

**JOINT STOCK COMPANY  
“NATIONAL NUCLEAR ENERGY  
GENERATING COMPANY “ENERGOATOM”**



**International Financial Reporting Standards  
Financial Statements  
and Independent Auditor's Report**

**for the year ended December 31, 2024**



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## INDEPENDENT AUDITOR'S REPORT

To the Supervisory Board

Shareholders and Management of

"NNEGC "ENERGOATOM", Joint Stock Company

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Qualified Opinion

We have audited the financial statements of the "National Nuclear Energy Generating Company "Energoatom", Joint Stock Company (hereinafter - the "Company" or "NNEGC "Energoatom", JSC), which comprise the Statement of financial position as at December 31, 2024, and the Income Statement (Statement of comprehensive income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects or possible effects of the matter described in the "Basis for Qualified Opinion" section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and meet the requirements of the legislation regarding its preparation.

#### Basis for Qualified Opinion

##### Accounting of assets and liabilities related to the Zaporizhzhia Nuclear Power Plant

Due to hostilities on the territory of Ukraine in March 2022, Zaporizhzhia Nuclear Power Plant (hereinafter - ZNPP or the station) was occupied (Note 2.5), which terminated the production of electricity in September 2022. There are Russian groups located at the station, so the ability to obtain economic benefits from the operation of the station and the ability to assess the condition and number of ZNPP assets are significantly restricted. As at December 31, 2023 and 2024 and until the date of this report, the Company is not receiving benefits from the station, has not performed a revaluation of non-current assets in accordance with IAS 16 and an impairment test at the reporting dates in accordance with IAS 36, as disclosed in Note 2.7.

We were unable to determine the impact of these circumstances on the valuation of the station's assets recognized in the Statement of financial position (Note 2.5) as at December 31, 2024 and 2023, respectively, namely: property, plant and equipment with a carrying amount of UAH 48,163,624 thousand and UAH 50,900,890 thousand, construction in progress with a carrying amount of UAH 2,056,802 thousand and UAH 2,228,634 thousand and inventories with a carrying amount of UAH 9,045,987 thousand and UAH 9,657,805 thousand, as well as the value of other non-current assets in the amount of UAH 440,263 thousand on both reporting dates.

In addition, as a result of the abovementioned circumstances, we were unable to obtain sufficient and acceptable audit evidence regarding provisions related to the ZNPP (the carrying amount as at December 31, 2024 and 2023 is UAH 12,218,470 and 15,019,106 thousand, respectively) and were unable to assess the overall impact of this matter on the Balance sheet (Statement of financial position) as at December 31, 2024 and 2023, on the Income statement (Statement of comprehensive income) and on the Statement of changes in equity for 2024 and 2023.



Also, the Company recognized the costs of construction and assembly works and transportation costs for the ZNPP, incurred in 2023, as an asset in work in progress (Note 7) as at December 31, 2023 in the amount of UAH 237,106 thousand. This asset did not meet the criteria of assets from which future economic benefits are expected to be received and expenses were written off and recognized in Other operating expenses in 2024. Thus, the value of inventories as at December 31.12.2023 was overstated by this amount, and correspondingly expenses of the reporting were overstated by this amount (in the previous period - understated by this amount).

#### **Provision for spent fuel management costs**

As at December 31, 2024 and December 31, 2023, the Company accrued provision for spent fuel management costs in the amount of UAH 6,492,915 thousand and UAH 7,651,348 thousand, respectively. These amounts were calculated based on discounted expected payments for maintaining the Company's own spent nuclear fuel storage facilities. IAS 37 requires that the provision should be measured as the best estimate of the expenditure necessary to settle the existing obligation and reflect a reasonable amount of the consideration to settle the obligation or to transfer it to a third party. Accrued provision does not take into account other costs, namely, the costs of purchasing containers necessary to ensure the storage of spent nuclear fuel, in addition to the costs of maintaining the Company's own spent nuclear fuel storage facilities. Since the calculation of these provisions did not take into account all the costs that should be incurred for the management of spent nuclear fuel, this, in our opinion, does not meet the requirements of IAS 37. Thus, the amounts of the provision for spent fuel management costs as at December 31, 2024 and 2023 are significantly understated with a corresponding impact on cost of goods sold and finance costs in the Income statement (Statement of comprehensive income) for the years ended December 31, 2024 and December 31, 2023. Due to the lack of a proper calculation of the provision amount, it is impossible to assess the impact of such misstatements.

#### **Issues related to the comparative period**

##### **Valuation of property, plant and equipment**

The Company revalued its property, plant and equipment, except for those located in the occupied territory of ZNPP, as at October 31, 2023 (Notes 2.7 and 6.1). Prior to the date of revaluation, the Company had not performed fair value measurements for a long time. Therefore, we were not able to obtain sufficient and appropriate audit evidence that the depreciation expense recognized in the Statement of comprehensive income for 10 months of 2023 and the effect on deferred taxes related to property, plant and equipment and financial result for this period is consistent with what would have been recognized if the property, plant and equipment had been revalued in a timely manner in accordance with IAS 16 "Property, Plant and Equipment".

We conducted our audit in accordance with the requirements of the Law of Ukraine "On Audit of Financial Statements and Auditing" and International Standards on Auditing (ISAs) of the International Federation of Accountants (IFAC). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Ukraine, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

#### **Material uncertainty related to going concern – war impact**

We draw attention to Note 2.5 "Going concern" to the financial statements, which discloses that the Company is significantly affected by the military aggression of the Russian Federation against Ukraine, which is ongoing as at the date of approval of the financial statements for issue and the independent auditor's report, and there is significant uncertainty regarding the further development

of the war and its duration, which may cast significant doubt on the Company's ability to continue as a going concern. Note 16 discloses that in 2024 the Company received a profit in the amount of UAH 1,317,967 thousand (in 2023 - loss in the amount of UAH 11,256,369 thousand). Note 2.5 also discloses that as at the reporting date, the Company's current assets exceeded its current liabilities by UAH 3,101,090 thousand (for the year ended December 31, 2023, current liabilities exceeded its current assets by UAH 5,724,373 thousand).

Our opinion is not modified in respect of this matter.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matters described in the "Basis for Qualified Opinion" and "Material Uncertainty Related to Going concern – war impact" sections, we have determined that matters described below are key audit matters that should be reflected in our report:

### A. Recognition of provisions for the decommissioning of nuclear power units

See Notes 2.7 and 14 to the financial statements.

Key audit matters	Description of audit procedures
<p>In accordance with the Law of Ukraine "On the Use of Nuclear Energy and Radiation Safety" No. 39/95-BP dated February 08, 1995, the Company, as an operating organization — an operator of nuclear facilities, is obliged to provide funding for the decommissioning of nuclear facilities.</p> <p>The Company, as an operator of nuclear power units and spent nuclear fuel storage facilities, recognized provisions in the amount of UAH 15,100,766 thousand and UAH 18,240,299 thousand in Statement of financial position as at December 31, 2024 and 2023, respectively (with the exception of ZNPP) and corresponding assets for reimbursement of future costs related to the decommissioning of nuclear power units, in accordance with the requirements of IAS 37 "Collateral, Contingent Liabilities and Contingent Assets". As described in Note 14, the provisions decreased in 2024 due to the decrease in the estimate of future costs (in particular, the forecast of the inflation level and clarification of the expected time of decommissioning of two units).</p> <p>The calculation of provisions requires a significant number of assumptions and estimates regarding long-term trends and market conditions, and as a result, actual costs may differ materially from those recognized in the Statement of financial</p>	<p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> <li>▪ We studied and analyzed the methodology approved by the Company regarding the accrual of provisions for compliance with IFRS;</li> <li>▪ We analyzed and verified the provision calculation and formed our conclusion regarding the key assumptions (in particular, the discount rate, changes in the cumulative inflation index, the period of incurring future costs (the deferral period)). This involves comparing assumptions with available market data, our own expectations and other similar assumptions for calculating provisions;</li> <li>▪ We received an expert assessment of future costs and analyzed the main assumptions and calculations for compliance with the available information;</li> <li>▪ We checked the adequacy and accuracy of the provision disclosure in the financial statements.</li> </ul>

position because minor changes in the assumptions used in the calculation materially affect the estimate of recognized liabilities.

## B. Valuation of defined retirement benefit liabilities

See Notes 2.7 and 16.6 to the financial statements.

