the **Extraordinary General Meeting of Shareholders resolves also on the following matters:** c) establishment or participation in establishment of companies regulated by the Law of Companies no. 31/1990, or of associations or foundations regulated by the Government Ordinance no. 26/2000 on associations and foundations;”* and consequently, according to the principle of symmetry of legal acts, the corporate body competent to approve the decrease in SNN’s shareholding in EN by admitting another shareholder/investor is also the EGMS.”¹

3. Provisions of the Shareholders Agreement

According to the legal provisions referred to in Article 2.5 of the Support Agreement (30 October 2024 – 1st Deadline Date), to date, although the signatory parties, being SNN and the Ministry of Energy, as representative of the Romanian State, have taken steps to meet this Deadline Date, the delay recorded so far in the process has been caused by the lengthy clearance/negotiation circuit of the current draft submitted for approval.

By this Agreement, the Romanian State intends to become an investor in EN by increasing the share capital of EN through an in-kind contribution to the share capital of EN. In this respect, SNN and the Romanian State have undertaken to conclude an agreement (hereinafter referred to as “the Shareholders’ Agreement”) to regulate the rights and obligations of SNN and of the Romanian State, as shareholders of EN, including, but not limited to, the Parties’ obligations regarding the financing of EN for the development of the Project, the terms and conditions for admission of new shareholders to EN for the financing/development of the Project, as well as the possibility for any party to this Agreement to exercise, under pre-agreed conditions, the option to purchase the shares held by the other party or the option to sell its shares to the other party.

Thus, further to the negotiations initiated and conducted by SNN with the Ministry of Energy, at this time, there is a draft “**Shareholders’ Agreement**” – Annex no. 1 to this Note.

The main provisions of the Agreement concern:

A) EN’s share capital modification and financing.

Thus, according to the Shareholders’ Agreement proposed for approval, SNN and the Romanian State, through the Ministry of Energy, undertake to cooperate and negotiate in good faith for the granting or raising (as the case may be) of financing, and assume the following responsibilities:

Responsibilities of SNN:

- (i) SNN shall contribute to the share capital of EN, before the Date of the 2nd Investment Decision, the assets listed in Annex 2 - SNN Assets, being hereby agreed that the amount of these Assets shall be their respective market value, as determined by an expert certified according to

¹ The clearance and, as the case may be, the approval of the Shareholders’ Agreement do not implicitly entail a shareholders’ vote on the transactions governed thereby, as each transaction described will be presented in detail to the general meeting of shareholders competent in relation to the said transaction submitted for approval, as and when the conditions for its adoption are met.

the legal provisions;

(i) Excluding SNN's contributions to EN's share capital prior to the date of this Agreement and the in-kind contribution consisting of the SNN assets set out in Annex no. 2, SNN's contribution to the Project shall, in principle, be equal to the amount of the Preliminary Works Budget, namely EUR 350 million;

(iii) Under the Preliminary Stage, until 2nd Investment Decision, SNN shall finance EN's preliminary works budget with the equivalent in RON of the amount of EUR 350 million, to which the financing costs and expenses shall be added. The financing of EN shall be made by SNN, by:

- a) subscribing to the increase of the share capital of EN; and/or
- b) arm's length shareholder loans granted by SNN to EN,
- c) loans granted and/or taken out/facilitated by the Arranger/Financing Party (Mandated Lead Arranger) selected by SNN;
- d) EMP (Engineering Multiplier Program) loans granted by the export credit agencies, representing financing of the bridging loan type, guaranteed by SNN with the possibility of their refinancing from those loans to be granted for funding Stage III – Constructions and which will be 100% guaranteed by the Romanian State according to the Support Agreement,

in the manner decided by SNN and agreed with the EN financiers according to the agreements concluded therewith, so as to mitigate the financial risks that could be assumed by SNN by getting involved in the Project. The shareholder loans referred to in letter b) above may be converted into EN shares, in accordance with the loan agreement concluded between SNN and EN, read in connection with Clause 7 of this Agreement.

Responsibilities of the Romanian State:

(i) The Romanian State shall bring up an in-kind contribution to the EN's share capital, as investor, which contribution consists of the amount of heavy water and uranium octoxide related to the first nuclear fuel load for the commissioning of Units 3 and 4; hence, **before the 2nd Deadline Date (30 June 2027)**, the Romanian State shall give notice SNN of the contribution's amounts and terms and conditions, being agreed that the amount of these assets – heavy water and uranium octoxide set out in Annex 3 – shall be their Market Value, as determined by an Certified Expert, in accordance with the legal provisions. The estimated/required quantities for the in-kind contribution of the Romanian State to the share capital of EN are those set out in Annex no. 3 (to the Shareholders' Agreement);

SNN hereby waives any pre-emption right or any other right or option granted to it in respect of any of the shares to be subscribed by the Romanian State under this Clause 3.2.2, and shall ensure the irrevocable waiver of any such right or option granted to any other person who is not a party to this Agreement.

(ii) The Romanian State undertakes to ensure and/or secure the financing of Stage III (construction stage) so that the Project is completed and the two new nuclear units are commissioned;

(iii) The Romanian State shall take the necessary steps to have the Project financed, including, but not limited to, by granting State guarantees to the Project's financing parties under the terms of the Agreement entered into by and between the Government of Romania and the Government of the United States of America on cooperation towards the Cernavoda Nuclear Power Projects and the Civil Nuclear Power Sector in Romania (IGA), as ratified by Law no. 200/2021, and/or any other intergovernmental support agreements or memoranda, or outside such agreements, as applicable.

