



QUARTERLY REPORT
OF
THE BOARD OF DIRECTORS OF
S.N. NUCLEARELECTRICA S.A.

("SNN")

Q4 2022

Date of report: March 2023

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1. THE BASIS OF THE REPORT

The quarterly report of the Board of Directors for the period 1 January - 31 December 2022 is drawn up based on the provisions of Article 55 of Government Emergency Ordinance no. 109/2011 regarding the corporate governance of public enterprises, as subsequently amended and supplemented (“GEO no. 109/2011”), and the Mandate Contracts concluded by the Board of Directors with SNN.

2. ANALYSIS OF THE FINANCIAL SITUATION

The information and the Individual Financial Statements as at and for the financial year ended on 31 December 2022 presented in this report have been audited by S.N. Nuclearelectrica S.A.'s financial auditors - S.C. Mazars Romania S.R.L. and were prepared in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations compliant with the International Financial Reporting Standards (“IFRS”) adopted by the European Union.

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

2.1. Statement of financial position as of 31 December 2022

The financial position as of 31 December 2022 is stated in **Appendix 1**.

Ratio [Thousand RON]	31 December 2022 (audited)	31 December 2021 (audited)	Variation
Fixed assets	6,049,279	6,110,845	-1.0%
Current assets	5,743,493	3,514,280	63.4%
Total assets	11,792,772	9,625,125	22.5%
Long-term liabilities	456,762	597,564	-23.6%
Current liabilities	800,505	662,300	20.9%
Total liabilities	1,286,906	1,259,864	2.1%
Equity	10,535,505	8,365,261	25.9%
Total equity and liabilities	11,792,772	9,625,125	22.5%

Fixed assets are at a level similar to that recorded on 31 December 2021. The reduction of the net value of tangible and intangible assets through the recognition of depreciation related to the period 1 January - 31 December 2022 was compensated by the investments made during the period in tangible and intangible assets, as well as by the increase in financial investments in subsidiaries and associated entities, by increasing the share capital of Energonuclear SA by the amount of RON 27 million, respectively the participation in the share capital of RoPower Nuclear S.A. by RON 4.9 million, held in a proportion of 50% by SNN. The non-current assets also show the loans granted to the subsidiaries of FPCU Feldioara SRL and Nuclearelectrica Serv SRL, together with the interest accrued before 31 December 2022.

Current assets registered a +63.4% increase compared to 31 December 2021, mainly due to the +70% increase in cash available (cash, cash equivalents and bank deposits).

Long-term liabilities decreased by -23.6% compared to the values recorded as at 31 December 2021. The decrease is mainly determined by the reduction of the long-term portion of the foreign loans contracted from EURATOM for the construction and commissioning of Unit 2 of Cernavodă NPP, as a result of the reclassification of the instalments due from the long-term portion to the short-term portion, as the loans mature. Another factor is the writing down of the provision set for the management of other low and medium-radioactive and non-radioactive waste further to the shift in the strategy devised for their management by SNN, as well as the reversal of the provision established in connection with file 7036/118/2017 related to the litigation regarding the increased nuclear risk as a result of the definitive decision of the Constanta Court of Appeal dated 27.02.2023, and the consequent writing down of the deferred tax amount. The long-term deferred income (income from investments subsidies granted to write off penalties and other liabilities under the loan agreements for Unit 1) is written down from one period to another as the depreciation for Unit 1 gradually accrues.

Current liabilities registered an increase of +20,9% compared to the values recorded as at 31 December 2021, due to the increase in trade and other liabilities, mainly as a result of the recognition of the debt regarding the contribution to the Energy Transition Fund as at 31 December 2022, which is to be paid in the month following the reporting period. Also, the increase in the current liabilities was driven also by the increase in the prepayments invoiced to customers for supply or electricity, as well as by the increase in the corporate tax due on 31 December 2022, due to the positive developments in profit. The influence of these increases is partially diminished by the decrease in the current portion of foreign loans as a result of the completion of repayment of two such loans.

2.2. Profit and loss account for the 12-month period ended on 31 December 2022

In the 12-month period ended on 31 December 2022, SNN obtained a net profit amounting to RON 2,764,423 thousand.

Ratio [Thousand RON]	The 12-month period ended on 31 December 2022 (audited)	The 12-month period ended on 31 December 2021 (audited)	Variation
Production (GWh)*	10,200	10,377	(1.7%).
Operating revenues, of which:	6,534,010	3,203,880	103.9%.
<i>Revenues from the sale of electricity**</i>	6,343,640	3,103,150	104.4%.
Operating expenses - less depreciation and impairment and tax on additional income	(1,857,584)	(1,461,544)	27.1%.
Additional income tax expenses / Contribution to the Energy Transition Fund	(1,085,014)	-	-
EBITDA	3,591,412	1,742,336	106.1%.
Depreciation and impairment	(605,405)	(562,856)	7.6%.
EBIT	2,986,007	1,179,480	153.2%.
Financial income	238,176	61,025	290.3%.
Financial expenses	(31,687)	(36,411)	(13.0%).
Net financial result	206,489	24,614	738.9%.
Expense with corporate tax	(428,073)	(167,832)	155.1%.
Net profit	2,764,423	1,036,262	166.8%.

*Electricity produced and delivered by Cernavodă NPP in the National Energy System.

**Including income from the sale of thermal energy, insignificant in total income.

The operating profit (EBITDA) increased by 106.1% year-on-year, mainly as a result of the increase in operating income by 103.9%, influenced by the increase by 104.4% in the income from the sale of electricity. The increase in income was partially reduced by the increase in operating expenses, as a result of the registration of the additional income tax expense starting with January 2022 (see the detail below regarding the additional income tax expense), the amount of this expense for the period January - December 2022 being RON 1,085,014 thousand (RON 0 for January - December 2021), as well as the increase in the cost of electricity purchased during the period, caused by the increase in purchase prices.

Operating income increased by 103.9%. This increase is determined by the increase in revenues from the sale of electricity, as a result of the 111.7% increase in the weighted average selling price of electricity (including Tg) achieved between 1 January and 31 December 2022 compared to the weighted average price of the same period of 2021.

In the period January 1 - 31 December 2022, compared to the similar period of 2021, the company sold a total amount of electricity lower by 3.4%, due to a lower electricity production by 1.7%. In 2022, the planned shutdown of Unit 1 took place, with a longer duration than the planned shutdown of Unit 2 in 2021, which determined the decrease in production.

Additional income tax expenses / Contribution to the Energy Transition Fund

During 1 January – 31 August 2022, pursuant to Article II para. (1) of Law no. 259/2021, the additional income resulting from the difference between the average monthly electricity selling price and the price of RON 450/MWh was taxed by 80%. The method of calculating this tax is established by GEO no. 27/2022 (Annex 6) for the period January - August 2022. During the time period when the Government Emergency Ordinance no. 27/2022 applies, the monthly expenditure included: the cost of the electricity acquired for transactions with physical delivery, as well as the cost of the access to the energy markets: injection tariff (Tg), market administration cost, and trading tariff. The company met the enforcement criteria starting with January 2022.

Starting with 1 September 2022, pursuant to GEO no. 119/01.09.2022, the additional income tax was replaced by the contribution to the Energy Transition Fund, amounting to 100% of the difference between the average monthly electricity selling price and the price of RON 450/MWh. During the time period when the Government Emergency Ordinance no. 119/01.09.2022 applies, the monthly expenditure included the cost of electricity acquisitions for transactions with physical delivery, including on the balancing market. The applicability period of the Government Emergency Ordinance no. 119/01.09.2022 is 1 September 2022 - 31 August 2023.

Effective 16 December 2022, Law no. 357/2022 approving the Government Emergency Ordinance no. 119/01.09.2022, which set forth a number of amendments to the provisions of the Government Emergency Ordinance no. 119/2022 on the contribution to the Energy Transition Fund, came into effect. The application period has been extended until 31 March 2025, and the calculation methodology was amended so that the amount of the contribution would be further determined as the product between the difference between the monthly sale price and the amount of RON 450/MWh and the monthly quantity physically delivered from own production. During the time period when Law no. 357/2022 applies, the monthly expenditure included also the cost of unbalances.

Thus, for the period 1 January - 31 December 2022, SNN recorded an additional income tax expense/contribution to the Energy Transition Fund of RON 1,085,014 thousand.

Operating expenses, less depreciation, amortization and additional income tax expense/contribution to the Energy Transition Fund increased by 27.1% during the period 1 January - 31 December 2022, compared to the same period of 2021, mainly as a result of the increase in expenses regarding the purchased electricity (caused by the increase in purchase prices), as well as the increase in personnel expenses.

Depreciation and amortization increased by 7.6%, as a result of recording the effects of asset evaluation as at 31 December 2021, which led to an increase in the value of assets, and therefore to an increase in their amortization expense.

The financial result positively influenced the net result, so that in the period 1 January - 31 December 2022, net financial income was recorded, increasing by 738.9% compared to the similar period of the previous year, as a result of the interest income obtained. The main currencies to which there are exposures are EUR, USD and CAD.

The increase in **the net expense with the corporate tax** diminished the positive influences of the other elements. This increase was determined by the increase in the taxable profit calculated for the period 1 January - 31 December 2022 compared to the one calculated for the similar period of 2021.

The profit and loss account for the 12-month period ended on 31 December 2022 is presented in **Appendix 2**.

2.3. Execution of the Income and Expenditure Budget as at 31 December 2022

The Income and Expenditure Budget ("IEB") of SNN for the year 2022 was approved by the Resolution of the General Meeting of Shareholders no. 3/23.02.2022. By Decision no. 10/19.10.2022 of the Ordinary General Meeting of Shareholders, the rectification of the Income and Expenditure Budget for the year 2022 (item 7 of the convening notice of the Ordinary General Meeting of Shareholders convened of 19 October 2022) was approved.

The company is monitored in terms of meeting the ratios, objectives and performance criteria, i.e. in terms of compliance with the salary fund, the level of revenues and expenses, the program for reducing arrears and debts that are past due.

The execution of the IEB as at 31 December 2022 is presented in **Appendix 3** to this report.

Reviewing the performance of the Rectified Income and Expenditure Budget as at 31 December 2022 (presented in **Appendix 3**), it results that total income has been achieved in a proportion of 101.1%, and total expenses have been achieved in a proportion of 88.8%, therefore gross profit has been achieved in a proportion of 119.1%.

3. OPERATING ACTIVITIES

3.1. Production of electricity

The gross electricity production of the two operational units of Cernavodă NPP was 11,088,709 MWh in 2022 (of which 3,023,969 MWh in the fourth quarter of 2022); from this gross production, the own technological consumption of the Units during operation, as well as during shutdowns ensured, from

own production, was 889 thousand MWh during 2022 (of which 235 thousand MWh in the fourth quarter of 2022).

Thus, the electricity produced and delivered in the National Energy System ("SEN") was 10,199,558 MWh in 2022, compared to the same period of 2021 (10,377,214 MWh), representing a decrease by 1.7%. In the fourth quarter of 2022, the amount of electricity produced and delivered in the SEN was 2,789,084 MWh, down by 0.6% compared to the level recorded in the fourth quarter of 2021 of 2,805,361 MWh.

The net electricity production program approved by the Board of Directors for the year 2022 (April 2022 revision) considered a quantity of 10,275,683 MWh, being achieved in proportion of 99.3% and for the fourth quarter of 2022, it considered a quantity of 2,783,066 MWh, being achieved in proportion of 100.2%.

The installed power utilization factor, recorded by each operational unit within Cernavodă NPP in the fourth quarter of 2022, as well as in aggregate from the start of commercial operation (Unit 1 on 2 December 1996, Unit 2 on 1 November 2007) until 31 December 2022, was as follows:

Cernavodă NPP unit	Aggregate Third quarter 2022	October 2022	November 2022	December 2022	Aggregate 2022	Aggregate since the first date of commercial operation
Unit 1	76.81%	92.56%	96.62%	96.16%	81.42%	90.41%
Unit 2	98.22%	99.33%	99.94%	99.88%	98.60%	94.23%

The lower value of the installed power utilization factor at Cernavodă NPP Unit 1 reflects the influence of the planned shutdown with an effective duration of 1,138 hours, recorded starting on 8 May 2022 at 11:00 a.m. The unplanned extension of the planned shutdown of Cernavodă NPP Unit 1 was 83.5 hours, and lasted until 28 June 2022 at 08:31. Starting from 26 August for 112 hours, Cernavodă NPP Unit 1 was shut down in a controlled manner in order to carry out certain repair works on the filtration system in the suction basin. In the fourth quarter of 2022, 3 unplanned shutdowns of U1 took place: on 16 October for 13 hours, on 19 October for 8.6 hours, and on 11 December for approximately 10.6 hours.

3.2. Sales of electricity

As part of the electricity trading activity, the Company has the obligation to submit bank guarantee letters to certain contractual partners, in accordance with the provisions stipulated in the electricity sale - purchase contracts. These mainly refer to: the contract concluded with C.N. Transelectrica SA for the transmission of electricity; the agreement concluded with OPCOM S.A. for electricity trading on DAM (Day-Ahead Market) and IDM (Intraday Market) as well as on the Large Consumer Market (PMC) operated by the Romanian Commodities Exchange (BRM); contracts concluded on the PCCB - NC platform (Centralized Market of Bilateral Electric Energy Contracts - the transaction modality according to which contracts are awarded through Continuous Negotiation); the PE (Balancing Market) participation agreement concluded with C.N. Transelectrica S.A. and the contract concluded with Ciga Energy S.A. for the provision of the representation service as the party responsible for balancing (PRE).

For the purpose of this activity, during 1 January - 31 December 2022:

- 4 bank letters of guarantee amounting to RON 45,052,440 were issued
- 19 bank letters of guarantee (issued in 2020 and 2021) amounting to RON 39,248,809 were liquidated; and
- the value of four bank letters of guarantee was increased, from RON 736,628 to RON 737,128, from RON 746,352 to RON 746,851, from RON 1,624,000 to RON 2,250,000, from RON 24,600,000 to RON 35,100,000, respectively from RON 29,720,000 to RON 44,720,000;

As at 31 December 2022, there were 8 bank letters of guarantee on balance, amounting to RON 123,383,979.

The electricity sold in 2022 and the corresponding revenues, distributed per types of sales contracts are presented in the table below:

Electricity sales (quantities, prices and values) during 1 January - 31 December 2022

Sales by type	Quantities in MWh	% of total sales	Average price [RON/MWh including Tg]	Sale revenues [RON]
Sales on the competitive market (bilateral agreements and sales on DAM and IDM), of which:	10,513,116	99.61%	602.33	6,332,359,322
- Sales under PCCB - LE, PCCB - LE Flex, PCCB - NC, PC -OTC agreements, directly negotiated agreements and supply contracts	9,409,435	89.15%	531.36	4,999,818,284
- Sales on DAM and IDM	1,103,681	10.46%	1,207.36	1,332,541,038
Positive imbalances on PE*	40,798	0.39%	696.63	28,421,035
Total sales during 2022	10,553,914	100%	602.69	6,360,780,357

* Note: the values also include RON 1,588,775 of additional system balancing income, according to ANRE Order 213/2020

The amount of electricity sold on the basis of contracts, on the spot market (DAM and IDM) as well as on the PE market is 10,553,914 MWh, 1.1% above the sales schedule, of 10,435,019 MWh (measured according to the production forecast, without estimating unplanned shutdowns) and 3.4% lower than the amount of electricity sold in 2021.

The difference between the electricity sold by the Company and the electricity produced and delivered by Cernavodă NPP (354.3 thousand MWh) is represented by the electricity purchased to fully cover the contractual obligations, the amount of electricity that was purchased in proportion to 79% of on the spot market, 18% from PE and 3% through forward contracts.

The revenues achieved on the electricity market related to electricity deliveries in 2022 amount to RON 6,360,780,357, 0.1% lower than the budgeted revenues for 2022 included in the Rectified Income and Expenditure Budget for the year 2022, approved by Decision no. 10/19.10.2022 of the Ordinary General Meeting of Shareholders (and 26.3% higher than the Income and Expenditure Budget of 2022, approved by Decision no. 3/23.02.2022 of the Ordinary General Meeting of Shareholders), and respectively higher by 104.5% compared to the revenues achieved in 2021.