Key audit matters	Description of audit procedures
The Company recognized liabilities for reimbursement under pension plans for employees who had worked in hazardous conditions in the amount of UAH 5,883,401 thousand (2023: UAH 5,211,985 thousand) and one-time retirement benefits in the amount of UAH 2,242,470 thousand (2023: UAH 1,674,742 thousand). A significant level of assumptions and judgment is required in the measurement of total pension liabilities. Minor changes in key assumptions (in particular, discount rates, consumer price index increases, mortality rates and future salary increases) could have a significant impact on the amount of the liabilities recognized. In addition, due to possible errors in the estimation of participants in the pension program, such as new entrants and transfers between categories (i.e., between active, non-active participants at the time of calculation and the retired), may lead to deviations if they are not complete or not accurately included in the calculation.	<p>Our audit procedures included and were not limited to the following:</p> <ul style="list-style-type: none"> <li>▪ We assessed the competence, skill and objectivity of the external appraiser;</li> <li>▪ We have analyzed the report of the independent actuaries and formed an opinion on the key actuarial assumptions. This involves comparing the assumptions with available market data, our own expectations and other similar assumptions for pension plans;</li> <li>▪ We compared the amount of change in liabilities recognized in the financial statements with the actuary's report and tested the accounting adjustments related to the change in the carrying amount of provisions and the calculation of deferred tax;</li> <li>▪ We selectively tested the completeness of the list of participants in the pension plans in the actuaries' database;</li> <li>▪ We assessed the disclosures in the financial statements related to pensions liabilities.</li> </ul>

## Other Information

The Company's management is responsible for submitting, in conjunction with the financial statements, other information, in form of:

- the Management Report in accordance with the requirements of the Law of Ukraine "On Accounting and Financial Reporting";
- the Regular annual information of the issuer of securities - in accordance with the Regulation on Disclosure of Information by Issuers of Securities and Persons Providing Security for Such Securities, approved by the decision of the National Securities and Stock Market Commission No. 608 dated 06.06.2023 (hereinafter - Decision No. 608).

Our opinion on the financial statements does not cover such other information and we do not make any conclusion with any confidence level about this other information.

In connection with our audit of the financial statements, it is our responsibility to review other information while considering whether there is a material inconsistency between other information and financial statements or our knowledge obtained during the audit, or whether this information appears to be such that contains significant misstatement. If, on the basis of our work in respect to other information received before the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are obliged to report this fact.

As at the date of this report, the Annual Information of the issuer of securities (except for the annual financial statements and the Corporate Governance Report) and the Management Report have not yet been prepared and submitted to the auditor. We expect to receive such information after this date. After our review of the contents of the Company's Regular Annual Information as an issuer of securities and the Governance Report, if we conclude that the information contains a material misstatement, we will communicate the matter to those charged with governance and consider the effect of the matter on the financial statements and whether further action is necessary in accordance with our report.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because of the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communications.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Legal and regulatory acts of Ukraine set additional requirements for information related to the audit or review of the financial statements and must be obligatory included in the auditor's report on the results of the statutory audit. Responsibility for such reporting is additional to that of the auditor established by ISA requirements.

## Basic information about the auditor and audit engagement performance circumstances

In accordance with the requirements of Article 14 of the Law of Ukraine "On Audit of Financial Statements and Auditing", we provide basic information about the audit entity that conducted the audit and the circumstances of the performance of this audit engagement.

### Basic information about the audit entity

Name of the Company	"Crowe Erfolg Ukraine", Limited Liability Company
Identification code of a legal entity	36694398
Location	7, L. Pervomaiskoho Str., Kyiv, 01133
Information about inclusion in the Register	The registration number in the Register of Auditors and Audit Entities No. 4316
Website	<a href="http://www.crowe.com/ua/croweaa">www.crowe.com/ua/croweaa</a>

### **The appointment of the auditor and total duration of the auditor's engagement**

We were appointed as an auditor by the Decree of the Cabinet of Ministers of Ukraine No. 1012- p dated 07.11.2023.

The total duration of the audit of the Company's financial statements without interruption, considering prolongation of the engagement, that occurred, and re-appointments is 2 years.

Audit was carried out on the basis of the agreement № 32-15-01-23-01764 dated 12.09.2023. Services were provided in the period from 31.07.2024 to 25.03.2025.

### **Confirmation and assurance regarding the performance of the audit engagement**

We confirm that opinion expressed in this independent auditor's report is consistent with the Additional report for the Supervisory Board and Management of "NNEGC "Energoatom", JSC that we provide as a result of our audit.

We did not provide the Company or its controlled entities with any other services than audit services defined by Article 6 of the Law of Ukraine "On Audit of Financial Statements and Auditing". We did not provide services to the Company or its controlled entities other than statutory audit services.

"Crowe Erfolg Ukraine", Limited Liability Company, its owners, officers, key audit partner and other employees are independent of the Company, did not participate in the preparation and management decisions of the Company during the period covered by the audited financial statements and in the period of audit services provision for such financial statements.

### **Basic information about the Company**

Full name	"National Nuclear Energy Generating Company "Energoatom", Joint Stock Company
Identification code of a legal entity	24584661
Location	3, Nazarivska Str., Kyiv, 01032
Compliance with the definition of the public interest entity	Yes
Availability of the control of a non-banking financial group	No
Participation in a non-banking financial group	No
Parent company	N/A
Subsidiary	N/A

The Company has made full disclosure of information on the ultimate beneficial owner and the ownership structure as at December 31, 2024, in accordance with the requirements of the Regulation on the Form and Content of the Ownership Structure, approved by the Order of the Ministry of Finance of Ukraine No.163 dated March 19, 2021.

### **Corporate Governance Report Review**

According to the Article 127 of the Law of Ukraine «On Capital Markets and Organized Commodity Markets» and in accordance with the requirements of the decision of the National Securities and Stock Market Commission No. 608 dated 06.06.2023 (hereinafter - Decision No. 608), the issuer of securities is obliged to engage an auditor who must verify the information specified in the Corporate Governance Report and express an opinion on its individual sections. During the audit, we reviewed the Corporate Governance Report, included in the annual management report in respect of the submission of:

- the description of the main characteristics of the issuer's internal control and risk management systems and a list of the issuer's structural units that perform key responsibilities for ensuring the operation of internal control and risk management systems,
- the information on the availability of an approved issuer risk exposure declaration and description of the issuer's key risks;

- the list of persons who directly or indirectly own a significant block of the issuer's shares,
- the information on existing restrictions on the rights of participation and voting of shareholders (participants) at the issuer's general meeting,
- the procedure for appointing and dismissing of the issuer's officials,
- the powers of the issuer's officials.

In our opinion, the specified information in the Corporate Governance Report of "NNEGC "Energoatom", JSC for 2024, has been prepared in all material respects in accordance with the requirements of clauses 5-9 of Part 3 of Article 127 of the Law of Ukraine "On Capital Markets and Organized Commodity Markets", as well as the requirements of subclauses 6-11 of clause 43 of the Decision No. 608 and is consistent with the information contained in the Company's internal, corporate and statutory documents.

In addition, we have reviewed the information included in the Corporate Governance Report, the disclosure of which is required by clauses 1-4 of part 3 of the Article 127 of the abovementioned Law as well as required by subclauses 1-5 of clause 43 of the Decision No. 608, namely, namely:

- the Company does not have an approved corporate governance code. In connection with its absence, the Company discloses information and provides reference to the corporate ethics, compliance policy, anti-corruption program and energy policy statement, and others, which together provide information on the Company's corporate governance practices and are implemented to meet legal requirements. Also, explanations of the reasons for the absence of a corporate governance code are disclosed;
- information on the held general meetings of shareholders (participants) and general description of decisions made at the meetings;
- personal composition of the Supervisory Board and the collegial executive body of the Company, their committees, information on the meetings held and general description of the decisions made at them;
- information on the availability of a corporate secretary, as well as a report on the results of his/her activities.

The information included in the Corporate Governance Report for 2024 is disclosed in accordance with the requirements of clauses 1-4 of part 3 of Article 127 of the abovementioned Law and the requirements of subclauses 1-5 of clause 43 of the Decision No. 608, all the information provided is consistent with the financial statements and documents of the Company.

When reviewing the abovementioned information, which is included by the Company in the Corporate Governance Report, we did not identify any significant discrepancies with the requirements of the Law of Ukraine "On Capital Markets and Organized Commodity Markets", which should be included in the report.

The key engagement partner responsible for the audit resulting in this independent auditor's report, is Nikanorova Olga Kostiantynivna (Registration number in the Register of auditors and audit entities: 102732).