B) The taking out of bank loans. Financing instruments. Grants

To this end, the Shareholders' Agreement provides that the Parties:

(i) May agree upon, subject to the provisions of Clause 5.5.1.3 of this Agreement and at the EN's General Meeting of Shareholders, the EN taking out bank loans and/or raising financing through capital market instruments; and/or (ii) shall work together for the purpose of attracting grants for the financing of the Project;

(ii) With a view to implementing the provisions of this Shareholders' Agreement, the Parties shall agree, under the Project Implementation Plan and for each stage and set of activities committed to be carried out, on the financing plan and method, as subjected for approval in accordance with the powers set out in the Articles of Association.

C) Admission of new shareholders

For the purpose of admitting new shareholders, the Shareholders' Agreement regulates as follows:

(i) the Project's implementation will require, among other things, the raising of financing by admission of new shareholders to EN, at certain phases of the Project.

(ii) the Parties acknowledge and understand that, by admitting new shareholders to EN in accordance with the arrangement between the Parties and the new then shareholding:

- i. the Parties' participating interest in the EN's share capital may be reduced;
- ii. shareholder rights or governance rules within EN may change;
- iii. the EN's Articles of Association may undergo amendments;
- iv. the new shareholders may be granted the right to appoint members to EN's Board of Directors.

(iii) the Parties shall act in good faith and shall use all reasonable efforts to increase the value of EN and of the Parties' shareholdings, as well as to identify financing opportunities for the Project and new shareholders who can help its successful completion. The process pursued to select investors and admit new shareholders shall be specific and subject to approval by a Decision of the Government of Romania, pursuant to the provisions of Article 4(1) of Law no. 74/2023 approving the signing of the Support Agreement between the Romanian State and Societatea Nationala "Nuclearelectrica" – S.A. for the Project of Cernavoda NPP's Units 3 and 4.

D) The SNN's Put Option, whereby "the Romanian State hereby expressly and irrevocably grants SNN the option to sell, in part or in full, the Shares held by SNN in EN (the "**Put Option Shares**") at the put option exercise date (the "**Put Option**") to the Romanian State, which option may be exercised by SNN throughout the duration of the Agreement, should a termination event occur under the Agreement's clauses.

E) Other provisions refer to:

(i) submitting the notice to the European Commission of all matters concerning the Project, with a view to complying with the State aid legislation.

Any of the matters given notice of to the European Commission with a view to complying with the State aid legislation shall only be implemented after obtaining the European Commission's decision.

(ii) submitting the notice to EURATOM and the International Atomic Energy Agency of all relevant matters concerning the Project, for the purpose of meeting the international obligations assumed by Romania in the field of nuclear safeguards control.

(iii) approve the necessary corporate decisions within EN to ensure that the activities and the preliminary work and activities are carried out;

(iv) ensure that the EN's Board of Directors and the EN's Executive Management regularly inform the Parties on the development status of the Project, and whenever this is requested by any of the Parties, so as to enable them to hold sufficient information for making decisions in connection with the Project;

(v) based on the recommendation of the Steering Committee, they shall each undertake, at their respective level, all steps for their competent corporate/management bodies to adopt the investment decisions allowing the Project to progress to the next stages (Preliminary Works and Construction);

The Shareholders' Agreement attached hereto also regulates a number of matters relating to the corporate organization and operation of EN, the conditions for shareholders' withdrawal, and termination.

It should be noted that, since the Shareholders' Agreement, as well as any amendment/supplement thereto, is approved by a Government decision, it is possible that, following the proposals received from the institutions endorsing the normative act or resulting from the negotiations with the Ministry of Energy, subsequent amendments to its clauses might be required. In this regard, for the sake of expediency, we consider appropriate to mandate the company's Chief Executive Officer to make any amendments to the clauses regulated under the Shareholders' Agreement, without seeking approval from the SNN's General Meeting of Shareholders. Any amended draft of the Shareholders' Agreement shall be subject to subsequent information of the SNN's corporate bodies.

4. Proposals submitted for approval by the Extraordinary General Meeting of SNN Shareholders

In view of the foregoing, we submit for approval to the SNN EGMS:

(i) the proposal of Shareholders' Agreement to be concluded between SNN and the Romanian State, through the Ministry of Energy, which will regulate the rights and obligations of SNN and of the Romanian State, as shareholders of EN- in the form and having the content presented in Annex no. 1 to the Note, (ii) the mandate of the Chief Executive Officer of SNN to negotiate and implement, within the limits provided by the law, any subsequent amendments to the Shareholders' Agreement, (iii) the mandate of the Chief Executive Officer of SNN to sign the EN Shareholders' Agreement and any document in connection with the items approved above

5. Annexes

Annex no. 1 - the Shareholders' Agreement for participation of the Romanian State, together with Societatea Nationala Nuclearelectrica S.A., in the share capital of EnergoNuclear S.A., the Special Purpose Vehicle that will develop the Project of Cernavoda NPP's Units 3 and 4

Endorsed by,

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