The weighted average sales price for the electricity sold (without PE) achieved in 2022 is RON 602.33/MWh (including Tg). For comparison, the weighted average price of all transactions concluded on the markets in which SNN was predominantly active in 2022 (PCCB - LE, PCCB - LE flex, PCCB - NC, PC - OTC, DAM and IDM), calculated based on the values published by OPCOM in the monthly

market reports, is RON 870.56/MWh. In 2021, the weighted average sales price, for the quantities of electricity sold (without regulated market and PE), was RON 284.25/MWh (including T_g).

The quantities of electricity sold on the competitive market of bilateral contracts represented in 2022 a percentage share of 89.15% of the total volume of electricity sold, compared to a percentage share of 86.83% recorded in 2021. The average sales price on bilateral contracts in 2022 was RON 531.36/MWh (T_g included), registering an increase of 109% compared to the average price recorded in the same period of 2021, of RON 253.67/MWh (T_g included); provided that the value of the transmission tariff for the introduction of electricity into the network T_g amounted to RON 1.30/MWh starting from January 2020 (according to ANRE Order no. 218/11.12.2019), RON 1.49/MWh starting with 1 January 2022 (according to ANRE Order no. 124/25.11.2021) and RON 2.53/MWh starting with 1 April 2022 (according to ANRE Order no. 33/23.03.2022).

In 2022, electricity amounting to 10.46% of the total sales value was sold on the spot market (DAM and IDM), as compared to 12.86% in 2021. The average sale price of energy on the spot market (DAM and IDM) achieved by SNN in 2022 was RON 1,207.36/MWh (T_g included), as compared to RON 490.67/MWh (T_g included) during 2021.

In 2022, SNN performed 421 energy sales contracts, as follows:

- 6 contracts concluded on PCCB – LE;
- 93 contracts concluded on PCCB – LE Flex;
- 19 contracts concluded on PCCB – NC;
- 269 transactions concluded on PC – OTC;
- 32 transactions negotiated directly based on the provisions of law no. 123/2012 of electricity and natural gas, as amended and supplemented, the provisions of article 23 paragraph (2) letter a) and the provisions of the Government Emergency Ordinance no. 27/2022, article 14 para. (6);
- 2 supply agreements for 2 end consumers.

No contracts were terminated and no significant delays occurred in terms of payment deadlines provided in the contracts in 2022. In all cases where there were delays, the Company sent notifications and charged penalties according to the provisions of the contract.

The electricity sold in the fourth quarter of 2022 and the corresponding revenues, distributed per types of sales contracts are presented in the table below:

Electricity sales (quantities, prices and values) in the fourth quarter of 2022

Sales by type	Quantities in MWh	% of total sales	Average price [RON/MWh including T _g]	Sale revenues [RON]
Sales on the competitive market (bilateral agreements and sales on DAM), of which:	2,812,193	99.58%	537.85	1,512,541,133
- Sales under PCCB - LE Flex, PCCB - NC, PC -OTC agreements, directly negotiated agreements and supply contracts	2,753,975	97.52%	528.70	1,456,032,888
- Sales on DAM	58,218	2.06%	970.63	56,508,245
Positive imbalances on PE*	11,949	0.42%	591.87	7,072,258
Total sales during the fourth quarter of 2022	2,824,142	100%	538.08	1,519,613,391

^{*)} Note: the values also include RON 497,614 of additional system balancing income, according to ANRE Order 213/2020

The amount of electricity sold on the basis of contracts, on the spot market (DAM) as well as on the PE market is 2,842,142 MWh, 0.6% below the sales schedule, of 2,840,796 MWh (measured according to the production forecast, without estimating unplanned shutdowns) and 1.3% lower than the amount of electricity sold in the fourth quarter of 2021.

The difference between the electricity sold by the Company and the electricity generated and delivered by Cernavodă NPP (35 thousand MWh) is represented by the electricity purchased in order to fully cover contractual obligations, 62% of which was purchased on the spot market and 38% on the PE market.

The revenues achieved on the electricity market related to electricity deliveries in the fourth quarter of 2022 amount to RON 1,519,613,391, 1.6% lower than the budgeted revenues for the period 1 October - 31 December 2022 included in the Rectified Income and Expenditure Budget for the year 2022, approved by Decision no. 10/19.10.2022 of the Ordinary General Meeting of Shareholders (and 12.3% higher than the Income and Expenditure Budget of 2022, approved by Decision no. 3/23.02.2022 of the Ordinary General Meeting of Shareholders), and respectively higher by 53.5% compared to the revenues achieved in the fourth quarter of 2021.

The weighted average sales price for the electricity sold (without PE) achieved in the fourth quarter of 2022 is RON 537.85/MWh (including T_g). In the fourth quarter of 2021, the weighted average sales price for the energy sold (without PE) was RON 344.20/MWh (including T_g).

The quantities of electricity sold on the competitive market of bilateral contracts represented in the fourth quarter of 2022 a percentage share of 97.52% of the total volume of electricity sold, compared to a percentage share of 89.28% recorded in the fourth quarter of 2021. The average sales price on bilateral contracts during this period was RON 528.70/MWh (T_g included), registering an increase of 100.7% compared to the average price recorded in the fourth quarter of 2021, of RON 263.48/MWh (T_g included); provided that the value of the transmission tariff for the introduction of electricity into the network T_g amounted to RON 1.30/MWh starting from January 2020 (according to ANRE Order no. 218/11.12.2019), RON 1.49/MWh starting with 1 January 2022 (according to ANRE Order no. 124/25.11.2021) and RON 2.53/MWh starting with 1 April 2022 (according to ANRE Order no. 33/23.03.2022).

In the fourth quarter of 2022, electricity amounting to 2.06% of the total sales value was sold on the spot market (DAM), as compared to 10.44% in the fourth quarter of 2021. The average sale price of energy on the spot market (DAM) achieved by SNN during the fourth quarter of 2022 was RON 970.63/MWh (T_g included), as compared to RON 1,034.51/MWh (T_g included) during the fourth quarter of 2021.

In the fourth quarter of 2022, SNN performed 179 energy sales contracts, as follows:

- 53 contracts concluded on PCCB – LE Flex;
- 2 contracts concluded on PCCB – NC;
- 90 transactions concluded on PC – OTC;
- 32 transactions negotiated directly based on the provisions of law no. 123/2012 of electricity and natural gas, as amended and supplemented, the provisions of article 23 paragraph (2) letter a) and the provisions of the Government Emergency Ordinance no. 27/2022, article 14 para. (6);
- 2 supply agreements for 2 end consumers.

3.3. Expenditures made on the electricity market

In 2022, the total amount of expenses on the electricity market made by SNN is RON 538,255,793, of which RON 139,303,749 represent expenses on the balancing market (PE), RON 22,902,955 represent Tg (the regulated tariff paid to CN Transelectrica SA for the injection of electricity produced by Cernavodă NPP into the electricity transmission network), RON 34,284 represent the expenses with green certificates required to be purchased for the electricity supplied, RON 1,277,569 represent the tariffs paid to OPCOM SA and BRM for sales - purchase transactions carried out on the platforms managed by them.

Expenditure made for the purchase of electric energy in 2022 on the spot market (DAM and IDM) amounted to RON 368,356,462 (1 January – 31 December 2021: RON 161,809,270), with the aim of ensuring the full fulfilment of contractual energy delivery obligations. The amount of electricity purchased in 2022 was 278,989 MWh (1 January - 31 December 2021: 446,138 MWh), at an average price of RON 1,320.32/MWh (1 January – 31 December 2021: RON 362.69/MWh).

In 2022, expenditure generated by the purchase of electricity by way of forward contracts was RON 6,080,179 for a quantity of 11,040 MWh, as compared to the year 2021, where expenditures amounted to RON 1,556,880 for the purchase of 7,925 MWh.

Expenses on the PE in 2022 amounted to RON 139,303,749, the quantity of electricity purchased being 64,327 MWh (in 2021: RON 85,885,333, the quantity of electricity purchased being 93,442 MWh). This amount represents the value of the energy received from the BM to compensate for negative imbalances, which arose due to differences between the quantities of energy actually delivered and the quantities notified to the market according to the daily forecast for each settlement interval.

Expenses with purchases of electricity and negative imbalances were higher in 2022, as compared to the same period of 2021, upon decrease of the total aggregate number of operating hours by 173 hours, amplified by a significant increase of prices for the quantities purchased, from RON 455.25/MWh in 2021 to RON 1,449.76/MWh in 2022.

By applying article II of Law no. 259/29.10.2021 and GEO no. 27/18.03.2022, the additional revenues made by electricity producers, resulting from the difference between the average monthly sales price of electricity and the price of RON 450/MWh is taxed by 80% for the period 1 January – 31 August 2022, and for the period 1 September - 15 December 2022, by applying the provisions of GEO no. 119/01.09.2022, amending GEO no. 27/18.03.2022, the equivalent value of the contribution to the Energy Transition Fund shall be determined by multiplying the difference between the monthly sales price and the reference price of RON 450/MWh by the monthly quantity that was physically delivered. Effective 16 December 2022, Law no. 357/2022 approving the Government Emergency Ordinance no. 119/01.09.2022, which set forth a number of amendments to the provisions of the Government Emergency Ordinance no. 119/2022 on the contribution to the Energy Transition Fund, came into effect. The application period has been extended until 31 March 2025, and the calculation methodology was amended so that the amount of the contribution would be further determined as the product between the difference between the monthly sale price and the amount of RON 450/MWh and the monthly quantity physically delivered from own production. During the time period when Law no. 357/2022 applies, the monthly expenditure included also the cost of unbalances.

Thus, for the period 1 January - 31 December 2022, SNN recorded an additional income tax expense/contribution to the Energy Transition Fund of RON 1,085,014,041 thousand (the period 1 October - 31 December 2022: RON 209,863,888).

In the fourth quarter of 2022, the total amount of expenses on the electricity market made by SNN is RON 45,933,054, of which RON 16,028,346 represent expenses on the balancing market (PE), RON 7,056,064 represent Tg (the regulated tariff paid to CN Transelectrica SA for the injection of electricity produced by Cernavodă NPP into the electricity transmission network), RON 7,378 represent the expenses with green certificates required to be purchased for the electricity supplied, RON 270,263 represent the tariffs paid to OPCOM SA and BRM for sales - purchase transactions carried out on the platforms managed by them.

In the fourth quarter of 2022, expenditure for the purchase of electricity on the spot market (DAM and IDM) amounted to RON 22,478,686 for 21,731 MWh, at an average price of RON 1,034.38 (the fourth quarter of 2021: RON 20,838,400, the quantity of electricity purchased being 22,901 MWh, at an average price of RON 909.93/MWh). In the fourth quarter of 2022, no expenditure for the purchase of electricity under forward contracts were incurred. Expenses with the purchase of electricity for the purpose of ensuring the full performance of contractual obligations to deliver energy.

Expenses on the PE in the fourth quarter of 2022 amounted to RON 16,028,346, the quantity of electricity purchased being 13,327 MWh (the fourth quarter of 2021: RON 44,661,818, the quantity of electricity purchased being 33,546 MWh).

The cost of the purchases of electricity and negative imbalances were higher in fourth quarter of 2022 v the fourth quarter of 2021, as the aggregate number of operating hours increased by 32 hours v the fourth quarter of 2021, adding to a price decrease for the purchased quantities.

3.4. Investment programme as at 31 December 2022

The total rectified value of SNN's investment program for the year 2022 is RON 609,220 thousand (without the component allocated to the payment of debt service related to long-term loans), program approved by Decision no. 10/19.10.2022 of the Ordinary General Meeting of SNN Shareholders, as part of the Income and Expenditure Budget ("IEB") of SNN for the year 2022.

The investment program of SNN for the year 2022 includes the necessary investments within the Cernavodă NPP Branch, the NFP Pitești Branch and the Central Headquarters estimated to be completed by the end of 2022, as well as investment objectives to be completed in the following years.

When sizing the investment development program, SN Nuclearelectrica SA took into account the need of the branches (Cernavodă NPP and NFP Pitești) regarding production continuity, respectively reaching the highest possible level of production capacity utilization (EAF – Energy Availability Factor) in compliance nuclear safety regulations and with the long-term maintenance of the level of excellence in the operation of the plant, the acquisition of assets related to the Feldioara Branch belonging to Compania Nationala a Uraniului SA and their transfer to the assets of the branch Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L., as well as the contribution to the share capital of EnergoNuclear S.A. At the same time, the development program also responds to the need to modernize/upgrade some of the plant's systems, which for economic reasons (reductions in specific consumption, improvement of certain characteristic parameters of the processes served, with a positive impact on efficiency), and for legal reasons, require the implementation of certain improvements

associated with nuclear safety, environmental protection and work safety, these representing imperative requirements, coming from the regulatory authorities in the field.

The investment program of SNN for 2022 was dimensioned in terms of value, taking into account ongoing contractual commitments, estimates regarding the investment objectives to be achieved by the end of 2022, including amounts allocated to certain investment projects for which the fulfilment of certain requirements beyond SNN's control was anticipated (for example: prior approvals of certain regulatory authorities, legal deadlines regarding the completion of public procurement procedures including appeals, obtaining the necessary approvals from the SNN corporate bodies, etc.), to allow the implementation of these projects within the approved budget values.

The comparative statement of investments made (as values and as percentages) for the period 1 January - 31 December 2022 compared to the same period of 2021 is presented in the table below:

Year	Investment program value [thousand RON]	Actual (01.01 – 31.12) [thousand RON]	Degree of completion (01.01 – 31.12) (%)
2022	609,220	561,468	92.2%
2021	356,774	319,679	89.6%

Note. The value of the investment program, respectively the calculation of the level of achievement 01.01 – 31.12, are in accordance with the values approved in the IEB 2021, respectively IEB 2022 rectifications

Analysis of the degree of completion of the investment program as at 31 December 2022

Some of the major projects or the projects that had an important share in the investment program (approved by the IEB 2022 rectification) and the way they will be carried out during the year 2022 are briefly presented here:

- **Extension of the service lifetime of Unit 1 by retubing the reactor and retrofitting the main systems”**: budgeted RON 123,959 thousand - 109.1% completed in terms of value as at 31 December 2022;
- **“Planned shutdown of Unit 1 within Cernavodă NPP (regular general inspection and major repair works)”**: budgeted RON 102,307 thousand - 79.5% completed in terms of value as at 31 December 2022 (investment completed);
- **“Improving the reliability of the electric generator 1-4121-G01 by replacing the stator winding”**: budgeted RON 100,403 thousand - 100.0% completed in terms of value as at 31 December 2022 (investment completed);
- **“Completion of CNU transaction for acquisition of assets of Feldioara Subsidiary”**: budgeted RON 31,215 thousand - 93.3% completed in terms of value as at 31 December 2022 (investment completed);
- **“Retrofitting of the power output transformers from Units 1 and 2 at Cernavodă NPP”**: budgeted RON 31,202 thousand - 99.8% completed in terms of value as at 31 December 2022 (investment completed);

- **“EnergoNuclear capitalization”**: budgeted RON 27,000 thousand - 100.0% completed in terms of value as at 31 December 2022 (investment completed);
- **“Intermediate Dry Storage Spent Fuel Facility”**: budgeted RON 24,745 thousand - 100.1% completed in terms of value as at 31 December 2022 (investment completed);
- **“Detrition facility Cernavodă NPP”**: budgeted RON 13,418 thousand - 83.1% completed in terms of value as at 31 December 2022;
- **“Software programs for the integrated management of the plant - upgrade Asset suite 6.0.4 to version 9.X”**: budgeted RON 5,836 thousand - 99.4% completed in terms of value as at 31 December 2022;
- **"Facilities"**, representing purchases of goods and other investment expenses: budgeted RON 81,756 thousand - 98.5% completed in terms of value as at 31 December 2022.