On behalf of "Crowe Erfolg Ukraine", LLC

Partner / Head of International Audit  
(Registration number in the Register of auditors and audit entities: 100265)



Artem Vorobiienko

Key Audit Partner/ Auditor

Olga Nikanorova

March 25, 2025

**Joint Stock Company "National Nuclear Energy Generating Company "Energoatom"**  
**Financial statements for the year ended December 31, 2024**

**BALANCE SHEET (STATEMENT OF FINANCIAL POSITION)**  
**JSC "NNEGC "Energoatom"**

*thousands UAH*

	Notes	As at December 31, 2024	As at December 31, 2023
<b>I. Non-current assets</b>			
Intangible assets	6.2	670,385	498,385
<i>historical cost</i>		1,186,834	920,477
<i>amortization</i>		(516,449)	(422,092)
Construction in progress	6.1	30,018,811	24,163,421
Property, plant and equipment	6.1	321,190,391	335,512,013
<i>historical cost</i>		790,120,677	781,390,428
<i>depreciation</i>		(468,930,286)	(445,878,415)
Investment property	6.4	89,005	122,381
Non-current accounts receivable	6.5	761,043	193,899
Other non-current assets	6.6	6,125,217	5,667,274
<b>Total Section I</b>		<b>358,854,852</b>	<b>366,157,373</b>
<b>II. Current assets</b>			
Inventories	7	31,648,701	29,077,411
<i>including</i>			
production inventories		30,724,754	27,724,073
work in progress		678,960	805,254
finished goods		215,094	525,412
goods		29,893	22,672
Promissory notes received		11	21
Accounts receivable for goods, works and services	8.1	3,927,326	4,063,493
Accounts receivable on settlements:			
on prepayments	8.2	11,479,425	3,779,769
with the budget	15	9,645	1,022,316
<i>including corporate income tax</i>		-	-
Accounts receivable for settlements on accrued income		66,730	29,822
Other current accounts receivable	8.3	1,004,210	1,331,192
Cash and cash equivalents	9	8,616,753	2,364,366
<i>including</i>			
cash on hand		38	44
cash in banks		8,068,482	2,356,610
Other current assets	10	1,155,426	3,192,302
<b>Total Section II</b>		<b>57,908,227</b>	<b>44,860,692</b>
<b>III. Non-current assets held for sale and disposal groups</b>	11	-	-
<b>Total assets</b>		<b>416,763,079</b>	<b>411,018,065</b>



**Joint Stock Company "National Nuclear Energy Generating Company "Energoatom"**  
**Financial statements for the year ended December 31, 2024**

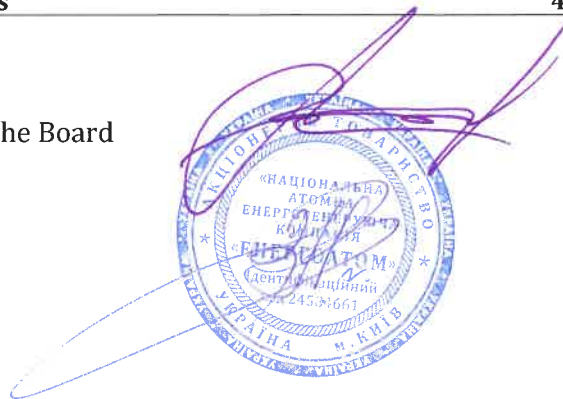
	Notes	As at December 31, 2024	As at December 31, 2023
<b>I. Equity</b>			
Authorized (share) capital	12.1	306,245,378	164,875,664
Revaluation reserve	12.2	295,716,478	287,705,935
Additional capital	12.3	-	16,890
Retained earnings (accumulated deficit), including the effect of corporatization	12.1, 12.4	(343,718,879)	(203,179,395)
<b>Total Section I</b>		<b>258,242,977</b>	<b>249,419,094</b>
<b>II. Non-current liabilities and provisions</b>			
Deferred tax liabilities	16.9	31,153,458	34,606,246
Long-term bank loans	13.1	9,416,159	8,245,454
Other non-current liabilities	13.1	20,127,305	19,490,625
Non-current provisions	14	40,213,803	46,159,954
<i>including post-employment benefit obligations</i>		<i>7,320,413</i>	<i>6,124,338</i>
Non-current deferred revenue	13.2	2,802,240	2,511,627
<b>Total Section II</b>		<b>103,712,965</b>	<b>111,013,906</b>
<b>III. Current liabilities and provisions</b>			
Short-term bank loans and borrowings	13.1	10,551,418	9,945,977
Promissory notes issued		100	100
Current accounts payable on settlements:			
for non-current liabilities	13.1	8,060,935	4,396,317
for goods, works and services	13.3	2,624,773	16,176,954
with the budget	15	3,153,955	2,655,464
<i>including corporate income tax</i>		<i>415,938</i>	<i>655,254</i>
for insurance	15	334,258	195,115
on payroll		1,239,118	746,991
Current accounts payable on advances received	13.3	6,577,095	3,777,676
Current provisions	14	6,955,400	4,674,347
Current deferred revenue	13.2	150,325	122,691
Other current liabilities	13.3	15,159,760	7,893,433
<b>Total Section III</b>		<b>54,807,137</b>	<b>50,585,065</b>
<b>Total equity and liabilities</b>		<b>416,763,079</b>	<b>411,018,065</b>

Acting Chairman of the Board

Petro KOTIN

Chief Accountant

Nataliia VASHETINA





**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
for the year ended December 31, 2024

**I. STATEMENT OF PROFIT OR LOSS**

	Notes	2024	2023
		<i>thousands UAH</i>	
Net revenue from sales of products (goods, works and services)	16.1	207,033,230	153,836,329
Cost of sales of products (goods, works and services)	16.2	(68,754,899)	(51,506,934)
<b>Gross: Profit</b>		<b>138,278,331</b>	<b>102,329,395</b>
Service on accessibility of electricity for household consumers (PSO financial model)	1.2,16.4	(109,287,906)	(100,650,652)
Other operating income	16.5	626,372	1,614,735
Administrative expenses	16.3	(2,578,489)	(1,947,963)
Selling and distribution expenses	16.4	(232,790)	(188,539)
Gain/(loss) on impairment of financial assets	20	(1,240,665)	(2,179,247)
Other operating expenses	16.5	(14,110,755)	(5,612,978)
<b>Profit (loss) from operating activity:</b>			
<b>Profit</b>		<b>11,454,098</b>	<b>-</b>
<b>Loss</b>		<b>-</b>	<b>(6,635,249)</b>
Other finance income	16.6	38,678	36,580
Other income	16.7	157,673	104,349
Finance costs	16.6	(8,558,572)	(6,365,411)
Other expenses	16.7	(1,255,378)	(614,162)
<b>Profit (loss) before tax:</b>			
<b>Profit</b>		<b>1,836,499</b>	<b>-</b>
<b>Loss</b>		<b>-</b>	<b>(13,473,893)</b>
Income tax (expense) benefit	16.8	(518,532)	2,217,524
<b>Net profit (loss) after tax:</b>			
<b>Profit</b>		<b>1,317,967</b>	<b>-</b>
<b>Loss</b>		<b>-</b>	<b>(11,256,369)</b>

**II. OTHER COMPREHENSIVE INCOME**

*Items that cannot be reclassified subsequently to profit or loss*

	Notes	2024	2023
Increase (decrease) in valuation of non-current assets	12.2	9,914,364	170,677,398
Income tax recorded in valuation of non-current assets	16.8	(1,787,076)	(30,659,386)
Remeasurement of post-employment benefit obligations	14	(757,770)	91,948
Income tax recorded on remeasurement of post-employment benefit obligations	16.8	136,398	(16,551)
<b>Other comprehensive income (loss) after tax</b>		<b>7,505,916</b>	<b>140,093,409</b>
<b>Total comprehensive income (loss) after tax</b>		<b>8,823,883</b>	<b>128,837,040</b>

**III. ELEMENTS OF OPERATING EXPENSES**

	Notes	2024	2023
Material expenses		21,655,800	15,853,536
Payroll		17,385,534	15,297,740
Social payments		3,681,091	3,261,223
Depreciation/amortization		23,348,776	12,367,738
Other operating expenses		131,646,199	117,111,534
<b>Total</b>		<b>197,717,400</b>	<b>163,891,771</b>

Acting Chairman of the Board

Chief Accountant

Petro KOTIN

Nataliia VASHETINA



**STATEMENT OF CASH FLOWS**  
for the year ended December 31, 2024

	Notes	2024	2023
<b>I. Cash flows from operating activity</b>			
<b>Proceeds from:</b>			
Sales of products (goods, works and services)		250,561,675	200,920,898
Return of taxes and levies		2,713	1,983,034
Targeted funding		27,038	23,946
including receipts from subsidies and grants received		-	1
Advances from purchasers and customers		8,140,772	4,603,108
Return of advances		177,770	64,318
Interest on current account balances		294,552	257,780
Debtors of forfeit (fines and penalties)		964,129	517,861
Leases		3,915	1,733
Other proceeds	9.1	337,507	533,838
<b>Payments for:</b>			
Goods, works and services		(178,325,849)	(155,858,995)
Payroll		(13,331,964)	(12,202,623)
Social payments		(3,536,672)	(3,251,075)
Taxes and levies paid		(27,732,798)	(17,365,023)
income tax paid		(5,561,314)	-
value added tax paid		(9,991,872)	(6,825,298)
other taxes and levies paid		(12,179,612)	(10,539,725)
Prepayments		(12,500,685)	(2,729,934)
Return of advances		(50,410)	(97)
Targeted contributions		(90,000)	(114,112)
Other payments	9.2	(3,211,135)	(3,168,475)
<b>Cash flows from operating activity, net</b>		<b>21,730,558</b>	<b>14,216,182</b>
<b>II. Cash flows from investing activity</b>			
Proceeds from repayment of loans		4,304	2,360
Other proceeds	9.3	-	205,023
Payments for purchases of non-current assets	6.1	(14,265,904)	(9,437,107)
Payments to provide loans, advances on capital investments	6.6, 9.4	(1,540,395)	(1,447,977)
Other payments	9.4	-	-
<b>Cash flows from investing activity, net</b>		<b>(15,801,995)</b>	<b>(10,677,701)</b>
<b>III. Cash flows from financing activity</b>			
<b>Proceeds from:</b>			
Loans received	13.1	31,574,400	7,931,430
Other proceeds	9.5	2,471	1,409
<b>Payments for:</b>			
Loans repayment	13.1	(27,638,616)	(8,532,030)
Payment of dividends	15	-	-
Interest paid		(2,462,579)	(1,874,808)
Lease liability settlement		(843)	(1,049)
Other payments	9.6	(1,015,289)	(130,594)
<b>Cash flows from financing activity, net</b>		<b>459,544</b>	<b>(2,605,642)</b>
Cash flows for the reporting period, net		6,388,107	932,839
Cash at the beginning of the year		2,364,366	1,384,005
Effect of exchange rates change on cash balances		(135,720)	47,522
<b>Cash at the end of the year</b>		<b>8,616,753</b>	<b>2,364,366</b>

Acting Chairman of the Board

Chief Accountant



Petro KOTIN

Nataliia VASHETINA

**STATEMENT OF CHANGES IN EQUITY**  
for the years ended December 31, 2023 and December 31, 2024

*thousands UAH*

	Notes	Authorized (share) capital	Revaluation reserve	Additional capital	Retained earnings (accumulated deficit), including the effect of corporatization	Total
<b>Balance as at</b>						
<b>December 31, 2022</b>		<b>164,875,664</b>	<b>147,799,211</b>	<b>16,890</b>	<b>(192,109,711)</b>	<b>120,582,054</b>
Net profit for the year		-	-	-	(11,256,369)	(11,256,369)
Other comprehensive income for the reporting period		-	140,018,012	-	75,397	140,093,409
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>140,018,012</b>	<b>-</b>	<b>(11,180,972)</b>	<b>128,837,040</b>
Other changes in equity		-	(111,288)	-	111,288	-
<b>Balance as at</b>	12.1-					
<b>December 31, 2023</b>	12.4	<b>164,875,664</b>	<b>287,705,935</b>	<b>16,890</b>	<b>(203,179,395)</b>	<b>249,419,094</b>
Net loss for the year	12.4	-	-	-	1,317,967	1,317,967
Other comprehensive income for the reporting period	12.2, 12.4	-	8,127,288	-	(621,372)	7,505,916
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>8,127,288</b>	<b>-</b>	<b>696,595</b>	<b>8,823,883</b>
Contributions of participants:	12.1,					
contributions to equity	12.4	141,369,714	-	(16,890)	(141,352,824)	-
Other changes in equity	12.2	-	(116,745)	-	116,745	-
<b>Balance as at</b>						
<b>December 31, 2024</b>		<b>306,245,378</b>	<b>295,716,478</b>	<b>-</b>	<b>(343,718,879)</b>	<b>258,242,977</b>

Acting Chairman of the Board

Chief Accountant



Petro KOTIN

Nataliia VASHETINA

**Notes to the financial statements of JSC "NNEGC "Energoatom"  
for the year ended December 31, 2024**

## **1. Background**

### **1.1 Organizational structure and operations**

Joint Stock Company "National Nuclear Energy Generating Company "Energoatom" (hereinafter - the "Company" or JSC "NNEGC "Energoatom") is an electric power generator.

The State Enterprise "National Nuclear Energy Generating Company "Energoatom" (SE "NNEGC "Energoatom") was founded on October 17, 1996 in accordance with Resolution No. 1268 issued by the Cabinet of Ministers of Ukraine and appointed as a nuclear operator in charge of all Ukrainian operating nuclear power plants, where 15 nuclear power units are used, of which 13 are VVER-1000 and two are VVER-440, with a total installed capacity of 13,835 MW. In addition, the Company operates three hydroelectric units of Tashlytska HPSPP with installed capacity of 453 MW and two hydroelectric units of the Oleksandrivska HPP with installed capacity of 11.5 MW.

In accordance with the Law of Ukraine "On the Joint Stock Company "National Nuclear Energy Generating Company "Energoatom", in 2023, the process of transforming SE "NNEGC "Energoatom" into a Joint Stock Company, 100% of which is owned by the state represented by the Cabinet of Ministers of Ukraine, took place. On 11.01.2024, pursuant to Resolution No. 1420 of the Cabinet of Ministers of Ukraine dated 29.12.2023, the Joint Stock Company "National Nuclear Energy Generating Company "Energoatom" was registered, as recorded in the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Organizations. In accordance with the Law of Ukraine "On Joint Stock Company "National Nuclear Energy Generating Company "Energoatom", the Joint Stock Company is the legal successor of all rights and obligations of SE "NNEGC "Energoatom" from the date of state registration of the company. In accordance with the decision of the National Securities and Stock Market Commission No. 212 dated 21.02.2024, the issue of shares of JSC "NNEGC "Energoatom" for a total amount of UAH 306,245,378,000, with a par value of UAH 1,000, in the amount of 306,245,378 shares was registered, and a corresponding certificate was issued.

On June 21, 2024, the Cabinet of Ministers of Ukraine issued Resolution No. 566-r approving the results of the selection of members of the Supervisory Board of the JSC "National Nuclear Energy Generating Company "Energoatom".

The Company's principal activity is electricity generation at nuclear power plants located in different regions in Ukraine, ensuring safe operation and increasing the efficiency of nuclear power plants, uninterrupted power supply of economic entities and the population, as well as, within its competence, ensuring Ukraine's continued readiness for rapid and effective action in the event of accidents at nuclear power units, radiation accidents in industry. The areas of activity also include construction of new power units and decommissioning of operating power units, purchase of nuclear fuel, physical protection of nuclear installations and training of personnel of nuclear power plants. As at December 31, 2024, the Company's structure consists of the Directorate and separate subdivisions (SS), including four nuclear power plants: Zaporizhzhia, Rivne, South-Ukraine and Khmelnytsky, as well as "Atomremontservice", "Atomenergomash", "Atomprojectengineering", "Emergency Service Centre", "Donuzlavskaya Wind Power Plant" (in the occupied territory of the Autonomous Republic of Crimea), "Scientific and Technical Centre", "Warehousing", "Tsentralizovani Zakupivli", "Upravlinnya Spravamy", "Energoatom-Trading", and Representative Office of JSC "NNEGC "Energoatom" in Brussels (the Kingdom of Belgium).

As part of implementation of the Resolution of the National Security and Defense Council of Ukraine dated July 30, 2021 "On Measures to Neutralize Threats in the Energy Sector" introduced by the Decree of the President of Ukraine No. 452/2021 dated August 28, 2021, in November and December 2021, the Company signed the agreements on purchase and sale of shares in the authorized capital of LLC "Khmelnytskenergozbut" and LLC "Mykolaiv Electricity Supply Company" and corporate agreements regarding the management of these companies. Under the terms and conditions of the corporate agreements, the Company has the right to manage the companies, however, according to the Law of Ukraine "On Economic Competition Protection", acquiring and gaining management of the companies can be performed only upon authorization of the Antimonopoly Committee of Ukraine. In 2022 the Company signed acts of acceptance and transfer of shares in the authorized capital of LLC "Khmelnytskenergozbut" - 100% of shares with an estimated value of UAH 69,787 thousand and LLC "Mykolaiv Electricity Supply Company" - 100% of shares with an estimated value of UAH 105,167 thousand.

**Joint Stock Company "National Nuclear Energy Generating Company "Energoatom"**  
**Financial statements for the year ended December 31, 2024**

In addition, in February 2022, the Company signed the agreement on purchase and sale of 100% shares in the authorized capital of LLC "Cherkasyenergozbut" with the estimated value of UAH 89,258 thousand and the corporate agreement on the management of this company.

In accordance with the decisions of the AMCU No. 275-p, No. 276-p and No. 277-p dated 12.10.2023 "On the results of consideration of concentration cases", the Company was granted permission to purchase shares in the authorized capital of LLC "Khmelnyskenergozbut", LLC "Cherkasyenergozbut" and "Mykolaiv Electricity Supply Company", LLC, which ensures an excess of 50 percent of the votes in the supreme governing body of the companies. As at the date of approval of the financial statements, there is no control over the activities of companies, state registration of changes to information on the composition of companies members has not occurred.

The legal address of the Company is: 3, Nazarivska Street, Kyiv, 01032.