The following projects were also completed during 1 January - 31 December 2022: replacement of the 440 MVA power output transformers; MPA EC 2892 - Replacement of pressure transducers 1.2 63312-PT13 at PT16 and 1-63332-PT35N at PT38N above the flooding level in the event of a severe accident; MPA EC 3037 - Additional doors to protect the U1 staff locks; improving the performance of the DCC display system by replacing the Ramtek FS2400 graphical system at U1; increasing the reliability of SDS#1 by replacing the ROPT SDS#1 U1 amplifiers and the Tusonix EMI filters on the NIM-BIN drawers with new, more reliable amplifiers and EMI filters similar to the ROP SDS#1 U2 design; replacement of NSP U1 Cernavodă NPP pump radial displacement/vibration measuring boards; regular revision of the nuclear safety for Unit 1 and Unit 2 - U1 reports by assessment areas (SF1 ÷ SF8, GAR); modernization of laboratory ventilation installation; upgrading of hydrogen production station premises; cooling system for the ventilation plant related to halls I, II and III; refurbishment of the pill transfer tunnel; design for extension of the Beryllium deposit ventilation system; refurbishment of the work spaces of NFP Pitești.

3.5. Financial investments in subsidiaries and related entities

Energonuclear S.A.

As of 31 December 2022 and 31 December 2021, the Company holds 100% of the share capital of Energonuclear. The value of the shareholding as at 31 December 2022 is RON 199,438,105 (31 December 2021: RON 172,438,108). In the year 2022, the share capital of Energonuclear S.A. branch was increased by the amount of RON 26,999,997.52, under Resolution of the Extraordinary General Meeting of Shareholders no. 7/05.05.2022 by issue of new shares.

Fabrica de Prelucrare a Concentratelor de Uraniu - Feldioara S.R.L.

As at 31 December 2022, respectively 31 December 2021, the Company held 100% of the share capital of F.P.C.U Feldioara. The value of the shareholding on 31 December 2022 is RON 200 (31 December 2021: RON 200).

In the year 2021, the Company's shareholders approved the granting of a loan in amount of RON 2,300,000, for the purpose of financing the activities and expenses of the branch upon its establishment, in compliance with the provisions of the activity programs and of the revenue and expenditure budget

S.N. Nuclearelectrica S.A.

Quarterly report of the Board of Directors for the fourth quarter of 2022

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

for the years 2021 and 2022. As at 31 December 2021, the Company granted the entire amount of RON 2,300,000 and had an accumulated interest rate of RON 3,938. As at 31 December 2022, the Company had a principal in amount of RON 3,600,000 and an accumulated interest rate of RON 138,213.

Nuclearelectrica Serv S.R.L.

As at 31 December 2022, respectively 31 December 2021, the Company held 100% of the share capital of Nuclearelectrica Serv. The value of the shareholding on 31 December 2022 and 31 December 2021 is RON 200.

In the year 2022, the Company's shareholders approved the granting of a loan in amount of RON 2,300,000, for the purpose of financing the activities and expenses of the branch upon its establishment, in compliance with the provisions of the activity programs and of the revenue and expenditure budget for the years 2021 and 2022. Until 31 December 2022, the branch had accessed the amount of RON 1,920,000, for which it had an accumulated interest rate of RON 46,617

Ropower Nuclear S.A.

As at 31 December 2022, the Company held 50% of the share capital of Ropower Nuclear S.A., the shareholding value amounting to RON 4,943,000.

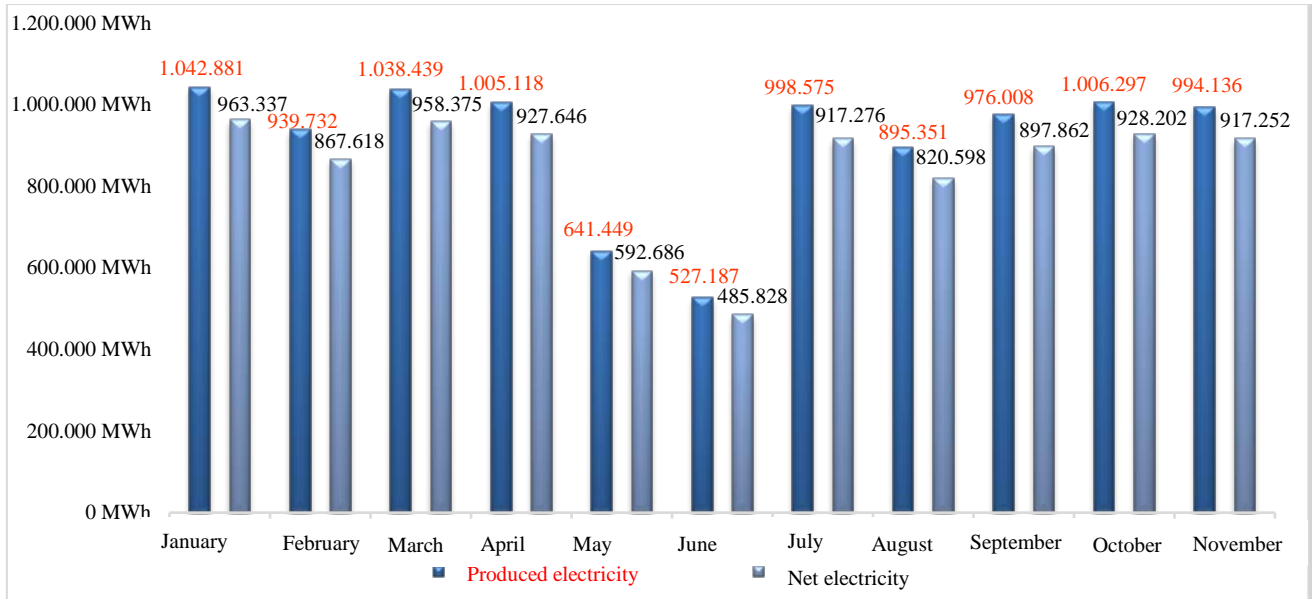
3.6. Activity of Cernavodă NPP Branch

The operating activity took place without events that could have an impact on nuclear security, on the own personnel, the population or the environment. The relationship with the regulatory authorities was carried out in compliance with the requirements and conditions of the operating authorizations.

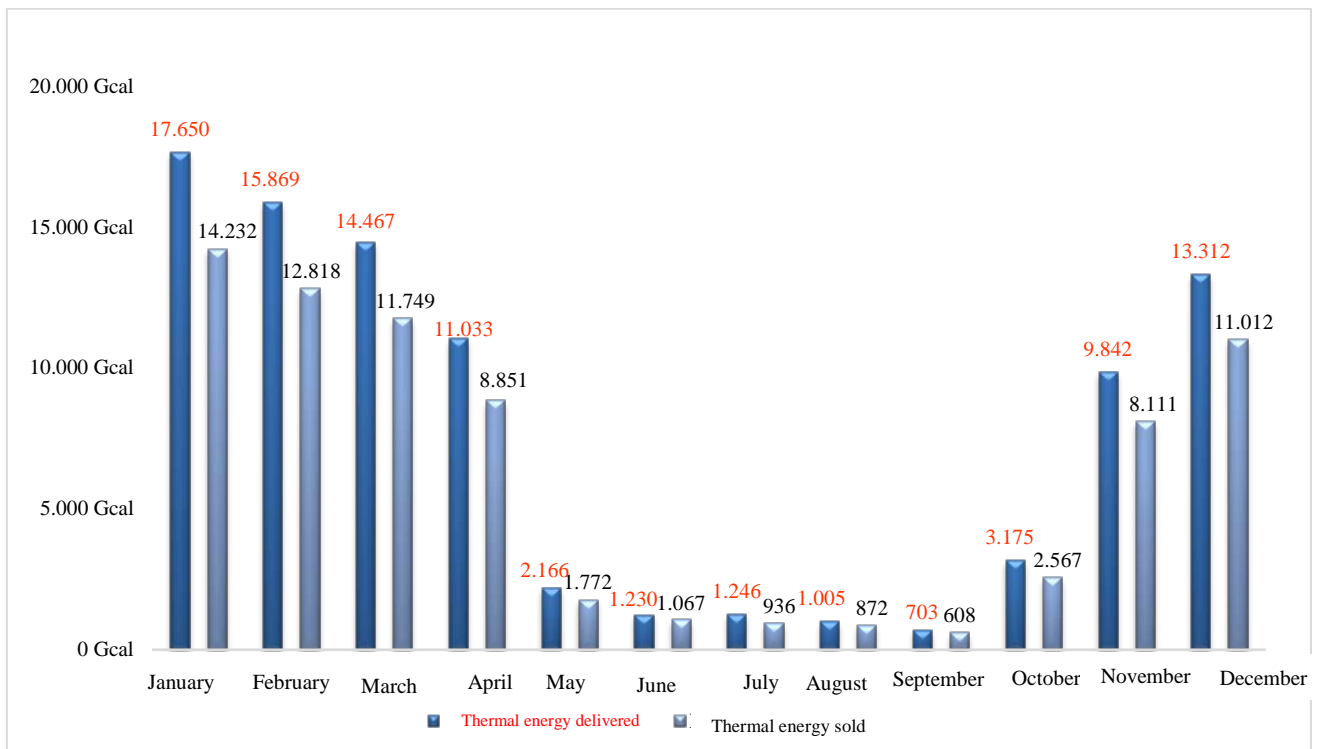
In the 12-month period ended on 31 December 2022, there was no operational event that exceeded level 1 on the international scale of nuclear events, regarding the degradation of defence barriers in depth, impact on the site or outside (RATIO 1).

The main ratios of the production activity are shown in the following diagrams.

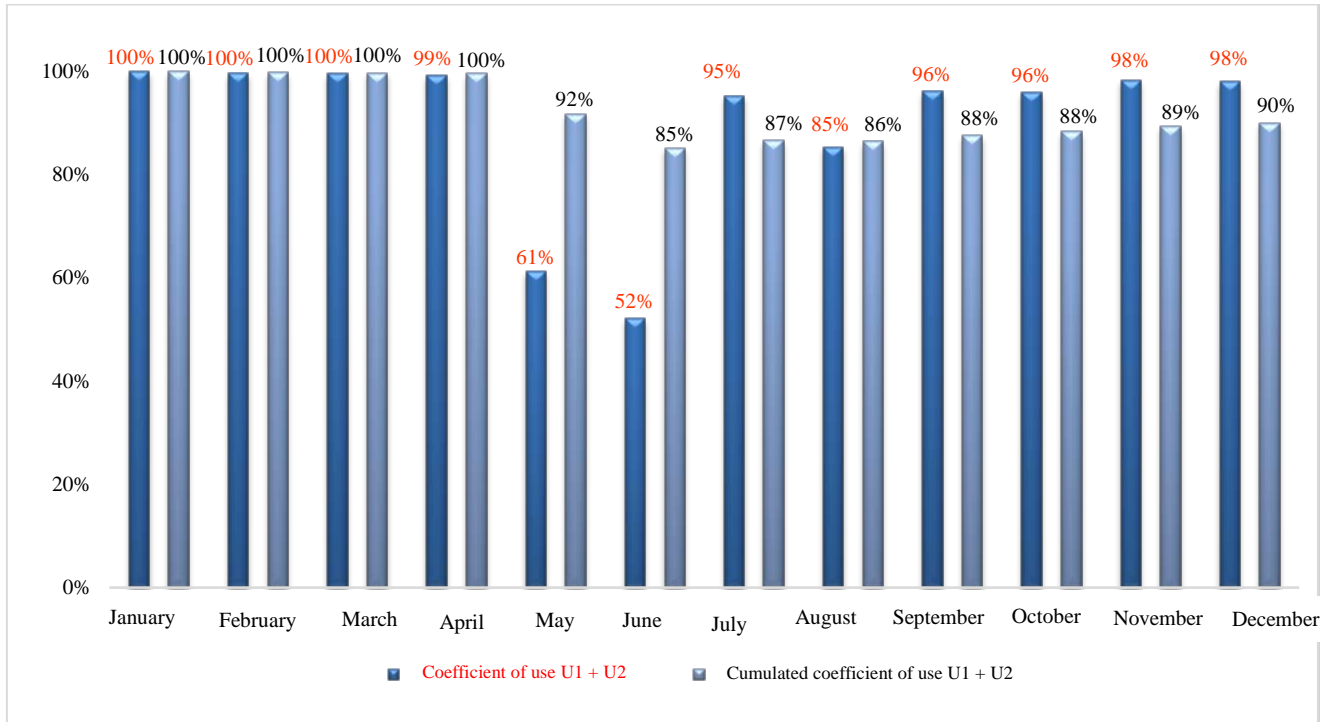
Produced/net electricity U1+U2 (MWh)
(Electricity produced: 11,088,709/Net electricity delivered: 10,222,037)
(Aggregate own technological consumption 2022: 7.90%)



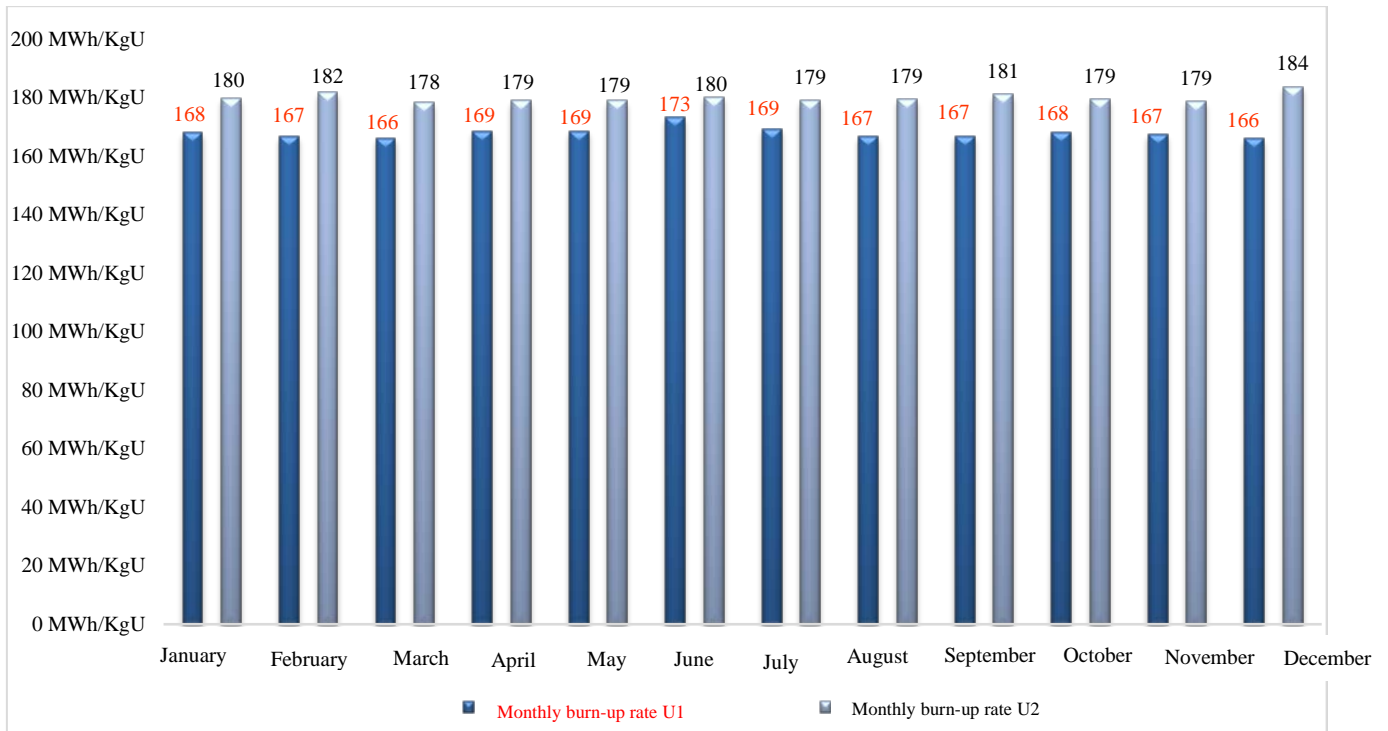
Thermal energy delivered for heating/sold (Gcal)
(Thermal energy delivered: 91,699/Thermal energy sold: 74,594)