## **1.2 Ukrainian business environment**

### ***General economic conditions***

JSC "NNEGC "Energoatom" operates in Ukraine.

The economic situation in Ukraine during 2024 was entirely affected by the full-scale military aggression of the Russian Federation (the "RF"), which started on February 24, 2022, and by an imposition of martial law throughout Ukraine according to the Law of Ukraine No. 2102-IX dated February 24, 2022 "On Approval of the Decree of the President of Ukraine "On Imposition of Martial Law in Ukraine" No 64/2022.

In 2024, the inflation rate accelerated, with the inflation index in 2024 was 12% (2023: 5.1%). The key policy rate of the National Bank of Ukraine in 2024 decreased from 15.0% to 13.5%, but in January 2025, the NBU decided to raise the rate to 14.5%.

UAH depreciated against the EUR and the USD:

	<b>31.12.2023</b>	<b>31.03.2024</b>	<b>30.06.2024</b>	<b>30.09.2024</b>	<b>31.12.2024</b>
USD	37,9824	39,2214	40,5374	41,1664	42,0390
EUR	42,2079	42,3670	43,3547	45,9541	43,9266

Change in the high average annual yield rate for the Ukrainian Government bonds placed in the primary market (on all types of borrowings) from 17.16% in December 2023 to 15.33% in December 2024 is indicative of the impact of the military aggression on the economic instability.

According to the Ministry of Economy of Ukraine, GDP growth in 2024 is estimated at 3.6% (in 2023, GDP grew by 5.3%). The GDP growth forecast for 2025 included in the budget published by the Ministry of Economy of Ukraine is 2.7% for the year. According to the International Monetary Fund, GDP growth in 2025 is expected to be between 2.5% and 3.5%.

According to the International Monetary Fund, global GDP growth in 2025 and 2026 is projected at 3.3%. Global inflation is expected to slow to 4.2% in 2025 and to 3.5% in 2026.

In the context of the RF full-scale invasion of Ukraine, one of the key objectives of the country's leadership was to sustain the economic and financial stability and to ensure sufficient financing of military and social needs. During 2024, Ukraine received a substantial amount of international assistance and various financing facilities.

One of the key partners in stabilizing the financial system is the International Monetary Fund (the "IMF"), of which Ukraine has been a member since 1992. Prior to the full-scale invasion, Ukraine was engaged in cooperation under the balance of payments assistance programs (Stand-by and External Fund Facility). International support is crucial for Ukraine's ability to continue fighting aggression and to finance the budget deficit and current debt payments.

Under the martial law conditions, the Company's management exercises strict control over all production processes, especially security-related issues of nuclear facilities, and takes measures to minimize any negative consequences at all NPPs located on the controlled territory of Ukraine. An uncertainty about further negative developments in the political situation and macroeconomic conditions may adversely affect the Company's operations in a way that cannot yet be determined reliably.



Management believes that they are implementing all the measures necessary to maintain the stable operation and development of the Company.

These financial statements do not include any adjustments that may occur as a result of such uncertainty. Such adjustments will be reported if they become known and estimable. Going concern assessment is disclosed in Note 2. 5.

### ***State regulation and energy market model***

Since July 01, 2019, Ukraine has switched to a new electric energy market, the operation of which is defined by the Law of Ukraine No. 2019-VIII dated April 13, 2017 "On Electric Energy Market" (as amended) (hereinafter referred to as Law No. 2019), the Market Regulations approved by the Resolution of the National Commission for Regulation of Energy and Utilities (the "NCREU") No. 307 dated March 14, 2018 (as amended), and the "Day-ahead" Market and Intraday Market Regulations approved by the NCREU Resolution No. 308 dated March 14, 2018 (as amended), whereby the market switched from the highly regulated pricing to the market model.

According to the NCREU Resolution No. 900 dated 15.05.2024, JSC "NNEGC "Energoatom" was issued a license to carry out economic activities for the generation of electricity and revoked the license for the generation of electricity issued to SE "NNEGC "Energoatom".

JSC "NNEGC "Energoatom" sells electricity in the bilateral agreements market, the "day-ahead" market, the intraday market, the balancing market and the ancillary services market.

In addition, public service obligations (the "PSO") are imposed on JSC "NNEGC "Energoatom" as an electricity producer to ensure affordable electricity pricing for households as set forth by the Resolution of the Cabinet of Ministers of Ukraine No. 483 dated June 05, 2019 "On Approval of the Regulation on Imposing Public Service Obligations on the Electric Energy Market Participants to Ensure Public Interests in the Functioning of the Electric Energy Market" (as amended) (the "Resolution No. 483").

Since the beginning of the electricity market operation and until September 30, 2021, public service obligations (the "PSO") of SE "NNEGC "Energoatom" were defined by the Resolution No. 483 as the total electricity volume required to meet the households' needs, which is sold under bilateral agreements of SE "Guaranteed Buyer" at marginal prices that were set at different levels during the respective periods.

On August 11, 2021, the Cabinet of Ministers of Ukraine approved amendments to the Resolution No. 483, whereby the new PSO model was implemented since October 01, 2021 to provide for a transition from the commercial mechanism to the financial mechanism of its implementation.

Based on the PSO financial model, electric energy producers with public service obligations imposed on them to ensure public interests sell 100% of electric energy on arm's length terms and provide the compensation of the difference in tariffs for households and the market price of electric energy from revenues generated to universal service providers.

During 2024, the Cabinet of Ministers of Ukraine extended the PSO twice: by the Resolution of the Cabinet of Ministers of Ukraine No. 455 dated 26.04.2024, the PSO was extended until 31.05.2024, by the Resolution of the Cabinet of Ministers of Ukraine No. 632 dated 31.05.2024, the PSO was extended until 30.04.2025.

Public service obligations of JSC "NNEGC "Energoatom" under the financial model are provided below:

➤ Payment of the cost of the electric energy accessibility service for household consumers to SE "Guaranteed Buyer", which is determined as a difference between the cost of the service rendered to universal service providers and the electric energy price for household consumers, multiplied by the volume of electric energy consumption by household consumers as adjusted for a portion of JSC "NNEGC "Energoatom" compensation between electric energy producers with public service obligations imposed on them;

➤ Sell of BASE\_M (the base load over a month) standard products to universal service providers (the "USP") operating within the United Energy System of Ukraine for supply to household consumers at the level of their minimum consumption of electric energy in the trade area of the United Energy Systems of Ukraine per hour in the similar month of the prior year at the price of the BASE DAM index (the price index of the base load at the day-ahead market) in the trade area of the Unified Energy System of Ukraine for the period M-3, where M - the billing month.

In addition, according to the CMU Resolution No. 775 dated June 07, 2022 "On Imposing Public Service Obligations on Electricity Market Participants Engaged in Electricity Export Operations to Ensure Public Interests in the Process of Operation of the Electric Energy Market during Martial Law", a mechanism of the PSO financing from funds paid by electricity exporters to the guaranteed buyer was implemented. On April 13, 2024, this resolution expired on the basis of the Resolution of the Cabinet of Ministers of Ukraine No. 410 dated April 13, 2024.

The Law of Ukraine No. 2371-IX dated July 08, 2022 introduced amendments in Article 66 of the Law of Ukraine "On Electric Energy Market" whereby all producers are required to sell electricity under bilateral agreements at electronic auctions solely. As an exception, during the martial law, the Company ensures sales of electricity to the USP under bilateral agreements without conducting electronic auctions according to the Order of the Ministry of Energy of Ukraine No. 114 dated March 13, 2022 "On Ensuring Sales of Electricity to Distribution System Operators and Universal Service Providers" (as amended).

Since March 01, 2023, the financial obligations of market participants under contracts on the settlement of electricity imbalances are secured by providing a monetary guarantee in the amount of not less than 50% of the required amount of the financial guarantee of such market participant on trading day d, provided that the amount of financial guarantee of such market participant not covered by the monetary guarantee is provided by providing a bank financial guarantee.

NCREU sets limit prices for participants of the electricity market in the "day-ahead" market, the intraday market and the balancing market. In May 2024, the regulator set new price caps on the day-ahead market, intraday market and balancing market, in particular, the marginal prices were increased from the day of delivery on 31.05.2024 (NCREU Resolution No. 949 dated 20.05.2024).

Since 2021, the Company has been a provider of the "Frequency Containment Reserve" service in the trade zone of the United Energy Systems of Ukraine. Ensuring sufficient volumes of the frequency containment reserve is one of the key requirements for the synchronization of the United Energy Systems of Ukraine with the European ENTSO-E.

In 2023, ENTSO-E (the European Network of Transmission System Operators for Electricity) announced the completion of a synchronization project between the Ukrainian power system and the European continental grid. The system operators of Ukraine, Slovakia, Hungary and Poland are implementing a joint allocation of interstate network capacity at the Ukrainian borders based on the Joint Allocation Office (JAO) electronic auction platform. The Ukrainian TSO performs the functions of the distribution platform at the Ukraine-Romania crossing. The integration of the IPS of Ukraine into ENTSO-E and the implementation of European legislation create opportunities for the company to operate in the European energy market.

On 30.01.2024 the NCREU agreed on the rules for allocating the capacity of the Ukraine-Moldova interstate crossing, the structure of the capacity allocation of the Ukraine-Moldova interstate crossing and the procedure for distributing revenues from managing restrictions on the Ukraine-Moldova interstate crossing.

Since 01.03.2024, the European Network of Transmission System Operators for Electricity (ENTSO-E) increased the capacity of interconnectors for electricity exports from Ukraine and Moldova to 550 MW.

In April 2024, in accordance with the requirements of the law, JSC "NNEGC "Energoatom" received the ACER code (European Union Agency for the Cooperation of Energy Regulators), which is necessary to identify a participant in the EU market and access to the distribution of interconnector capacity.

The registration of JSC "NNEGC "Energoatom" as a participant in the EU wholesale energy market was carried out with the national regulatory authority of Germany.

In 2024, electricity was sold for export in the total amount of 4.8 thousand MWh.

Overall, based on the 2024 results, JSC "NNEGC "Energoatom" sold 49,9 million MWh, which is more by 3% compared to 2023 (in 2023: 48,4 million MWh).

### ***Nuclear power sector development and prospects in Ukraine***

Ukraine considers nuclear power as one of the most cost-effective sources of energy. According to the Energy Strategy of Ukraine until 2035, further development of the nuclear energy sector until 2035 is predicted based on the fact that the share of nuclear generation in total electricity production output will grow.

On December 29, 2021, the Cabinet of Ministers of Ukraine approved the Concept of the State Special-purpose Economic Programme for Development of the Nuclear Industrial Complex until 2026. The document has been developed to implement the NSDC Resolution "On Measures to Neutralize Threats in the Nuclear Power and Industrial Sectors". The primary purpose of the concept is to create conditions to increase uranium production output so that the needs of the national nuclear power sector are fully met, as well as to enhance energy independence of Ukraine.

In 2024, the Company obtained the following permits:

- for the construction of the facility of the SS "API" "Complex of design and construction works at ODS-750 kV of KhNPP regarding the transfer the power line "KhNPP-Rzeszow" to 420 kV";

- of the State Inspection of Architecture and Urban Planning of Ukraine (hereinafter referred to as the SIAUP) for the construction of the facility of the SS "API" "Construction of a mobile gas turbine unit TM 2500 6 Gen". As part of the complex of design and construction works for the installation of the gas turbine unit TM 2500 6 Gen, from 01.07.2024 to 04.07.2024, comprehensive tests of the gas turbine unit equipment and facilities of the ODS-110 kV PS 110/10 were carried out, and from 04.07.2024 the gas turbine unit was put into trial operation for 6 months;

- of the SIAUP for the construction works at the facility of the SS "AEM" "New construction of an industrial building to accommodate a section for the manufacture of reinforcing ropes and a section for the manufacture of pipeline elements".

JSC "NNEGC "Energoatom" continues to develop the nuclear industry by cooperating with international partners, in particular, JSC "NNEGC "Energoatom" continues to expand cooperation with Westinghouse Electric Company on the path to Ukraine's energy independence. On July 11, 2022, SE "NNEGC "Energoatom" and Westinghouse Electric Company signed a contract to deepen cooperation on the construction of new Units 5 and 6 at Khmelnytsky NPP using AP1000 technology. A project aimed at preparing the construction of power units 5 and 6 using Westinghouse's American technology was launched at Khmelnytsky NPP. The implementation of the agreement on the purchase of the main equipment of the AP1000 reactor unit has begun. Work continues on the creation of a technological complex in Ukraine for the production of VVER-1000 fuel assemblies based on Westinghouse technology. JSC "NNEGC "Energoatom" has already received a license from Westinghouse to manufacture fuel assembly heads and shanks in Ukraine. A general agreement was signed to build a plant for the production of small modular reactor components based on the technology of the American company Noltex International and components of the Centralized Spent Fuel Storage Facility.

The Company continues to actively develop cooperation with CAMECO. Due to the timely signed agreements, 100% of Energoatom's uranium hexafluoride needs for Ukrainian NPPs from 2024 to 2035 are met.

The Ukrainian electricity market continued to move towards integration with the EU market.

Ukraine's transmission system operator joined the European mechanism of compensation between transmission system operators and the common regulatory approach to electricity transmission charges (ITS regulation), which allowed exporters/importers to be exempted from paying dispatch and transmission tariffs.

In addition, Ukraine introduced a mechanism to guarantee the origin of electricity generated from renewable energy sources. Information about the Company's facilities was entered into the register of renewable energy facilities, and an account was created in the register of guarantees of origin, which is a prerequisite for trading guarantees of origin.

### **1.3 Approval of the financial statements**

The financial statement forms for the submission to the State statistics authorities were approved on February 24, 2025 and the complete set of the financial statements, including these Notes, was approved for issue on March 24, 2025.

## **2. Basis of preparation of the financial statements**

### **2.1 Statement of compliance**

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and financial reporting requirements of the Law "On Accounting and Financial Reporting in Ukraine".

In accordance with clause 5 of Article 121 of the Law "On Accounting and Financial Reporting in Ukraine", all mandatory IFRS reporters should prepare and submit their financial statements based on the taxonomy of financial statements under IFRS in a single electronic format (iXBRL format). As at the date of issue of these financial statements, translation of the 2024 UA XBRL IFRS taxonomy has been made publicly available on the website of the Ministry of Finance of Ukraine. Management of the Company is planning to prepare the iXBRL report for 2024 and to submit it to the Financial Reporting Collection Center after setting up the technical capability of reporting on the financial reporting system portal.

### **2.2 Basis of measurement**

The financial statements have been prepared on the historical cost basis, except for property, plant and equipment recognized at revalued amount and investment property recognized at fair value.

### **2.3 Reporting period**

The reporting period for preparation of the financial statements of JSC "NNEGC "Energoatom" represents a calendar year. The condensed interim financial statements are prepared on a quarterly basis.

### **2.4 Functional and presentation currency**

The Company's functional and presentation currency is the national currency of Ukraine - Ukrainian hryvnia (UAH). All amounts in these financial statements have been rounded to the nearest UAH thousand, unless otherwise stated.

### **2.5 Going concern**

As at December 31, 2024, current assets of the Company exceed its current liabilities by UAH 3,101,090 thousand (as at December 31, 2023, current liabilities of the Company exceed its current assets by UAH 5,724,373 thousand).

In 2024, the economic situation in Ukraine was fully influenced by the large-scale military aggression of the Russian Federation, which directly affected the activities and condition of JSC "NNEGC "Energoatom".

Management takes appropriate measures to ensure the Company's ability to continue as a going concern, including the following:

- the Company has successful experience using Westinghouse nuclear fuel and is able to switch to it during the future fuel campaigns when the inventory of Russian-manufactured fuel in warehouses is exhausted;
- attracting credit facilities to support its operating activity. The majority of borrowed funds are secured by government guarantees;
- optimizing operating costs and deferring nuclear fuel procurements;
- continuing to implement only priority capital construction projects aimed at increasing electricity production and maintaining the safe operation of existing nuclear power plants, including construction of nuclear units No.3 and No.4 of the Khmelnytsky NPP and construction of the nuclear waste treatment facility at the Khmelnytsky NPP; reconstruction of Vilcha-Yaniv railway link; construction of a technological complex for the production of heat dissipating assemblies;
- integration of the IPS of Ukraine into ENTSO-E and implementation of EU legislation create opportunities for Energoatom to operate in the European energy market. The Company has concluded framework agreements with foreign counterparties for the export of electricity to neighboring European countries;
- measures to substantiate the possibility of further operation of power unit No. 2 of the VNPP SS during the long-term operation period in accordance with the "Program of Measures to Substantiate the Possibility of Further Operation of Power Unit No. 2 of the VNPP during the DSE Period", which are currently being approved by the SNRIU.

The abovementioned measures allowed the Company to continue operations and to maintain a positive liquidity position.

Considering the abovementioned, management prepared a cash flow forecast until the end of December 2026, which demonstrates that the Company will be able to continue as a going concern and have sufficient cash to settle its liabilities. This forecast is based on a number of key assumptions:

- military activities will not have a significant negative development and will not result in physical damage to nuclear power units;
- the Company expects payment of accrued interest on a loan from the EBRD, Euratom, Deutsche Bank AG and a loan from the Central Storage Safety Project Trust and will continue negotiating with other creditors to postpone debt repayment maturity date of short-term loans which is in 2025 (if necessary);
- if required, the Company will make a downward adjustment to its previously approved capital expenditure and other programs, including the programme for commissioning new power plant and programme for safety improvement of nuclear power plant reactors, for the next 12 months.