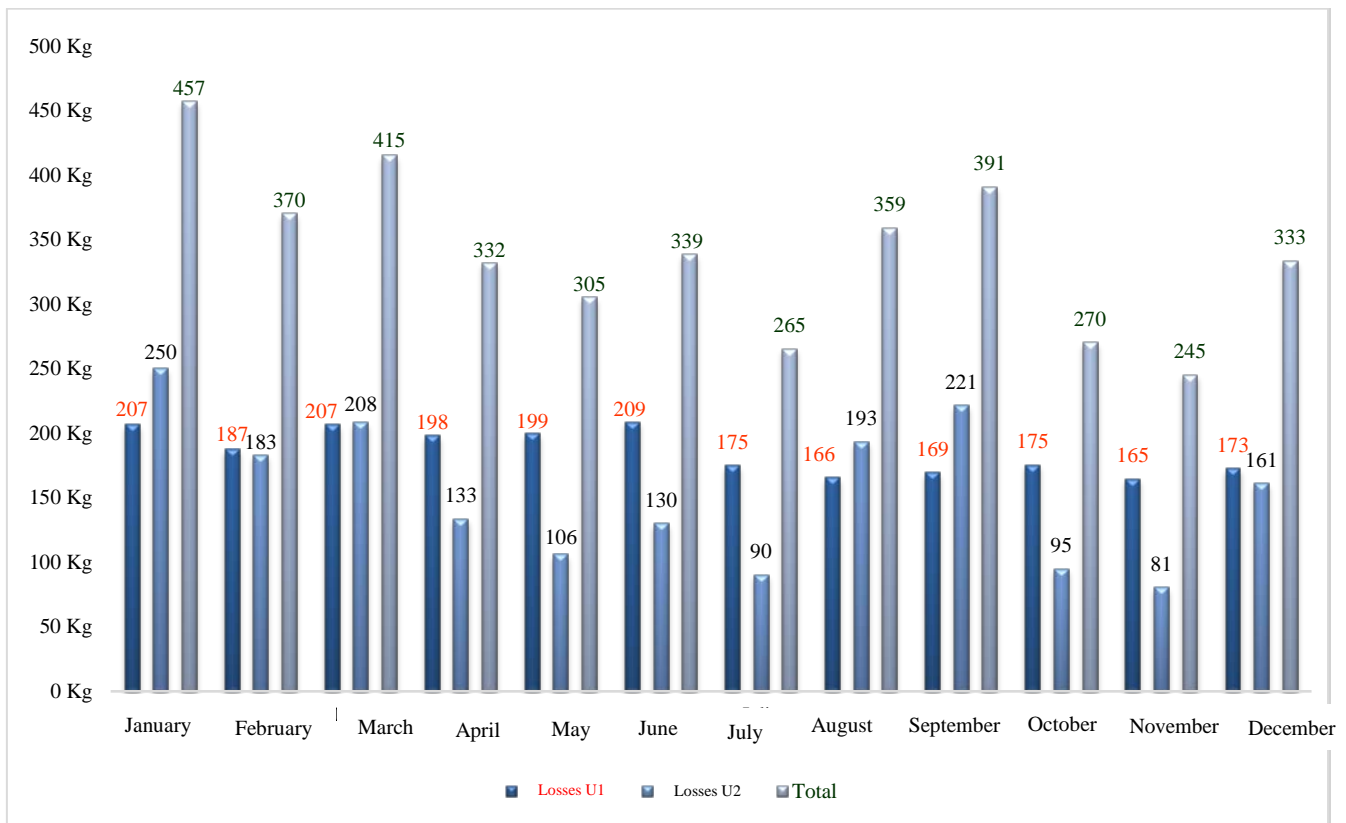
Coefficient of use of the installed power U1+U2 (%)
(Aggregate 2022: 90.01%)



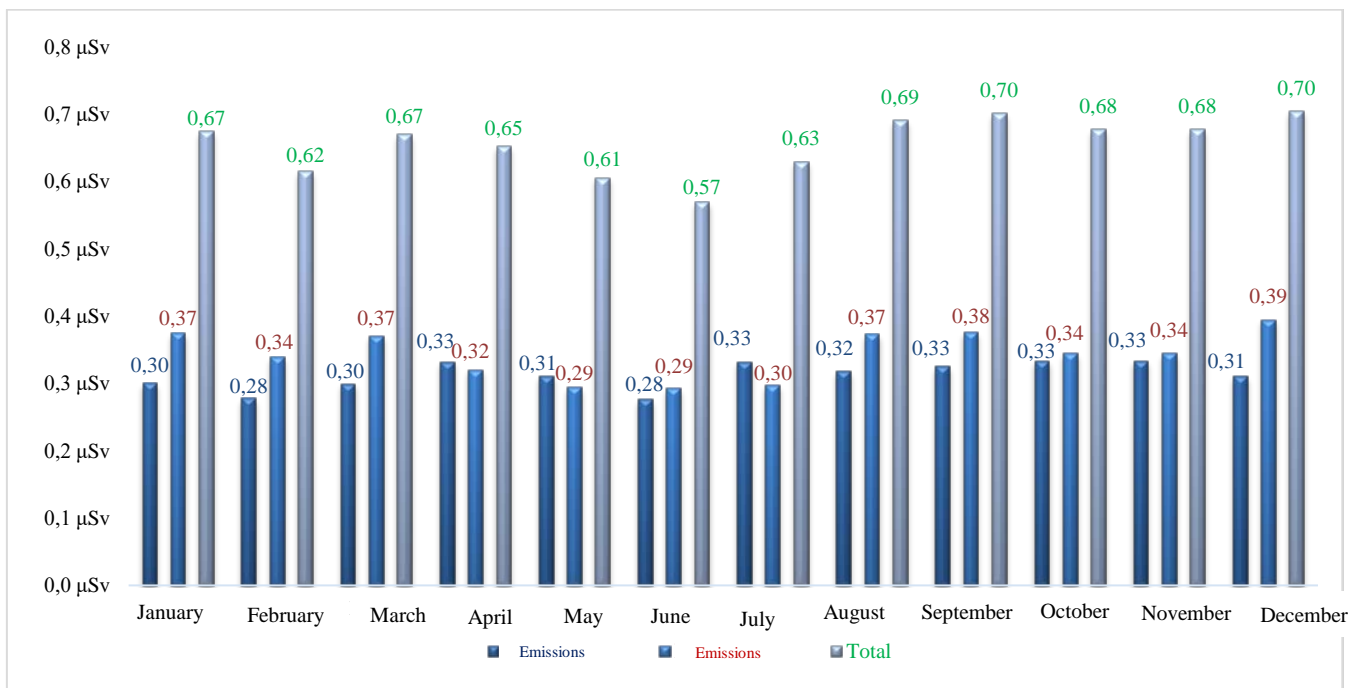
Nuclear fuel burn-up rate (MWh/KgU)
(Aggregate 2022: 173.6/Planned in the project: min. 156)



Heavy water losses U1+U2 (Kg)
(Aggregate 2022: 4,082/Planned: max. 10,280)



Volume of radioactive emissions in the environment U1+U2 (µSv)
(Total aggregate 2022: 7.855/Annual limit: 250)



3.7. Activity of NFP Pitești Branch

Between 1 January and 31 December 2022, NFP Pitești Branch manufactured, controlled and accepted a number of 10,826 nuclear fuel bundles, 0.2% above the manufacturing plan, all falling within the specifications, the production of nuclear fuel bundles decreasing by 1.58% compared to the same period of the year 2021 when a number of 11,000 bundles were manufactured, controlled and accepted.

During 1 January - 31 December 2022, NFP Pitești Branch delivered to Cernavodă NPP a number of 10,800 nuclear fuel bundles (1 January - 31 December 2021: 10,080 bundles), in compliance with the agreed delivery schedule.

4. OTHER SIGNIFICANT ASPECTS

4.1. Continuation of the Project on Increasing Production Capacity (Units 3 and 4 of Cernavodă NPP)

The latest actions carried out by SNN in order to continue the Project on Increasing Production Capacity are the following:

- The Decision of the Prime Minister of Romania no. 5/03.01.2022 established the Coordinating Committee for the expansion of the civil nuclear program in Romania, whose main duties are represented by the analysis, crystallization and substantiation of strategic decisions, of the necessary measures for the expansion of the civil nuclear program in Romania and the establishment the mandate of the representatives of the Romanian Party in the meetings of the Strategic Committee ("Steering Committee") for the coordination, facilitation and evaluation of the cooperation activities provided for in the Cooperation Agreement Towards the Cernavodă Nuclear Power Projects and the Civil Nuclear Power Sector in Romania concluded between the Government of Romania and the US Government.
- By Decision of the Ordinary General Meeting of Shareholders of SNN no. 6/10.08.2022 was approved the continuation of the Project of Units 3 and 4 within Cernavodă NPP, respectively, the adoption of the Preliminary Investment Decision and entering Phase 2 – Preliminary Works, depending on the approval and conclusion of the Support Agreement between the Romanian State and SNN in relation to the Project of Units 3 and 4 within Cernavodă NPP. -Moreover, they also approved the initiation of the steps for awarding and concluding the agreements necessary for the completion of the Project, within the limits of powers provided for in the articles of incorporation of SNN and Energonuclear S.R.L., and without exceeding the amount of EUR 185 million.
- During the UN Climate Change Conference (COP27), which took place in November 2022, US Exim Bank announced the issue of two expressions of interest for the financing the pre-project technical services provided by USA in relation to 3 and 4 Units from Cernavodă, developed by the subsidiary of National Company Nuclearelectrica S.A. Based on the preliminary information presented, EXIM can consider extending a financing of up to USD 50 million under US export contract for pre-project technical services, as part of the Engineering Multiplying Program (EMP), and of up to USD 3 billion under the US export contract for engineering and project management services for the contract for completion of Units 3 and 4 of the Cernavodă nuclear power plant.
- In December 2022, the Government of Romania, at the proposal of the Ministry of Energy, approved the draft law concerning the signing of the support agreement between the Romanian State and National Company Nuclearelectrica S.A. for the project concerning Units 3 and 4 of Cernavodă. The draft law

was adopted by the Senate on 6 February 2023 and was registered with the Chamber of Deputies for debate (PL-x no. 46/2023). The draft law was adopted on March 14, 2023.

4.2. Refurbishment Project of Unit 1 Cernavodă NPP

By its Decision no. 4/23.02.2022, the Extraordinary General Meeting of Shareholders of SNN approved the investment decision in the Refurbishment project of Cernavodă NPP Unit 1. The version approved by the SNN shareholders includes project changes that, in addition to Scenario 1, ensure the increase of the nuclear safety margins of the plant and take into account the new trends of increasing robustness from the point of view of nuclear safety. The current cost for the implementation of Scenario 2, Enhanced Safety, is approximately EUR 1.85 billion, without taking into account the financing costs and the adjustment to inflation on the date when the contract for the refurbishment of Cernavodă NPP Unit 1 will be signed.

With the approval of the investment decision, SNN moves to the second phase of the project, namely, the provision of financial resources for the U1 Refurbishment Project, the preparation of the execution of the activities identified and defined for the refurbishment in Phase I and obtaining all the approvals and clearances required for the development of this project.

In its Current Report published on 21 July 2022, the Company announces the progress of Unit 1 Refurbishment Project, by signing the first agreement with Candu Energy, Member of SNC-Lavalin Group and the Unit 1 Design Authority and OEM (Manufacturer of original equipment) for CANDU technology.

As part of the contract, Candu Energy will offer engineering services for the development of the technical documentation for the purchase of the components with a long manufacturing cycle of the reactor, which will be replaced during the Refurbishment of Unit 1, within the process called "reactor retubing" (Replacement of Fuel Channels, Calandria Tubes and Fideri - ICCTCF). Also, Candu Energy will offer engineering services to assess the condition of the set of specialized tools that will be used to replace the reactor components and to prepare the documentation for the acquisition of the components that require replacement/modification.

During the 2nd stage of the Refurbishment Project of Unit 1, Nuclearelectrica and ROMATOM, together with Candu Energy Inc., a member of SNC-Lavalin Group, ANSALDO Nucleare and GE (General Electric) Steam Power, organized during the period 20-21 September 2022, the event "Cernavodă Unit 1-Refurbishment Suppliers' Day", for the purpose of gathering an important part of the national top industry, made up of companies specialized in equipment production and provision of services intended for the refurbishment of nuclear plants. The event pointed out the likelihood of developing partnerships and future cooperation for the successful completion of the Refurbishment Project of Unit 1 – Cernavodă Nuclear Plant.

On March 7, 2023, Nuclearelectrica announces the selection of Candu Energy Inc., a member of the SNC-Lavalin Group (TSX: SNC), to perform additional pre-project work for the CANDU® reactor of Unit 1 at Cernavoda. Under the two-year agreement, worth approximately 65 million dollars, SNC-Lavalin will perform long-term engineering and front-end engineering services, in order to prepare the future re-engineering project of Cernavoda CNE Unit 1.

4.3. Litigation started by Cernavodă NPP Union and employees of Cernavodă NPP Branch

File no. 5802/118/2017 was filed with Constanța Tribunal against CNN, claiming unpaid salary rights representing the equivalent value of the professional risk bonus (dangerous conditions), the claimant being Cernavodă NPP Union on behalf of 757 employees of Cernavodă NPP Branch.

The Company finds these claims unfounded, as all the due salary rights have been paid to employees, including the amounts covered by this litigation. The court rejected the plea of *res judicata* invoked by SNN as unfounded and admitted the documentary and accounting expert report evidence, provisionally extending the technical expert report having as object the classification into radiological risk areas pending submission of documents by SNN. The administration of evidence, i.e. the performance of a new accounting expert report. In order to carry out the accounting expert review, the court set a hearing on 26 May 2023.

4.4. Litigation started by Energetica Nucleara '90 Free Union and employees of Cernavodă NPP Branch

File no. 7036/118/2017 was filed with Constanța Tribunal against CNN, claiming unpaid salary rights representing the equivalent value of the professional risk bonus (dangerous conditions), the claimant being Energetica Nucleara '90 Free Union on behalf of 291 employees of Cernavodă NPP Branch.

The Company finds these claims unfounded, as all the due salary rights have been paid to employees, including the amounts covered by this litigation. The court admitted the documentary evidence for accounting and technical expert reports, aiming at the classification under radiological risk areas. The court settled the litigation in favour of the defendant and rejected the claim of the union as ungrounded. Energetica Nucleara '90 Free Trade Union lodged an appeal. The appellate court rejected the union's appeal as unfounded, the decision being final.

4.5. Litigations started by the S.N. Nuclearelectrica S.A. against the Romanian Energy Regulatory Authority “ANRE”

1. Request for the setting aside of the ANRE Order no. 216/11.12.2019 approving the pricing methodology for the electricity sold by producers under regulated contracts and the quantities of electricity under regulated contracts concluded by producers with suppliers of last resort, and setting out the maximum quantities of electricity that can be imposed as sale obligations under regulated contracts, published in the Official Gazette no. 1001/12.12.2019 (Order no. 216/11.12.2019).

SNN filed with the Bucharest Court of Appeal a request to have the Order no. 216/11.12.2019 set aside (this led to forming of the casefile no. 97/2/2020), claiming discrimination between energy producers to the detriment of the Company and leading to distortion of the electricity market mechanisms, as well as to infringements of the relevant domestic and European legislation. In the Case no. 97/2/2020, the court dismissed the higher appeal lodged by SNN, but in the adjoined case 97/2/2020/a1, it upheld the referral to the Constitutional Court concerning Article 5(7) of the Government Emergency Ordinance no. 33/2007, as introduced by Article I(2) of Law no. 160/2012. The case registered under no. 1658 D/2022 is in the report drafting stage.

2. The requests for the stay and setting aside of the ANRE Order no. 88/2020 approving the methodology for setting the regulated tariffs and the prices applied by suppliers of last resort to end customers for the period 1 July - 31 December 2020, and amending and supplementing the Framework Electricity Sale

and Purchase Agreement concluded between the electricity producers and the suppliers of last resort, published in the Official Gazette no. 501/12.06.2020.

SNN brought up a court action for the stay of execution and the setting aside of the ANRE Order no. 88/2020 and the documents subsequent thereto, whereby ANRE enforced the obligation to sell at the regulated price and the amount of electricity to be sold at the fixed regulated price during the period 1 July - 31 December 2020. The case was registered under no. 3570/2/2020 with the Bucharest Court of Appeal, which dismissed the action as unfounded; this judgment was appealed against. The court postponed the hearing to 16.03.2023..