### ***Impact of the RF military aggression on the Company's business***

The RF full-scale invasion across Ukraine had an impact on all areas of the Ukrainian life and economy. At the beginning of the war, the territories of Kyiv, Chernihiv, Sumy, Kharkiv, Zaporizhzhia and Kherson regions were occupied in part or in whole, however were liberated subsequently (some of them - partially). As at December 31, 2024, the AR of Crimea and most parts of Donetsk, Luhansk, Kherson and Zaporizhzhia regions are still under occupation and active military actions are ongoing there.

Management of JSC "NNEGC "Energoatom" and Ukraine as a whole, in cooperation with international organizations and partners during 2024 took steps to mitigate the effects of the military aggression on the Company's business primarily in the area of operation safety and continued operation.

Since the beginning of martial law, the Plan of measures to transfer the Company's manufacture to safe regions (relocation) has been developed. In accordance with the Plan, the "Conceptual decision to transfer the production of SS "Atomenergomash" of SE "NNEGC "Energoatom" to safe regions (relocation)" was approved.

An act of military aggression had a direct impact on electricity production output. The underproduction of electricity is assessed as an inability to generate the electricity output during the martial law period according to the normal capacity of nuclear power units, particularly those located in the temporarily occupied territories, as well as considering that dispatch limitations applied during 2023 and 2024 due to a destruction of the energy system.

In 2024, there were 13 large-scale missile and drone attacks on energy facilities, including substations critical to Ukrainian NPPs. The attacks led to an increase in the shortage of generating capacity and periodic power supply restrictions for consumers. Thus, the total underproduction in 2024 amounted to about 46.3 million MWh (in 2023 - 36.7 million MWh).

As at December 31, 2024, the carrying amount of non-current assets located in the temporarily occupied territory amounted to about UAH 50,515,477 thousand (as at December 31, 2023 - UAH 55,159,444 thousand), inventories - UAH 9,045,987 thousand (as at December 31, 2023 - UAH 10,491,601 thousand). In 2024, the Company impaired capital investments in progress and inventories located in the temporarily occupied territories.

In 2024, there was no damage to property, plant, and equipment or capital investments in progress in the non-occupied territories (in 2023, an explosive wave damaged administrative buildings and structures of the KhNPP).

Massive missile attacks on the energy infrastructure of Ukraine affect the operation of the entire power system, when a significant part of the IPS of Ukraine is blacked out. To stabilize the situation in the Ukrainian power system, the power outage schedules are introduced.

Furthermore, due the military aggression, the Company withdrew from cooperation with Russian enterprises that supplied the uranium product and nuclear fuel for nuclear power units. Instead, agreements were signed with Westinghouse Electric Sweden AB to increase an amount of fuel assemblies supply for VVER-1000-type reactors and VVER-440-type reactors fuel assemblies supply starting from 2023.



To ensure the increased production output of nuclear fuel by Westinghouse Electric Sweden AB, negotiations are conducted with other suppliers to purchase the enriched uranium product and the possibility of using uranium concentrate of the Ukrainian origin in producing the enriched uranium product for its subsequent use in nuclear fuel production by Westinghouse for Ukrainian NPPs.

According to the Resolution of the CMU No. 187 dated 03.03.2022 "On ensuring the protection of national interests in future lawsuits of Ukraine due to the military aggression of the Russian Federation", a moratorium (ban) has been imposed on the fulfilment of monetary and other obligations by creditors (collectors) for which is a Russian Federation or legal entities created and registered in accordance with the legislation of the Russian Federation.

In addition, clause 17 of the Resolution of the NBU Board No. 18 dated February 24, 2022 prohibits any currency transactions to fulfil obligations to legal or individuals located (registered) in the Russian Federation, or whose participant is a legal or individual who is located (registered) in the Russian Federation.

Resolution of the Cabinet of Ministers of Ukraine No. 426 dated 09.04.2022 banned the import of goods from the Russian Federation into the customs territory of Ukraine under the customs regime. In this regard, Energoatom's obligations to FSUE "PA "Mayak" (Russian Federation) to pay for the storage of high-level waste and its return, as well as obligations to accept high-level waste, are currently not subject to fulfilment. Given the abovementioned, the return of high-level waste from spent nuclear fuel reprocessing to Ukraine from the Russian Federation is impossible, and the corresponding costs for their storage and return are not planned.

Consequences of the Russian aggression complicate other aspects of the Company operation: a disruption of logistic routes, difficulties in transportation and insurance of cargoes due to considerable risks inherent in effects of hostilities, a loss of both local suppliers due to a destruction of production facilities or suspension of operations and foreign suppliers.

Management confirms that the abovementioned facts and circumstances, namely the current situation and further development of the hostilities are significant uncertainties that may cast significant doubt about the Company's ability to continue as a going concern and, as a result, it may not be able to realize its assets and settle its liabilities in the ordinary course of business activity.

#### ***Impact of the RF military aggression on the operations of the Zaporizhzhia Nuclear Power Plant***

The most significant implication of the military aggression for the Company, Ukraine and the world is the temporary occupation of the Zaporizhzhia Nuclear Power Plant (the "ZNPP"). This plant is the largest NPP in Europe and has a total installed capacity of 6,000 MW, which is a large portion of the total of 13,835 MW capacity of all plants operated by the Company. It also has the Dry Spent Fuel Storage Facility, which is capable of accommodating 9,000 spent fuel assemblies.

On October 12, 2022, the United Nations General Assembly adopted Resolution No. A/RES/ES-11/47, declaring the annexation invalid from the international law point of view. The International Atomic Energy Agency (hereinafter - IAEA) supported this Resolution. The occupation of the nuclear plant can cause emergency safety and environmental risks of a global scale, as well as risks to the energy independence of Ukraine.

Under the conditions of the RF military aggression and the temporary occupation of the Zaporizhzhia NPP, conditions arose that made it impossible to implement measures to justify the long-term operation of the power units of the ZNPP, which was reported to the State Nuclear Regulatory Inspectorate of Ukraine (SNRIU).

On February 10, 2023, the SNRIU decided to limit the operation of power units No. 3, 4, 5, 6 of the ZNPP (units that are in a cold state) due to violations of nuclear and radiation safety requirements. In particular, it is about the location of enemy military equipment and weapons on the territory of the station, damage to communication lines with the energy system of Ukraine. In addition, due to the downtime of the plant and shutdown of all its power units, there is a constant gradual degradation of systems and equipment. The decision to renew the license conditions will be taken by the regulator after the de-occupation of the ZNPP, as well as inspection and restoration works.

Currently, all six reactors of the ZNPP were put into "cold shutdown" mode. At the same time, in 2024, ZNPP continues to take electricity from the Ukrainian power grid to ensure nuclear safety.

After the de-occupation and restoration of the safety level of the nuclear facilities at the ZNPP site, the operating organization - JSC "NNEGC "Energoatom" intends to continue the preparation of all power units of the ZNPP for long-term operation.

The company also decided to engage displaced ZNPP employees in the design and construction of new power units at Khmelnytsky NPP (hereinafter referred to as KhNPP). Due to the need to provide housing for the employees of the ZNPP involved in works at KhNPP, the implementation of the project "Set of design and construction works for the creation of a modular town for the accommodation of the temporarily displaced staff of the ZNPP in Netishyn" is continuing. In December 2024, the first stage of the plant's employees was settled.

As at the date of approval of these financial statements, the amount of losses due to the Russian aggression resulting from a damage/destruction/withdrawal of separate items of non-current assets and inventories, in particular for ZNPP and Zaporizhzhia department of SS "Warehousing", cannot be estimated ultimately due to the absence of safe access to all facilities of the separate subdivision. In addition, there is no possibility to involve professional appraisers in the independent valuation due to the fact that the property is in the occupied territory. Overall, an estimation of damages and losses for the Company will be performed according to the methodology approved by the joint Order of the Ministry of Economy of Ukraine and the State Property Fund of Ukraine No. 3904/1223 dated October 18, 2022 "On Approval of the Methodology for Estimating Damages and Losses Caused to Enterprises, Institutions and Organizations of All Forms of Ownership due to a Destruction and Damage of their Property in Connection with the Military Aggression by the Russian Federation as well as the Lost Profit due to an Inability or Impediments to Conduct Business Operations".

Supported by international partners, specifically by the IAEA, management of the Company and top leadership of Ukraine strive for creation of the demilitarized zone around ZNPP. Thus, from September 2022, the IAEA mission has been able to allocate at the ZNPP and starting from January 2023, the constant IAEA missions have been present at all Ukrainian NPPs including the Chernobyl NPP.

As at December 31, 2024, the carrying amount of the provisions for decommissioning of nuclear reactors and provisions for back-end fuel costs, which are included in non-current and current provisions related to the ZNPP is UAH 12,218,470 thousand (2023: UAH 15,019,106 thousand).