4.6. Litigation started by SN Nuclearelectrica S.A. regarding certain measures to regulate the facilities granted to pensioners in the electricity sector

SN Nuclearelectrica SA started the action to suspend enforcement, cancellation of Government Decision no. 1041/2003 regarding certain measures to regulate the facilities granted to pensioners in the electricity sector, as amended and of Government Decision no. 1461/2003 for the amendment and completion of Government Decision no. 1041/2003 regarding certain measures to regulate the facilities granted to pensioners in the electricity sector and the obligation to pay material damages in the amount of RON 820,422.44, resulting from the application in the past three years of Government Decision no. 1041/2003 and Government Decision no. 1461/2003 – File no. 4419/2/2021 registered with the Bucharest Court of Appeal, 8th Administrative and Fiscal Disputes Section.

The court dismissed the request for stay, and SNN lodged a higher appeal against this solution. The Case no. 4419/2/2021 was settled on 7 December 2022 by dismissing the higher appeal as unfounded.

The court dismissed the action as unfounded, and SNN lodged a higher appeal on the substance of the case against the Sentence no. 887/2022. The higher appeal case was registered under no. 1720/1/2022. The court rejected the end of the request regarding the annulment of HG 1041/2003, as having no object and admitted the SNN appeal and sent the case for retrial regarding the end of the request regarding the obligation of the respondent Government of Romania to grant compensation.

4.7. Dispute concerning the insolvency of Compania Nationala a Uraniului; application for registration of a claim of SNN

As at 3 February 2022, in the case no. 23089/3/2021, SNN filed for admission of its claim of RON 7,811,840.50, VAT included (RON 6,564,571.84 without the VAT), as a claim conditional upon the failure to perform, before 31 March 2022, the remaining deliveries under the contract no. 914/19.07.2018, and a claim secured with the obligation to refund a share of the advance of RON 10,000,000 paid by SNN for the delivery of U in sinterable powder of UO₂ at the price of RON 599.51/Kg, according to order no. 822/30.06.2020 issued under to framework agreement no. 914/19.07.2018.

As at 8 November 2022, under the report of the court appointed administrator dated 4 November 2022 and the updated preliminary list submitted on 8 November 2022, the claim of SNN was entered as a plain secured claim, and not as a conditional claim, as it had been initially entered, and the insolvency judge set the next hearing on 14 March 2023 for continuation of the proceedings with a view to settling the challenges filed against the preliminary list, completing the inventorying of the goods, completing the valuation the of the goods, and putting together the final list of claims.

4.8. Dispute concerning the request for public information about the Doicești Site Survey

As at 15 September 2022, the case no. **2873/120/2022** was registered with Dâmbovița Tribunal, whereby the claimant Ion Dragoș Popescu asked, pursuant to Law no. 544/2001 on the free access to information of public interest, that SNN would be ordered to serve him the site survey for the small modular reactors (SMR) of Doicești, County of Dâmbovița county, and to indicate the alternative sites surveys and the reasons for choosing the site of Doicești.

SNN filed a statement of defence explaining the final site decision would be made based on the underlying surveys to be prepared, that there was no pending procedure for assessment and issue of the environmental agreement, and that the survey contained no environmental information due to be disclosed under the Aarhus Convention, and further that the disclosure of the requested information could hinder the business and the business commercial interests of the Company, as this was technical information concerning the modular reactor technology received under a non-disclosure clause and the non-disclosure agreements concluded by SNN with the providers of this information. The trial court rejected the summons request filed by the plaintiff Popescu Dragoș Ion, as unfounded. The sentence is appealable.

4.9. Re-election of Mr. Cosmin Ghita, Chief Executive Officer of SN Nuclearelectrica SA, in the position of Governor in the Board of Governors of the World Association of Nuclear Operators "WANO"

Through the Current Report published on 25 January 2022, S.N. Nuclearelectrica S.A. informs shareholders and investors about the re-election of Mr. Cosmin Ghita, Chief Executive Officer of SN Nuclearelectrica SA, in the position of Governor in the Board of Governors of the World Association of Nuclear Operators (WANO) for another mandate of 2 more years, until 31 December 2023. Mr. Cosmin Ghita was initially elected for the position of Governor on the WANO Board, globally, on 1 January 2020, being the first Romanian to hold this position internationally, in the nuclear industry.

4.10. Changes in the management of the company - Directors

By Current Report published on 10 August 2022, SNN informs about the appointment of Mr. Dan Niculaie-Faranga in the position of provisional Financial Director, with a 4-month term of office starting with 12 August 2022 until 12 December 2022, inclusive.

SNN Board of Directors approved in the meeting held on 10 August 2022, based on the recommendation of the Nomination and Remuneration Committee, the renewal of the office of Chief Executive Officer of Mr. Cosmin Ghita for a 4-year period starting with 12 February 2023 (the expiry date of this office is 11 February 2023).

By Current Report published on 1 September 2022, the Company informed shareholders and investors that starting with 1 September 2022, the position of Operations Deputy Chief Executive Officer would be held by Mr. Marian Serban. The position was held by Mr. Romeo Urjan until this date. The position would be held under an Individual Employment Agreement according to the organizational structure of SNN, directly reporting to the Chief Executive Officer of SNN.

Under the Current Report published on 29 November 2022, the Company provided information about the decision of the SNN's Board of Directors of 29 November 2022, based on the recommendation of the Nomination and Remuneration Committee, to extend the Mandate Contract of Mr. Dan Niculaie -

Faranga for the position of provisional Chief Financial Officer for a 2-month period, effective 13 December 2022.

Under the Current Report published on 13 February 2023, the Company provided information about the decision of the SNN's Board of Directors of 13 February 2023, based on the recommendation of the Nomination and Remuneration Committee, to appoint Mr. Dan Niculaie - Faranga as provisional Chief Financial Officer for a 4-month term of office, effective 14 February 2023, however without exceeding the date when a Chief Financial Officer would be appointed for a 4-year term of office further to completion of the CFO selection procedure pursuant to the provisions of the Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented, provided that this selection comes to an end before the set term.

4.11. The Complementary Delegated Act by which nuclear energy and natural gas are included in the EU Taxonomy was approved by the European Parliament

On 2 February 2022, the European Commission announced the adoption of the Complementary Delegated Act thus including nuclear energy and natural gas in the scope of the EU Taxonomy on Sustainable Financing. The document thus confirms the significant role of these two energy sources in ensuring the energy security of the states and in reaching the decarbonization targets.

Thus, through the Delegated Act, major investment projects in the nuclear field, such as the re-engineering of nuclear units, the construction of new capacities and the development of innovative technologies, are considered sustainable in order to contribute to the energy transition of the member states.

It also recognizes the right of each EU member state to choose its own national energy mix, based on existing resources, expertise and capabilities. The EU taxonomy aims to direct private investments to the sources necessary to accelerate the energy transition and to achieve climate neutrality.

On 6 July 2022, the Complementary Delegated Act by which nuclear energy and natural gas are included in the EU Taxonomy was approved by the European Parliament. It will enter into force from as at 1 January 2023.

4.12. Armed conflict between Russia and Ukraine

In February 2022, an armed conflict broke out between Russia and Ukraine, which affected the economies of the two countries and resulted, among other things, in a significant flow of refugees from Ukraine to neighbouring countries (including Romania), as well as in a series of sanctions imposed by the international community on Russia and on some of the companies of Russian origin. The medium and long-term impact of this conflict and the sanctions imposed on Russia cannot be anticipated at this time with sufficient accuracy. Taking into account that the Company does not have activities significantly dependent on the area in conflict or affected by sanctions (in particular Russia, Ukraine, Belarus), neither in terms of purchases nor sales, we consider that the ability of the Company to continue its activity in the predictable future will not be significantly affected.

4.13. Changes in the management of the Company - Board of Directors

By Decision of the Ordinary General Meeting of Shareholders of SNN no. 6/10.08.2022 the requests for renewal of the terms of office of five members of the Board of Directors were approved, starting with 29 September 2022, thus appointing the following members for a 4-year term of office: Mr. Minodor Teodor Chirica (non-executive director), Mr. Cosmin Ghita (executive director), Mrs. Elena Popescu (non-executive director). By the same Decision of the Ordinary General Meeting of Shareholders the following were approved:

- the monthly gross fixed allowance of non-executive members of the Board of Directors, in value represented by two times the gross monthly salary for the last 12 months for the activity carried out according to the main object of activity registered by the company, at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment and of the variable component of non-executive directors in the amount of 12 monthly fixed allowances;
- the amount of the gross fixed monthly allowance of the executive member of the Board of Directors, in value represented by six times the gross monthly average salary for the last 12 months for the activity carried out according to the main object of activity registered by the company, at class level according to the classification of activities in the national economy, communicated by the National Institute of Statistics prior to the appointment and of the variable component of non-executive director amounting to 2.5 times the annual gross fixed allowance for the entire fiscal year;
- the form of the mandate contract to be signed by the company with the newly appointed directors.

Also, SNN shareholders approved:

- a) the extension of the term of office of Mr. George Sergiu Niculescu, which was due to end on 28 August 2022, for a period of 2 months, starting on 29 August 2022, in accordance with the provisions of article 64¹ paragraphs (3) and (5) the Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented, or until the date of acceptance of office by a director appointed in accordance with the provisions of Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented, if the selection is completed before the mentioned term and
- b) the appointment of Mr. Dumitru Chirlesan as provisional member of the Board of Directors, as of 10 August 2022, for a period of 4 months, in accordance with the provisions of article 64¹ paragraphs (3) and (5) the Government Emergency Ordinance no. 109/2011, as subsequently amended and supplemented, or until the date of completion of the selection procedure of directors in accordance with the provisions of Government Emergency Ordinance no. 109/2011, if the selection is completed before the mentioned term.

Decision no. 6/10.08.2022 of the Ordinary General Meeting of Shareholders of SNN also approved the initiation of the procedure to select members of the Board of Directors of SNN for vacant positions, according to the provisions of GEO no. 109/2011 on the corporate governance of public enterprises, as subsequently amended and supplemented, and authorized the Board of Directors to implement the procedure to select members.

By the Current Report dated 27 September 2022, the Company informed shareholders and investors about the decision of the Board of Directors, as a result of the recommendation of the Nomination and Remuneration Committee, to appoint provisionally, starting with 29 September 2022 and until the date of the General Meeting of SNN Shareholders, two non-executive directors, on the vacancies within SNN Board of Directors. According to the provisions of article 137² of Law no. 31/1990, in case of vacancy

of one or more positions of directors, unless the articles of incorporation provide otherwise, the Board of Directors proceeds with the appointment of provisional directors, until the gathering of the Ordinary General Meeting of Shareholders. Thus, the Board of Directors appointed Mrs. Vasilica Grajdan and Mr. Dumitru Remus Vulpescu as provisional directors.

By Decision of the Ordinary General Meeting of Shareholders of SNN no. 10/19.10.2022, the following were approved: appointment of three provisional members of the Board of Directors of SNN, for a period of 4 months, in accordance with the provisions of Article 64¹, par. (3) and (5) of the Government Emergency Ordinance no. 109/2011, the form of the mandate contract to be signed, as well as the remuneration of the provisional members. As provisional members of the Board of Directors of SNN, Mrs. Grajdan Vasilica, Mr. Dumitru Remus Vulpescu and Mr. Niculescu George Sergiu were appointed.

By the Current Report dated 29 November 2022, the Company informed about the decision of the Board of Directors, as a result of the recommendation of the Nomination and Remuneration Committee, to appoint provisionally, starting with 11 December 2022 and until the date of the General Meeting of SNN Shareholders, Mr. Dumitru Chirlesan as non-executive director, on the vacancy within SNN Board of Directors.

Under the OGMS Resolution no. 1/15.02.2023 of the Ordinary General Meeting of SNN's Shareholders, four non-executive members of the Board of Directors were appointed effective 15 February 2023, for a 4-year term of office, in keeping with the provisions of Article 29(1) of the Government Emergency Ordinance no. 109/2011. The form of the mandate contract and the fixed allowance of the new non-executive directors were also approved. As non-executive directors of the Board of Directors of SNN, Mr. Vulpescu Remus, Mr. Chirlesan Dumitru, Mr. Niculescu George Sergiu and Mrs. Grajdan Vasilica were appointed.

4.14. Legal framework concerning the additional income tax/contribution to the Energy Transition Fund

On 29 October 2021, the Parliament of Romania adopted Law no. 259/2021 for approving the GEO no. 118/2021, which established that the additional income of electricity producers resulting from the difference between the average monthly electricity selling price and the price of RON 450 /MWh shall be taxed by 80%, according to article II para. (1) of Law no. 259/2021. The calculation method is established by GEO no. 27/2022 (Annex 6) and applies, according to Article 4 of the GEO no. 27/2022 for the period 1 November 2021 - 31 March 2023. The company met the enforcement criteria starting with January 2022.

Subsequently, GEO no. 119/01.09.2022 for the amendment and supplementation of GEO no. 27/18.03.2022, applicable as of 1 September 2022, changes the computation and period during which this contribution is due by electricity producers. Thus, pursuant to Article 4, Article 6 and Article 7 of Appendix no. 2 to the GEO no. 119/01.09.2022 for amending Appendix no. 6 to the GEO no. 27/18.03.2022, the value of the contribution is determined as the product between the difference between the monthly sales price and the reference price of RON 450 /MWh and the monthly quantity physically delivered, applicable for the period 1 September 2022 – 31 August 2023.

Effective 16 December 2022, Law no. 357/2022 approving the Government Emergency Ordinance no. 119/01.09.2022, which set forth a number of amendments to the provisions of the Government Emergency Ordinance no. 119/2022 on the contribution to the Energy Transition Fund, came into effect. The application period has been extended until 31 March 2025, and the calculation methodology was

amended so that the amount of the contribution would be further determined as the product between the difference between the monthly sale price and the amount of RON 450/MWh and the monthly quantity physically delivered from own production.

Thus, for the period 1 January - 31 December 2022, SNN recorded an additional income tax expense/contribution to the Energy Transition Fund of RON 1,085,014 thousand.

4.15. Launch of the platform “Nucleus of care”

In the Current Report published on 21 April 2022, the Company announces the launch of the social responsibility platform the “Nucleus of Care”, which follows the strategic directives and the vision of the company to build a sustainable future for the future generation, both by clean power production at excellence standards, and by the social and economic impact which it has in Romania.

The "Nucleus of Care" platform shall include both social responsibility initiatives of the company, and projects that the company will select to sponsor, in the "Nucleus of Care" project selection launched on this occasion.

To allow as many beneficiaries as possible to join, the sponsorship campaign shall take place in 2 stages, the first stage during 21 April 2022 and 22 May 2022, while the second during 17 July – 20 August 2022.

The competition is open to non-profit organizations and institutions, according to the applicable law and the participation and sponsorship rules available on the company's website.

4.16. Approval of distribution of the net profit of financial year 2021

Decision no. 5/28.04.2022 of the Ordinary General Meeting of Shareholders ("AGOA") approved the distribution of the net profit of the financial year 2021 by allocations, the total value of the gross dividends in the amount of RON 595,925,367, the value of the gross dividend per share in the amount of RON 1.97559234, the dividend payment date, namely the date of 24 June 2022 and the payment methods, in accordance with the note presented to the shareholders for this item on the agenda (item 5 of the AGOA agenda of 28 April 2022).

4.17. Planned shutdown of unit 1 within Cernavodă NPP

Starting on 8 May 2022, at 11:00, Cernavodă NPP Unit 1 entered the planned shutdown program, and synchronization with the National Energy System was completed on 28 June 2022, reaching the nominal power on 29 June 2022.

During the planned shutdown, carried out once every two years for each unit, activities from the following programs were carried out:

- Preventive and corrective maintenance program;
- Inspection program;
- Mandatory testing program during the planned shutdowns;
- Project change implementation program.

All works during the planned shutdown were carried out under safety conditions for the plant personnel, the public and the environment, according to the procedures approved and employed by Cernavodă NPP Branch, in compliance with all protection measures against COVID 19.

4.18. The development of the first small modular reactor (SMR)

During the Small Modular and Advanced Reactors Workshop Planning IV event organized in Bucharest by the United States Trade and Development Agency (USTDA) in partnership with the US Trade Department, Nuclearelectrica, NuScale and E-Infra signed a Memorandum of Understanding to develop the first small modular reactor (SMR) in Romania on the site of the former thermal power plant in Doicești, Dâmbovița county.

Following the Memorandum of Understanding ("MOU"), the companies will carry out engineering studies, technical analyses and licensing and authorization activities on the site in Doicești, Dâmbovița county, the location selected for the implementation of the first NuScale VOYGR™ plant.

By its Decision no. 7/10.08.2022, the Extraordinary General Meeting of SNN Shareholders approved the establishment of a company office in Doicești Commune, str. Colonie no. 12, Casa de Cultura, ground floor, room 1, Dâmbovița county, in order to start the preliminary stages of analysing the potential of the first small modular reactor (SMR) in Romania on the site of the former Doicești thermal power plant in Dâmbovița county. S.N. Nuclearelectrica S.A. secondary office premises shall be organized as an Information Center during the project, including an office for future actions to be included in engineering and design studies, technical location analyses, licensing and authorization activities etc.

By Resolution no. 8/22.09.2022 of the Ordinary General Meeting of SNN Shareholders, the Strategy for implementation of NuScale Small Modular Reactors (SMR) Project was approved on Doicești site.

By Resolution no. 9/22.09.2022 of the Extraordinary General Meeting of SNN Shareholders, SNN participation in the establishment of a new company was approved, organized as a joint stock company, for the development of the project ("project company/undertaking") and the authorization of SNN Chief Executive Officer to sign the Investment Agreement and the Articles of Association of the newly established company.

By Current Report dated 27 September 2022, the Company informed about the establishment, together with Nova Power & Gas S.R.L. of RoPower Nuclear S.A. company, the project company for the development of small modular reactors in Romania, on the site of the former coal power plant from Doicești, Dâmbovița County. RoPower Nuclear S.A., owned in equal parts by SC Nuclearelectrica S.A. and Nova Power & Gas S.R.L., shall take steps for the implementation of the first power plant NuScale VOYGR-6 (462 MWe) in Romania.

By Current Report dated 27 October 2022, the Company informed that on 27 October 2022, USA Trade and Development Agency (USTDA) paid a grant in amount of 14 million dollars to RoPower Nuclear S.A., the project company for the development of small modular reactors. The grant would be used for the preliminary engineering and design study (FEED) to advance the project of development of the first SMR nuclear plant in Romania.

As at 15 November 2022, a Memorandum of Understanding (MoU) was signed between RoPower Nuclear SA and Donalam SRL, part of the AFV Beltrame Group, a European leader in steel production,

in the IAEA Atoms4Climate COP 27 pavilion. The objective of this Memorandum of Understanding is to explore opportunities for cooperation and investment in support of developing the very first SMR project in Romania, which is likely to have a great impact on green steel production in Romania. On the same occasion, the two companies joined the United Nations 24/7 Carbon-Free Energy Compact, undertaking to comply with the UN's 24/7 principles in support of the UN's goal of accelerating the electricity system, mitigating climate change and ensuring access to clean energy at affordable prices.

As at 28 December 2022, the contract for Front-End Engineering and Design (FEED) works between NuScale Power LLC and the Romanian company RoPower Nuclear SA was signed and marked an important step towards deployment of a NuScale VOYGR™ power plant with small modular reactors (SMR) in Romania.

Under the EGMS Resolution no. 2/15.02.2023 of the Ordinary General Meeting of SNN's Shareholders, the shareholders approved the revoked the approval of point 3 of the SNN EGSM Resolution no. 7/10.08.2022 on the establishment of a SNN business unit in Commune of Doicești, given that RoPower Nuclear SA had already established a business unit in that location.

4.19. Energonuclear S.A. Subsidiary

By Decision of the Extraordinary General Meeting of Shareholders of SNN no. 7/10.08.2022 the financing of EnergoNuclear S.A. (EN) by SNN was approved, by SNN increasing the share capital of EN in cash and/or granting related loans by SNN, with a total amount of EUR 185 million, adjusted to the Project development requirements and necessary for the implementation of Phase 2 of the Project of Units 3 and 4 within Cernavodă NPP, depending on the approval and conclusion of the Support Agreement between the Romanian State and SNN in relation to the Project of Units 3 and 4 within Cernavodă NPP.

4.20. The Electricity Production Sales Strategy for the following 4 years pursuant to the provisions of the Government Emergency Ordinance no. 27/2022, as subsequently amended and supplemented

By Resolution no. 10/19.10.2022 of the Ordinary General Meeting of Shareholders of SNN, it was approved the Electricity Production Sales Strategy for the following 4 years pursuant to the provisions of the Government Emergency Ordinance no. 27/2022, as subsequently amended and supplemented.

4.21. Fitch rating agency reconfirmed the BBB- rating granted to SN Nuclearelectrica SA

Under the Current Report on 10 November 2022, the Company informed its shareholders and investors that the Fitch rating agency reconfirmed the BBB- rating granted to SN Nuclearelectrica SA, with a negative outlook.

The BBB- rating reflects the strong market position and sound business profile of SN Nuclearelectrica SA, as the only producer of nuclear energy, a clear, safe and cost-effective source, with a market share of 20%, which accounts for 35% of the total CO2-free emissions produced in Romania.

The negative outlook attached to the rating reflects the sovereign rating because the SNN rating is conditional upon a sovereign rating of Romania, in the event that this would be downgraded. The essential elements that led to reconfirmation of this rating were: a sound business profile; sufficient liquidity; the estimated financial profile; the influence of Unit 1 shutdown for retrofitting on the operating result and the investment needs; the influence of the significant investments on the company's cashflow; the impact of the additional taxation of income on the company's financial results; the reduction of the share of debts secured by the State and the strong support afforded to the company by the State, given its strategic importance and the shareholding ties. With the view to completing the major investment projects, from the perspective of a corporate governance endeavour focused on a high level of transparency, SN Nuclearelectrica SA applied for assessment and granting of the rating to strengthen its market position and allow for an objective assessment of SNN's abilities by the international community of investors.

4.22. Completion of the takeover of the uranium concentrate processing line from Compania Nationala a Uraniului SA ("CNU"), Feldioara Branch

Under the Current Report of 28 December 2022, the Company informed that it had completed the takeover of the uranium concentrate processing line from Compania Nationala a Uraniului SA ("CNU"), Feldioara Branch.

4.23. Relocation of SNN's registered office

Under the EGMS Resolution no. 2/15.02.2023 of the Ordinary General Meeting of SNN's Shareholders, the shareholders approved relocation of the company's registered office to the address of Bucharest, sector 1, Bd. Iancu de Hunedoara nr. 48, ground floor and 4th, 5th and 13th floor, as well as the updating the Articles of Incorporation of SNN with the new registered office.

4.24. Major litigations

The status of major litigations (in excess of RON 500 thousand) and of litigations whose value was not assessed, pending as at 31 December 2022 is presented in **Appendix 4**.

4.25. Other information

The quarterly report of the Board of Directors for the fourth quarter of 2022 is accompanied by the Audited Individual Financial Statements as at and for the financial year ended on 31 December 2022, which are published on the internet page of S.N. Nuclearelectrica S.A. (www.nuclearelectrica.ro), Relations with investors section.

5. MAIN ECONOMIC AND FINANCIAL RATIOS AS AT 31 DECEMBER 2022

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

Name of ratio	The calculation method	M.U.	Value 31.12.2022^{*)}
1. Ratio of current liquidity	Current assets/ Current liabilities	x	7.17
2. Indebtedness ratio			
2.1. Indebtedness ratio (1)	Borrowed capital/ Equity x 100	%	0.6%
2.1. Indebtedness ratio (2)	Borrowed capital/ Capital employed x 100	%	0.6%
3. Debt turnover ratio - customers	Average customer balance/ Turnover x 360	days	19
4. Assets turnover ratio	Turnover/ Fixed assets	x	1.05

**) According to the Audited Individual Financial Statements as at and for the financial year ended on 31 December 2022.*

6. DEGREE OF ACHIEVEMENT OF THE KEY PERFORMANCE RATIOS

On 31 December 2022, the members of the Board of Directors of SNN are:

No.	First name and last name	Mandate expiry
1.	Teodor Minodor Chirica ¹⁾	29.09.2026
2.	Cosmin Ghita ²⁾	29.09.2026
3.	Elena Popescu	29.09.2026
4.	Dumitru Remus Vulpescu ³⁾	19.02.2023
5.	George Sergiu Niculescu ³⁾	19.02.2023
6.	Chirlesan Dumitru ³⁾	until the Ordinary General Meeting of Shareholders, on 15 February 2023
7.	Grajdán Vasilica ³⁾	19.02.2023

1) *Chairman of the Board of Directors of SNN based on Decision no. 131/23.07.2020 of the Board of Directors;*

2) *Also acts as the Chief Executive Officer of SNN;*

3) *Under the OGMS Resolution no. 1/15.02.2023, non-executive members were appointed effective 15 February 2023, for a 4-year term of office, in keeping with the provisions of Article 29(1) of the Government Emergency Ordinance no. 109/2011*

The company concluded mandate contracts with the members of the Board of Directors, which set out key performance indicators. The computation of the aggregate degree of achievement of the key performance ratios for the fourth quarter of 2022 is presented in **Appendix 5**. The degree of achievement of key performance ratios is determined by the aggregate degree of achievement of key performance ratios, by determining the percentage achieved for the weighted values of each ratio in the short-term, medium-term and long-term. The degree of achievement of key performance ratios is limited by the 100% threshold, provided that achievements exceed the targets proposed in the mandate contract.

Thus, the key performance ratios were fulfilled in a proportion of 100% for the fourth quarter of 2022 in aggregate (therefore above the threshold of 75%), for each member of the Board of Directors:

Mandate contract	Degree of completion Q4 2022 (aggregate)
Board of Directors	100%

Teodor Minodor Chirica,
Chairman of the Board of Directors

Endorsed,
Dan Niculaie-Faranga,
Finance Director

Appendix 1 - Statement of financial position as of 31 December 2022

	31 December 2022 (audited)	31 December 2021 (audited)
Assets		
Fixed assets		
Tangible assets	5,737,295,053	5,853,337,904
Assets representing rights to use underlying assets within a leasing contract	15,565,831	1,180,392
Intangible assets	50,773,837	48,391,975
Financial assets valued at amortized cost	41,262,942	35,496,297
Financial investments in subsidiaries	199,438,505	172,438,508
Investments in affiliated entities	4,943,000	-
Total fixed assets	6,049,279,168	6,110,845,076
Current assets		
Inventories	653,199,691	560,149,518
Trade receivables	438,539,974	220,487,430
Other financial assets valued at amortized cost	140,954,592	87,270,340
Bank deposits	1,829,796,500	1,328,973,000
Cash and cash equivalents	2,681,002,427	1,317,399,999
Total current assets	5,743,493,184	3,514,280,287
Total assets	11,792,772,352	9,625,125,363
Equity and liabilities		
Equity		
Share capital, of which:	3,211,941,683	3,211,941,683
<i>Share capital subscribed and paid up</i>	3,016,438,940	3,016,438,940
<i>Inflation adjustments of the share capital</i>	195,502,743	195,502,743
Share premium	31,474,149	31,474,149
Reserve paid in advance	21,553,537	21,553,537
Revaluation reserve	394,369,643	451,742,500
Retained earnings	6,876,165,858	4,648,549,459
Total equity	10,535,504,870	8,365,261,328
Liabilities		
Long-term liabilities		
Long-term loans	64,810,940	130,135,030
Long-term lease liabilities	12,831,121	910,586
Provisions for risks and charges	174,504,703	245,823,013
Deferred income	63,611,498	72,037,242
Deferred tax liability	95,446,226	102,278,835
Liabilities on employee benefits	45,557,591	46,378,990
Total long-term liabilities	456,762,079	597,563,696
Current liabilities		
Trade and other payables	445,315,659	285,939,903
Current part of provisions for risks and charges	77,040,585	69,541,135
Corporate income tax due	52,801,797	48,781,242
Deferred income	157,087,526	89,647,495
Current part of the long-term loans	65,525,433	168,126,539
Short-term lease liabilities	2,734,403	264,025
Total current liabilities	800,505,403	662,300,339
Total liabilities	1,257,267,482	1,259,864,035
Total equity and liabilities	11,792,772,352	9,625,125,363

Appendix 2 - Profit and loss account for the 12-month period ended on 31 December 2022

	The 3-month period ended on 31 December 2022 (not audited)	The 3-month period ended on 31 December 2021 (not audited)	The 12-month period ending on 31 December 2022 (audited)	The 12-month period ending on 31 December 2021 (audited)
Income				
Income from the sale of electricity	1,513,749,615	988,331,387	6,343,639,700	3,103,149,573
Income from the transport of electricity	7,056,064	3,646,807	22,902,955	13,489,781
Total income	1,520,805,679	991,978,194	6,366,542,655	3,116,639,354
Other income	102,670,510	25,469,999	167,467,707	87,240,542
Operating expenses				
Depreciation and impairment	(154,126,126)	(145,427,883)	(605,405,084)	(562,856,167)
Personnel expenses	(175,630,812)	(127,535,323)	(555,235,871)	(444,087,233)
Cost of electricity purchased	(38,507,032)	(65,500,218)	(513,740,391)	(249,251,484)
Repairs and maintenance	(23,446,083)	(16,903,030)	(86,468,972)	(87,343,797)
Expenses with the transmission of electricity	(7,056,064)	(3,646,807)	(22,902,955)	(13,489,781)
Expenses with spare parts	(6,722,311)	(2,106,313)	(25,907,604)	(17,483,880)
Costs of nuclear fuel	(35,334,943)	(39,326,328)	(151,211,177)	(154,445,202)
Expenditure for the income on additional income/Contribution to the Energy Transition Fund	(212,083,155)	-	(1,085,014,040)	-
Other operating expenses	(182,344,089)	(192,149,203)	(502,116,398)	(495,442,284)
Operating expenses - Total	(835,250,615)	(592,595,105)	(3,548,002,492)	(2,024,399,828)
Operating profit	788,225,574	424,853,088	2,986,007,870	1,179,480,068
Financial expenses	(8,307,525)	(8,106,226)	(31,687,334)	(36,411,486)
Financial income	100,462,564	15,424,731	238,176,375	61,024,720
Net financial income	92,155,039	7,318,505	206,489,041	24,613,234
Profit before income tax	880,380,613	432,171,593	3,192,496,911	1,204,093,302
Net corporate income tax expenses	(55,047,674)	(36,517,518)	(428,073,459)	(167,831,676)
Profit for the period	825,332,939	395,654,075	2,764,423,452	1,036,261,626

Appendix 3 - Execution of the Income and Expenditure Budget as at 31 December 2022

		thousand RON							
		Ratios	Line no.	IEB 2022 (approved by the OGMS Resolution no. 3/23.02.2022)	IEB 2022 (approved by the OGMS Resolution no. 10/19.10.2022)	Aggregate actual Q4 2022	% Actual vs. Approved rectified [Col. 6/Col. 5]	Variation (abs.) [Col. 6-Col. 5]	% Actual vs. Approved initial [Col. 6/Col. 4]
0	1	2	3	4	5	6	7	8	9
I.		TOTAL INCOME (Line 2 + Line 5)	1	5,186,756	6,608,814	6,681,638	101.1%	72,824	128.8%
	1.	Total operating income, of which:	2	5,100,618	6,416,631	6,443,460	100.4%	26,829	126.3%
		c1 Subsidies, acc. to the legal provisions in force	-	-	-	-	-	-	-
		c2 Transfers, acc. to the legal provisions in force	-	-	-	-	-	-	-
	2.	Financial income	5	86,138	192,183	238,177	123.9%	45,994	276.5%
II.		TOTAL EXPENSES (Line 7 + Line 21)	6	2,617,238	3,929,154	3,489,141	88.8%	-440,013	133.3%
	1.	Operating expenses (Line 8 + Line 9 + Line 10 + Line 20)	7	2,580,090	3,892,799	3,457,453	88.8%	-435,346	134.0%
	A.	Expenses with goods and services	8	946,936	1,226,202	938,189	76.5%	-288,013	99.1%
	B.	Expenses with taxes, duties and similar payments	9	356,896	1,259,083	1,271,556	101.0%	12,473	356.3%
	C.	Personnel expenses (Line 11 + Line 14 + Line 18 + Line 19)	10	574,133	573,851	560,340	97.6%	-13,511	97.6%
	C0	Payroll expenses (Line 12 + Line 13)	11	524,539	524,539	510,542	97.3%	-13,997	97.3%
	C1	Expenses with salaries and wages	12	464,260	464,260	456,321	98.3%	-7,939	98.3%
	C2	Bonuses	13	60,279	60,279	54,221	89.9%	-6,058	90.0%
	C3	Other personnel costs, of which:	14	0	0	0	-	0	-
		Costs of severance payments for layoffs	15	-	-	-	-	-	-
	C4	Expenses under the mandate contract and of other management and control bodies, commissions and committees	18	3,572	3,290	4,175	126.9%	886	116.9%
	C5	Expenses with social insurance and security, special funds and other statutory obligations	19	46,022	46,022	45,622	99.1%	-400	99.1%
	D.	Other operating expenses	20	702,125	833,663	687,369	82.5%	-146,294	97.9%
	2.	Financial expenses	21	37,148	36,355	31,687	87.2%	-4,668	85.3%
III.		GROSS RESULT (profit/loss) (Line 1 - Line 6)	22	2,569,518	2,679,660	3,192,497	119.1%	512,837	124.2%
IV.		CORPORATE INCOME TAX	23	416,784	430,757	428,073	99.4%	-2,684	102.7%
V.		BOOK PROFIT AFTER INCOME TAX (Line 22 - Line 23)	24	2,152,734	2,248,903	2,764,423	122.9%	515,520	128.4%

Appendix 4 - Major litigations (in excess of RON 500 thousand), including litigations whose value was not assessed, pending as at 31 December 2022

No.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Value	Stage	Description	Procedura I stage Hearing
SNN Executive								
1.	9089/101/2013	Civil Mehedinți Tribunal	Creditor	Autonomous Authority for Nuclear Activities (RAAN)	Insolvency. Bankruptcy, liquidator appointed. Receivable RON 7,828,405.48	merits	Merits. Pending insolvency proceedings.	15.06.2023
2.	873/1259/2008	Civil Argeș Tribunal	Creditor	Termoficare 2000 S.A.	Insolvency. Bankruptcy. Receivable RON 2,713,986.71	higher appeal	Solution on substance: Admits the request filed by the judicial liquidator to close the insolvency procedure of the debtor. Orders the closing of the insolvency procedure of debtor TERMOFICARE 2000 S.A. and its removal from the trade registry. Discharge the judicial liquidator from liability, to the extent provided by law, in relation to any duties or responsibilities regarding the procedure, the debtor and the debtor's estate, the creditors, holders of preferential rights, or shareholders. Orders the notification of the sentence to close the procedure: - TO THE REGIONAL GENERAL DIRECTORATE OF PUBLIC FINANCE PLOIESTI - THE COUNTY ADMINISTRATION OF PUBLIC FINANCE ARGES, - TO THE OFFICE OF THE COMMERCE REGISTRY, in order to make the mention, - TO THE OFFICE OF REGISTRATION AND REAL ESTATE ADVERTISING, in order to include, if necessary, notes on the closing of the procedure, - to all creditors, by publication in BPI. Enforceable. With appeal within 10 days from communication of the decision. Decision 481/2022 25 October 2022 Higher appeal. Regularization procedure. ANAF lodged a higher appeal.	Hearing pending
3.	1794/118/2016	Criminal Constanța Tribunal Constanța Court of Appeal	Civil party	Bucur Ionel Negulici Elena Olteanu Madalina Encica Ionel Nicola Laurentiu Daramus Victor S.C. Davy Security S.R.L. party held	Damage EUR 3,471,463.	appeal	Solution on substance: the act is not provided by the criminal law (article 10 letter b of the Criminal Procedure Code). Based on Article 396 para. 5 of the Criminal Procedure Code in relation to Article 17 para. 2 of the Criminal Procedure Code and Article 16 lit. b of the Criminal Procedure Code, finds defendant Bucur Ionel not guilty on the charge of abuse of office, if the public officer obtained for himself or for the benefit of others undue benefits provided by article 132 of Law no. 78/2000 in relation to Article 297 para. 1 of the Criminal Code, with the application of Articles 309 and 183 of the Criminal Code, with the application of Article 5 of the Criminal Code (fraudulent award of the physical security and monitoring service to S.C. Davi Security S.R.L.; S.C. Davi Protect	30.03.2023

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No.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Value	Stage	Description	Procedura I stage Hearing
				liable for civil liability, by judicial administrator.			<p>& Security S.R.L., S.C. Davi Protect Comp S.R.L.) and on the charge of conflict of interests provided in Article 301 of the Criminal Code with the application of Article 5 of the Criminal Code (Conflict of interests related to securing building FE5 by S.C. Davi Security S.R.L./S.C. Davi Protect & Security S.R.L., S.C. Davi Protect Comp, S.C. Energosecurent S.R.L.). Based on Article 396 para. 5 of the Criminal Procedure Code in relation to Article 17 para. 2 of the Criminal Procedure Code and Article 16 lit. b of the Criminal Procedure Code, finds defendant Negulici Elena Marinela not guilty on the charge of abuse of office and on the charge of conflict of interests provided in Article 301 of the Criminal Code with the application of Article 5 of the Criminal Code, finds defendant Encica Ionel not guilty on the charge of abuse of office, finds defendant Nicola Laurentiu Theodor not guilty on the charge of abuse of office, finds defendant Daramus Victor not guilty on the charge of complicity in abuse of office, finds defendant Olteanu Madalina not guilty on the charge of abuse of office, based on Article 397 of the Criminal Procedure Code and Article 25 of the Criminal Procedure Code, Rejects the civil action filed by the civil party SN Nuclearelectrica S.A., as unfounded. Removes the distraint established by Ordinance no. 279/P/2015 of 06.01.2016 of DNA - ST Constanța, as amended by conclusion no. 9/19.01.2016 of Constanța Tribunal and by Ordinance no. 279/P/2015 of 11.02.2016 of DNA - ST Constanța, on the property of defendants Bucur Ionel, Negulici Elena - Marinela and Daramus Victor. Based on Article 275 para. 3 of the Criminal Procedure Code, the legal expenses advanced by the state remain in its charge. With appeal within 10 days from communication. Rendered in public session this day of 19 February 2021, Judgment no. 125/19.02.2021.</p> <p>Appeal. Pending try</p>	
4.	409/2/2016	Bucharest Court of Appeal	Civil party	Tudor Ion Criminal group Banat Insolvency House liquidator of CET Energoterm Resita.	Charges of tax evasion, forgery, giving and accepting bribes RON 580,974.21.	merits	Merits. Procedure in progress.	10.03.2023

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No.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Value	Stage	Description	Procedura I stage Hearing
5.	41419/3/2016	Civil Bucharest Tribunal - 2nd Section Bucharest Court of Appeal	Claimant-Defendant	Energo Securent S.R.L.	SNN claims: RON 330,074.32 Energo Securent claims: RON 2,206,539.80	higher appeal	<p>Solution on substance: Partly upholds the main claim. Obliges the defendant to pay to the claimant the amount of RON 337,569.25, of which RON 273,341.76 representing amounts paid in excess following the reduction of the social insurance contribution, RON 64,254.49 representing corresponding VAT, plus the statutory interest of RON 31,399.28. Admits the counterclaim, as clarified, and therefore: Obliges the claimant - defendant to pay to the defendant - claimant the amount of RON 1,257,880.8, representing the value of invoices issued and paid for security services provided during 1 July 2014 - 28 February 2016, of which RON 1,022,112.46 representing the principal amount and the amount of RON 235,786.34 representing corresponding VAT. Sets off the judicial expenses. With right of appeal within 15 days from communication. Rendered this day of 18 May 2021.</p> <p>Solution on the higher appeal: Take note of the appellant-defendant's waiver of higher appeal try. Upholds the request to be refunded the judicial stamp duty and orders the appellant-defendant to refund the judicial stamp duty of RON 8,431.75. Pursuant to Article 38 of the Government Emergency Ordinance no. 80/2013, orders the appellant-claimant to pay the judicial stamp duty of RON 4,776.83, due for the proceedings on substance. Dismisses the plea of the nullity of the higher appeal lodged the appellant-claimant as unfounded. Upholds the higher appeal lodged by the appellant-claimant against the against the sentence on civil matters no. 3345/18.05.2021. Dismisses the higher appeals lodged by the appellant-claimant against the Minutes of 20 June 2017 and the sentence on civil matters no. 5846/12.10.2021, as unfounded. Quashes in part the sentence no. 3345/18.05.2021 as regards the dismissal of the main claim as stated regarding the award of statutory interest further on until the effective payment, and rehearing the case, orders the defendant to pay to the claimant statutory interest of RON 337,569.25 further on, until the effective payment date. Maintains the rest of sentence no. 3345/18.05.2021. Judgment no. 2900/2022 17 November 2022 Final.</p>	Completed
6.	5802/118/2017	Labour	Defendant	NPP Union on behalf of 757 employees.	Money rights dangerous conditions bonus.	merits	<p>Merits. Pending try Submission of accounting expert report.</p>	26.05.2023

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No.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Value	Stage	Description	Procedura I stage Hearing
		Constanța Tribunal						
7.	7036/118/2017	Labour Constanța Tribunal	Defendant	SLEN Union on behalf of 132 employees 159 claimants in their own name.	Money rights dangerous conditions bonus.	appeal	<p>Solution on substance: Rejects the claim as unfounded. Admits the request filed by the technical judicial expert LAZAROAIA REMULUS. Sets the final fee to be paid to the technical judicial expert LAZAROAIA REMULUS for the technical judicial expert report in the field of accounting at the amount of RON 12,000.00. It obliges the claimants to pay to Constanța Tribunal - Local Office of Technical Judicial Expert Reports the amount of RON 1000, as remaining expert fee, in favour of the judicial expert Lazaroaia Remulus. It obliges the defendant to pay to Constanța Tribunal - Local Office of Technical Judicial Expert Reports the amount of RON 1000, as remaining expert fee, in favour of the judicial expert Lazaroaia Remulus. Enforceable in what regards the obligation to pay the expert fee. Obliges the claimants to equally participate in the payment to the defendant of RON 59,221.94, as court expenses. With right of appeal within 10 days from communication. The appeal application shall be filed with Constanța Tribunal, under the penalty of nullity. Rendered this day of 17 June 2022, the judgment being made available to the parties through the court's registry. Decision 2205/2022 17 June 2022</p> <p>Appeal. Final decision on 27.02.2023</p>	
8.	35162/299/2018* /a1	Civil - Bucharest Sector 1 Court, 2nd Civil Section	Garnishee - SNN Appellant Debtor AAAS Respondent Ionita Stefan.	Ionita Stefan – enforcement file 959/2010 BEJ Draganescu, Ionescu, Crafcenco	Opposition to enforcement RON 2,089,042.69.	merits retrial	<p>Solution on substance: Rejects the plea of lack of capacity to be sued of the garnishee as unfounded. Rejects the opposition to enforcement as ungrounded. With appeal within 15 days from communication. Judgment no. 1611/21.03.2019.</p> <p>Solution on the higher appeal: Upholds the higher appeal. Admits the plea of lack of mandatory capacity to be sued, invoked <i>ex officio</i>. Quashes the sentence and submits the case for retrial to the same court. Irrevocable. Rendered in public session this day of 14 January 2020. Judgment no. 7/14.01.2020.</p> <p>Retrial of merits: stayed on grounds of article 412 of the New Civil Procedure Code until the submission of the proof of capacity of heirs.</p> <p>Solution on the higher appeal for retry and stay: Rejects the higher appeal as unfounded. Irrevocable.</p>	stayed

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No.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Value	Stage	Description	Procedura I stage Hearing
9.	36200/3/2019	Civil Bucharest Tribunal	Claimant	Ministry of Economy, Energy and Business Environment.	RON 2,217,600 plus interest and inflation ratio - damage representing the difference of the variable allowance collected by the members of the Board of Directors and by directors for the period 2015 - 2017.	merits	Accepts the exception of the lack of passive procedural quality. Rejects the request as being formulated against a person without passive procedural status. With the right of appeal within 30 days from the communication, the appeal request to be submitted to the Bucharest Court - Civil Section VI. Pronounced by making the solution available to the parties through the court registry, today, 03/07/2023. Document: Decision 534/2023 07.03.2023	
10.	6026/109/2019	Labour Argeş Tribunal	Defendant	Gheba Florin Ovidiu.	Challenge Decision no. 344/17.10.2019 termination of individual employment agreement and Decision no. 300/12.09.2019 disciplinary investigation committee.	merits	Solution on substance: Upholds in part the main claim. Sets aside the decision no. 300/12.09.2019 issued by the respondent. Dismisses the plea of lack of interest. Upholds in part the ancillary claim. Sets aside the decision no. 344/17.10.2019 on the termination de jure of the claimant's employment agreement contract, and orders his reemployment to the previously held job. Obliges the respondent to pay the claimant a compensation equal to the indexed, increased and updated salaries and the other rights that he would have benefited from as of the date of the termination de jure of the agreement and until his effective reemployment, plus the statutory penalty interest as of the due date and further on until effective payment of the debts. Dismisses the head of claim seeking to have the defendant ordered to pay the court expenses. Provisionally enforceable <i>de jure</i> . With right of appeal within 10 days from communication.	
11.	5462/2/2019	Administrative dispute Bucharest Court of Appeal HCCJ	Claimant	Bucharest Regional General Directorate of Public Finance General Directorate for the Administration	Cancellation of tax documents	higher appeal	Solution on substance: Admits the plea of lack of capacity to be sued of defendant Bucharest Regional General Directorate of Public Finance. Rejects the claim filed by claimant S.N. Nuclearelectrica S.A. against defendant Bucharest Regional General Directorate of Public Finance, as being filed against a person lacking capacity to be sued. Admits the plea of limitation of the right to sue. Rejects the introductory claim filed by claimant S.N. Nuclearelectrica S.A. against defendant ANAF - General Directorate for the Settlement of Challenges, as being time barred. Admits the plea of inadmissibility. Rejects the introductory claim filed by claimant	Hearing pending

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No.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Value	Stage	Description	Procedura I stage Hearing
				of Large Taxpayers.			S.N. Nuclearelectrica S.A. against defendant General Directorate for the Administration of Large Taxpayers, as inadmissible. With right of appeal within 15 days of service. Judgment no. 985/22.06.2021 Higher appeal. Regularization procedure	
12.	97/2/2020	Civil Bucharest Tribunal. Bucharest Court of Appeal HCCJ	Claimant.	ANRE (Romanian Energy Regulatory Authority).	Cancellation of administrative act order no. 216/11.12.2019.	higher appeal	<p>Solution on substance: Rejects the claim. Judgment in brief: admits the plea of time barring of additional claims, as invoked by the defendant. Rejects the action for cancellation of Decisions no. 2213/23.12.2019 and no. 2214/23.12.2019, i.e. notification no. 110703/23.12.2019, as being time barred. Rejects the remaining introductory claim, as ungrounded. With appeal within 15 days from communication, the request to be filed with Bucharest Court of Appeal - 8th Section Administrative and Fiscal Disputes. Rendered this day of 31 July 2020, the judgment being made available to the parties through the court's registry. Judgment no. 681/31.07.2020.</p> <p>Solution on the higher appeal: Rejects the higher appeal filed by the claimant National Company Nuclearelectrica SA against civil sentence no. 681 of 31 July 2020 and of the conclusion of 10 July 2020, of the Bucharest Court of Appeal - 8th Section Administrative and Fiscal Disputes, as unfounded. Final. Rendered this day of 30 June 2022, the judgment being made available to the parties through the court's registry.</p> <p>Related file 97/2/2020/a1 of the High Court of Cassation and Justice, the court upheld the request to refer the matter to the Constitutional Court and the referral no. 1658D/2022 was filed with the Constitutional Court on 30 June 2022. The file is in the report stage.</p>	
13.	3083/3/2020	Civil Bucharest Tribunal. Bucharest Court of Appeal HCCJ	Claimant.	Transelectrica - National Company for the Transmission of Electricity.	RON 1,472,785	higher appeal	<p>Solution on substance: Upholds the introductory claim. It obliges the defendant to pay to the claimant the amount of RON 1,290,533.156, as indemnification, to pay this amount adjusted for inflation from 27 September 2018 until the date of actual payment, to pay the amount of RON 182,251.94 representing the statutory penalty interest calculated from 27 September 2018 until 31 January 2020, as well as to further pay the statutory penalty interest, calculated from 1 February 2020 until the date of actual payment. Obliges the defendant to pay to the claimant the amount of RON 23,441.66, as court expenses, consisting in judicial stamp tax. Rejects the defendant's claim for court expenses as unfounded. With</p>	Stayed

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No.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Value	Stage	Description	Procedura I stage Hearing
							<p>right of appeal within 30 days from communication. The appeal shall be filed with Bucharest Tribunal, 6th Civil Section. Rendered this day of 22 December 2020, the judgment being made available to the parties through the court's registry. Judgment no. 2698/22.12.2020</p> <p>Solution on appeal: Upholds the appeal. Partly changes the appealed civil sentence, namely: Rejects the introductory claim as ungrounded. Maintains the first court judgment to reject the defendant's request to be paid court expenses as unfounded. Obliges the respondent-claimant to pay the appellant-defendant the amount of RON 20,591.66, as appeal court expenses. With appeal within 30 days from communication, the request to be filed with Bucharest Court of Appeal - 6th Civil Section. Rendered this day of 25 November 2021, the judgment being made available to the parties through the court's registry. Document: Judgment 1927/2021 25 November 2021.</p> <p>Higher appeal: Pursuant to Article 413 para. (1) point 1 of the Civil Procedure Code, stays the higher appeal declared by the appellant-claimant NATIONAL COMPANY NUCLEARELECTRICA SA against the civil decision no. 1927/A/25.11.2021, rendered by the Bucharest Court of Appeal - 6th Civil Section, until the final settlement of file no. 2659/2/2020, pending before the High Court of Cassation and Justice - Administrative and Fiscal Disputes Section. Final.</p>	
14.	1506/118/2020	Civil/ Constanța Tribunal	Claimant.	U.A.T. Seimeni commune, Romanian State through the Ministry of Public Finance, the Ministry of Economy, Energy and the Business Environment, Government of Romania.	Action to find the right of use, servitude, free use of publicly owned land.	merits	<p>Solution on substance: Rejects the plea of inadmissibility of invoking the plea of unlawfulness of Local Council Decision no. 7/2009 of Seimeni UAT. Admits the plea of unlawfulness of Local Council Decision no. 7/2009 of Seimeni UAT. Orders the removal from the land book 101215 Seimeni of the right of private ownership of Seimeni UAT. Accepts the plea of inadmissibility of claims against the Romanian State through the Ministry of Public Finance. Rejects the claims against the Romanian State through the Ministry of Public Finance as inadmissible. It rejects the remaining portions of the claims against UAT Seimeni as unfounded. Orders the defendant UAT Seimeni to pay to the claimant RON 3,000 as court expenses. With right of appeal, to be submitted to Constanța Tribunal, within 30 days from communication. Judgment 1136/ 1 April 2022. Sentence on substance pending drafting</p>	Decision to be drafted

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No.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Value	Stage	Description	Procedura I stage Hearing
15.	1663/118/2020*	Civil Constanța Tribunal	Claimant	Romanian state through the Ministry of Public Finance. Romanian Waters National Administration. Dobrogea Seaside Water Basin Administration.	Action to find the right of management of the land corresponding to the Valea Cismelei hydrographic basin, right of usage, servitude, free use of publicly owned land of 31,050 sqm and 73,428 sqm.	higher appeal	<p>Solution on substance: Rejects the plea of lack of capacity to be sued of the Ministry of Environment, Waters and Forests, invoked by the latter in its statement of defence, as unfounded. Admits the plea of inadmissibility of the introductory claim filed by claimant S.N. Nuclearelectrica S.A. against defendants State of Romania, through the Ministry of Finance, Romanian Waters National Administration, Dobrogea Seaside Water Basin Administration and the Ministry of Environment, Waters and Forests, a plea invoked <i>ex officio</i>. Rejects the introductory claim filed by claimant S.N. Nuclearelectrica S.A. against defendants Romanian State, through the Ministry of Finance, Romanian Waters National Administration, Dobrogea Seaside Water Basin Administration and the Ministry of Environment, Waters and Forests as inadmissible. With right of appeal within 30 days from communication. Judgment no. 891/17.06.2021.</p> <p>Solution on appeal: Upholds the appeal. Partly cancels both conclusion of 17 March 2021 on rejecting the topographic expert report evidence, and civil sentence no. 891/17.06.2021 on the judgment regarding the plea of inadmissibility and its relevance in the introductory claim. Maintains the other provisions of the conclusion and of the appealed sentence. With appeal within 30 days from communication; the appeal application shall be filed with Constanța Tribunal, under the penalty of nullity. Rendered this day of 11 March 2022, the judgment being made available to the parties through the court's registry. The minutes erroneously failed to mention "Resends the case for retrial to the court of first instance. Judgment 391/ 11 March 2022</p> <p>Higher appeal. Pending try</p>	29.03.2023
16.	2659/2/2020	administrative disputes/ High Court of Cassation and Justice	Claimant	ANRE	Cancellation of Order no. 12/2016.	merits	<p>Solution on substance: Rejects as unfounded the request to reinstate the material right to action outside the limitation term. Accepts the plea of time barring of the right to action. Rejects the request as time barred. The court upholds in part the request for referral to the Constitutional Court and orders its referral with the resolution of the plea of unconstitutionality of the provisions of Article 5 para. 7 of GEO no. 33/2017 for the amendment and supplementation of the Electricity Law no. 13/2007 and Gas Law no. 351/2004, approved by Law no. 160 of 2 October 2012. Rejects the remaining portion of the referral to the Constitutional Court as inadmissible. With appeal within 48 hours, regarding the rejection as inadmissible of the referral to the Constitutional Court. With</p>	Case referred back for retry

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No.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Value	Stage	Description	Procedura I stage Hearing
							appeal within 15 days from communication. Judgment no. 139/09.02.2021. Solution on the higher appeal: Upholds the higher appeal lodged by the claimant National Company Nuclearelectrica S.A., against the civil sentence no. 139 of 9 February 2021 of Bucharest Court of Appeal - 8th Division for Administrative and Tax Disputes. Quashes the appealed sentence and refers the case back for retrial to the court which heard the substance of the case. Final. Case referred back for try to the first court	
17.	16597/3/2020	Civil/ Bucharest Tribunal	Claimant-Defendant	General Concrete Cernavodă S.R.L.	Enforcement of administrative act RON 2,760,296,490	merits	Merits. Pending try Administration of technical construction expert report evidence.	20.03.2023
18.	3570/2/2020	Administrative disputes/ High Court of Cassation and Justice	Claimant	ANRE	Cancellation of documents issued by regulatory authorities. Order no. 88/2020.	merits	Solution on substance: Rejects the clarified claim, as unfounded. With appeal within 15 days from communication. Judgment no. 247/04.03.2021. Higher appeal. Pending try	16.03.2023
19.	544/109/2015	Civil/ Argeş Tribunal Piteşti Court of Appeal	Appellant CNU	Goga Gheorghe	Patents.	appeal	Solution on substance: Partly upholds the claim. Obliges the defendant to pay RON 4,015,582 representing patrimonial rights deriving from the exploitation of the technical procedures which are the object of inventions during 2014 - 2018. With appeal. Judgment no. 343/26.09.2018. Appeal Pursuant to the provisions of article 75 paragraph 1 of Law no. 85 of 25 June 2014 on procedures for the prevention of insolvency and insolvency, stays the case. With right to appeal during the stay, to be filed with Piteşti Court of Appeal. Rendered in public session this day of 4 May 2022. Document: Conclusion - Stay 4 May 2022:	stayed
20.	4419/2/2021 and 1720/1/2022	Administrative Disputes Bucharest Court of Appeal	Claimant	Romanian Government	Stay of enforcement and cancellation of Government Decision no. 1041/2003.	higher appeal	Solution on substance - stay of execution Rejects the request to stay the enforcement as unfounded. With appeal within 15 days from communication, filed with this court. Rendered this day of 13 April 2022, the judgment being made available to the parties through the court's registry. Solution on higher appeal - stay of execution - Case no. 4419/2/2021.	

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No.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Value	Stage	Description	Procedura I stage Hearing
							Dismisses the higher appeal lodged the claimant National Company Nuclearelectrica S.A. against the Minutes of 13 April 2022 of Bucharest Court of Appeal - 8th Division for Administrative and Tax Disputes, as unfounded. Final Solution on substance - setting aside of the Government Decision no. 1041/2003 Rejects the claim as unfounded. With appeal within 15 days from communication, filed with this court. Document: Judgment 887/2022 11.05.2022. Higher appeal - pending try - Case no. 1720/1/2022	
21.	25751/3/2021	Labour Bucharest Tribunal	defendant	Botea Ceciliu Lucian	challenge against decision to terminate employment	merits	Solution on substance: Rejects the claim as unfounded. With appeal within 10 days from communication. Document: Judgment no. 3753/2022 31 May 2022. Higher appeal. Pending try	05.05.2023
22.	2873/120/2022	administrative disputes Dâmbovița Tribunal	defendant	Ion Dragos Poescu	access to public information Law no. 544/2001 on the S&L Study on the SMR Doicești location	merits	Merits: pending delivery 15 February 2023	
23.	23089/3/2022	insolvency Bucharest Tribunal	creditor	Compania Nationala a Uraniului	receivable 7,811,840.50	merits	Merits. Procedure pending	13.03.2023
24.	35670/3/2022	administrative disputes Bucharest Tribunal	claimant	Dat Constructive SRL	claims 1,021,148.48	merits	Merits. Procedure pending	Hearing pending
25.	25192/3/2022	civil Bucharest Tribunal	defendant	SSG Fire & Rescue SRL	715,747.50	merits	Merits. Procedure pending	Hearing pending
26.	6471/2/2018	administrative disputes High Court of Cassation and Justice	claimant	The Court of Auditors		higher appeal	Solution on substance: Upholds the claim. Partially annuls Conclusion no. no. 29/31.07.2018, i.e. its item 1, and Decision no. 5/08.06.2018, i.e. the measure ordered in item I.4 to remove the deviation described in item 4. Obliges the defendant to pay court expenses.	Completed

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No.	Case number	Nature of litigation/ Court	SNN capacity	Opposite party	Value	Stage	Description	Procedura I stage Hearing
							Solution on the higher appeal: Rejects the higher appeal filed by the defendant Romanian Court of Auditors against Civil Sentence no. 1229 of 29 March 2019 of Bucharest Court of Appeal - 8th Section Administrative and Fiscal Disputes, as unfounded. Final.	
Cernavodă NPP Branch								
1.	28330/3/2021	Civil/Bucharest Court of Appeal	Defendant	UNICOMP	Civil dispute - cancellation of finding document/works contract 487/2020 Claims to return penalties charged without justification amounting to RON 77,760 and indemnifications for unrealized benefits amounting to RON 804,425.64	appeal	<p>Solution on substance: Upholds the introductory claim, as clarified, filed by claimant SC UNICOMP SA against defendant NUCLEARELECTRICA SA. Cancels the Termination Notice no. CNE/624/02.03.2021 issued by defendant NUCLEARELECTRICA SA in what regards the Sectoral Works Contract no. 487/13.04.2020. Cancels the Findings Document no. 697/11.03.2021 corresponding to Sectoral Works Contract no. 487/13.04.2020. Obliges the defendant NUCLEARELECTRICA SA to repay to the claimant UNICOMP SA the amount of RON 77,760 representing delay penalties. Obliges defendant NUCLEARELECTRICA SA to pay to the claimant UNICOMP SA the amount of RON 804,425.64 representing indemnifications corresponding to the unrealized benefit. Obliges defendant NUCLEARELECTRICA SA to pay to the claimant UNICOMP SA the amount of RON 41,000 as court expenses. On grounds of article 44 paragraph 4 in correlation with article 41 of Government Emergency Ordinance no. 80/2013 on judicial stamp taxes, obliges defendant NUCLEARELECTRICA SA to pay the amount of RON 46,548.80 as judicial stamp tax for which the amount of the tax was reduced. Rejects the defendant's claim to be paid court expenses, as unfounded. With right of appeal within 10 days from communication. Document: Judgment 1857/2022 17 August 2022</p> <p>Solution on appeal: Dismisses the main appeal as unfounded. Orders the appellant-defendant to pay the respondent-claimant the amount of RON 7,140 as court expenses. Dismisses the incidental appeal as unfounded. Document: Judgment 1811/2022, 16.11.2022. Final.</p>	Completed

Appendix 5 – Degree of achievement of the key performance ratios as at 31 December 2022 – Board of Directors

Nr. Crt.	Objective/Performance indicators			Verification tool	Target Quarter IV 2022	Realised Quarter IV 2022	Accomplishment degree capped to 100%	Limity capped (%)	
	Indicator	Weighting in the variable component of the short - term indicators	Weighting in the variable component of the medium - term indicators						Weighting in the variable component of the long - term indicators
0	1	2	3	4	5	6	7	8	9
Governance indicators									
1	Monitoring the performance of the executive management	12.00%	-	-	Quarterly report of SNN directors	Accomplished	Accomplished	100%	12%
2	Monitoring of risk management	10.00%	-	-	Quarterly risk management report	Accomplished	Accomplished	100%	10%
3	Monitoring transparency in communication	8.00%	-	-	Regular publication of corporate governance information	Accomplished	Accomplished	100%	8%
4	Implementation of the company's strategy	-	5.00%	5.00%	Progress report	Accomplished	Accomplished	100%	10%
Operational indicators									
1	No operating events that exceeded Level 1 on the International Nuclear Event Scale	2.00%	-	-	INE Scale according to IEAE.org website	Accomplished	Accomplished	100%	2%
2	Degree of achievement of investment budget	10.00%	2.00%	2.00%	Annex no. 4 BVC	60%	92.2%	100%	14%
3	Obtaining an utilization coefficient of installed power capacity of minimum	7.00%	1.00%	1.00%	Realised production (MWh)/Maximum theoretical production (MWh)	80%	90%	100%	9%
4	EHS - Annual collective dose	2.00%	-	-	Total dose, average per unit, man Sv (ALARA quarterly report)	Annual indicator level (0,40 om/Sv)	0.36	100%	2%
5	EHS - Effluents in the environment	2.00%	-	-	MSv/CNE (ALARA quarterly report)	250	7.86	100%	2%
6	EHS - Maximum allowable dose	-	0.50%	0.50%	Msv/man (ALARA annual report)	20	7.96	100%	1%
Financial indicators									
1	Gross profit	7.00%	1.00%	1.00%	Form "Profit and Loss Account"	100,000,000 lei	3,192,496,911 lei	100%	9%
2	Average price/MWh on the competitive market	8.00%	1.00%	1.00%	Price published by OPCOM	90% * ROPEX_FM 31.12.2021 (90% * 477.62 lei/MWh = 429.86 lei/MWh)	602.69	100%	10%
3	Fitting in the total budgeted operating expenses	9.00%	1.00%	1.00%	Annex no. 1 BVC	Accomplished	Accomplished	100%	11%
The weighted average degree of accomplishment of the key indicators									100%

Note 1: Values "Target Quarter IV 2022": according to Annex no. 3.2. to Mandate Contracts ;

Note 2: - N = Current year.
- M = Micro.

Note 3: The short - term variable component granted based on quarterly indicators shall be adjusted depending on the cumulative achievements at the end of each financial year.
For calendar quarters not fully covered by the contract of mandate, the variable component shall be granted proportionally, in relation to the period covered by the contract of mandate.