## **2.6 Management's responsibility**

Management of the Company is responsible for the preparation of the financial statements that present fairly, in all material respects, the financial position of the Company as at December 31, 2024, its operating results, cash flows and changes in equity for the year then ended, in compliance with IFRS and financial reporting requirements of the Law "On Accounting and Financial Reporting in Ukraine".

## **2.7 Use of judgements and estimates**

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements and could have a significant risk resulting in material adjustments to the carrying amounts of assets and liabilities in the next financial year is described below.

### **Useful lives of property, plant and equipment**

The estimation of the useful lives of items of property, plant and equipment requires management to use professional judgements based on experience of dealing with similar assets. In determining useful lives of assets, management considers conditions of the expected use and economic and physical depreciation of an asset, and conditions in which an asset will be operated. Useful lives of nuclear units are reviewed and can be extended if certain conditions are met.

Further details of management judgements about useful lives of property, plant and equipment and nuclear units are disclosed in Note 6.1. to these financial statements.

*Revaluation and impairment of property, plant and equipment*

Management performs revaluation or assesses impairment of property, plant and equipment if the difference between the carrying value of items and their fair value equals or exceeds 10%. Further details of management judgements about impairment of property, plant and equipment are disclosed in Note 6.3. to these financial statements.

The fair value of the Company's property, plant and equipment is determined by an independent external appraiser. The revaluation of property, plant and equipment was performed as at 31.10.2023 with the engagement of an independent professional appraiser who has a corresponding recognized professional qualification.

Three approaches can be used to measure the value of property, plant and equipment: (i) cost, (ii) market (or comparative) and (iii) income. When carrying out the fair value measurement of the property, plant and equipment, each of these approaches is initially considered, but which one or which of them is optimal in each specific case is determined by the nature and specifics of the Company's activity and its assets,

(i) The cost approach is based on the principle of replacement and assumes that a reasonable investor will not pay more for an asset than the cost of replacing it with an identical or similar object with the same useful properties. The first step in the cost approach is to determine the current replacement cost or current replacement cost of the assets being measured.

(ii) The comparative (or market) approach is based on the information about the market status in the current conditions and executed transactions at or shortly before the measurement date. Valuation techniques consistent with the market approach often use market indicators derived from a set of comparable assets, liabilities or groups of assets and liabilities. Indicators may belong to ranges consisting of different indicators for each comparable asset, liability or group of assets and liabilities. The choice of the appropriate indicator in the range requires judgment, considering the quantitative and qualitative factors typical for the measurement.

(iii) When using the income approach, fair value is measured by calculating the present value of expected future cash flows that are projected for a specified period of time.

The cost approach is used by the appraiser to determine the residual value of reproduction or replacement of specialized property, plant and equipment, namely:

block and interblock assets of the NPP,  
partly of buildings, structures and transmission devices,  
machinery and equipment,  
computers,  
furniture and inventory,  
vehicles,  
perennial plantings,

considering the possibility and expediency of their replacement (reproduction). The replacement method in this case reflects the investor's typical motivation (construction of property complexes for own needs, the so-called Built-to-Suite scheme), as well as the acquisition of new assets, taking into account all types of depreciation.

The comparative approach is used by the appraiser by selecting information on the market with offers for the sale of similar assets:

land plots,  
typical production and warehouse complexes and garages (machine spaces),  
residential buildings and apartments,  
recreation centers and boarding houses,  
vehicles and special equipment,  
universal machinery and equipment,  
computers,  
furniture and inventory,  
livestock,

followed by adjustment for differences between objects of comparison and measurement.

The possibility of applying the income approach to measure the fair value of individual groups of property, plant and equipment is quite limited in this case. Since most of the buildings and structures of the company are not income real estate, this approach does not meet the purpose of fair value measurement. However, income approach was used for measurement:

of some commercial real estate objects (investment real estate, commercial and business office premises and buildings),

of the right-of-use land plots, which is necessary for their removal from the value of property complexes when calculating using a comparative approach.

The fair value of the specific assets of the company (the component of the cost of decommissioning NPP power units, the components of the constant volume of nuclear fuel in an active zone, the components of the costs of spent nuclear fuel management, the component of the cost of decommissioning the Centralized Spent Fuel Storage Facility (CSFSF)) is determined by the appraiser using the cost approach (based on the current value of future costs) taking into account the value of money in time, that is, by bringing future costs to the measurement date.

The liquidation value of assets is determined based on the following methods:

- for buildings, the "Approximate material output standards obtained during the dismantling of buildings during their demolition" developed by the Scientific Research Institute of Construction Economics of the State Building of the USSR and intended for determining return amounts in consolidated estimates for the construction of objects (building standards SN 436-72). The standards include the costs of bringing the materials obtained from the dismantling of buildings into a state suitable for reuse in the construction or sale;
- for real estate objects, the total mass of which consists mainly of metal structures, the liquidation value was determined as the value of scrap metal that can be obtained from the asset after all dismantling works have been carried out;
- for objects of movable property, for which there is information about the weight of ferrous or non-ferrous metals, the liquidation value was determined by multiplying the total weight by the average value of scrap metal according to the data of specialized organizations;
- for assets for which there is no information on the weight of the metal, the liquidation value was calculated as a percentage of the cost of reproduction, determined for assets with a known weight of the metal;
- for physically missing assets (discovered shortages or thefts, assets transferred to the Armed Forces of Ukraine, written off after the measurement date), radiation-contaminated assets, as well as large-block assets of NPP power units that will be decommissioned as part of power units, the liquidation value is assumed to be zero;
- for assets that were written off after the date of the measurement before the date of completion of the report, the liquidation value is taken equal to the carrying amount, according to the letter of JSC "NNEGC "Energoatom" "On submitting the list of written-off property, plant and equipment".

During reconciliation of the results of the measurement performed by different techniques, preference was given to the results of the comparative and income approaches. The fair value of assets for which the cost approach was the only option was taken based on the residual value of replacement or reproduction. The fair value for excess assets was assumed to be equal to the liquidation value.

Assets of SS "Zaporizhzhia NPP" were not included in the measured property, plant and equipment, due to the availability of such assets in the temporarily occupied territory, the lack of safe access to them, the uncertainty regarding the further development of the military situation and the deadline for the restoration of electricity generation and, accordingly, economic benefits of SS "Zaporizhzhia NPP".

To calculate the amount of economic impairment of specialized property, plant and equipment, the appraiser conducted impairment testing as at October 31, 2023.

When conducting the measurement, the appraiser measured the amount of the expected reimbursement of the cost of all property, plant and equipment (except for SS "Zaporizhzhia NPP") with a total carrying amount of UAH 105,233,799 thousand and a revalued amount of UAH 285,343,984 thousand through the determination of the cost when using the cash generating unit, taking all other assets of the company as a whole as a cash generating unit (except for SS "Zaporizhzhia NPP").

In particular, an analysis of discounted after-tax cash flows was prepared based on assumptions about expected income and expenses, as well as the discount rate. According to the results of this measurement, it was determined that the amount of the expected reimbursement of the relevant assets exceeds the fair value, accordingly, there are no signs of economic impairment.

When conducting the analysis, the appraiser has made cash flow forecasts based on the estimates for 2024 and based on expectations for key indicators for subsequent periods. Cash flows were discounted using a weighted average cost of equity at a rate of 21.96% for 2024-2025, 19.48% for 2026 and 16.96% for subsequent periods.

#### Expected credit losses

The provision for expected credit losses (doubtful debts allowance) (hereinafter - provision for ECL) based on the assessment of doubtfulness of receivables is accrued at each reporting date.

Provision for ECL is created for the following financial assets:

- accounts receivable, which is a financial asset
- promissory notes received as payment for goods, works and services sold;
- receivables for products, goods, works, services;
- receivables from accrued income;
- contractual assets;
- other receivables, including lease receivables.

The amount of the provision for expected credit losses is calculated based on the analysis of receivables (financial instruments) by assessing the degree of risk of default by each debtor (by financial instrument) and assigning it to the appropriate risk group in order to apply the doubtfulness factor to the amount of debt. In determining the doubtfulness ratio, the Group takes into account factors affecting the risk of default, both negative and positive.

Taking into account the peculiarities of financial and economic activities, the specifics of the company, the actual historical and projected financial discipline of debtors, and general economic conditions, another doubtfulness ratio may be determined for a high risk of default. In particular, if there are factors that deteriorate the debtor's solvency, a high risk of default may include debts with payment overdue for less than 366 days.

Pursuant to the Resolution of the Cabinet of Ministers of Ukraine No. 604 "Some Issues of Accounting Policies of Business Entities of the Public Sector of the Economy" dated 24.05.2024 (hereinafter - Resolution No. 604), as a representative of the owner - the state, JSC "NNEGC "Energoatom" has developed methods for calculating the provision for ECL (hereinafter - the ECL methods). The ECL methods were developed in accordance with the requirements of the Law of Ukraine "On Accounting and Financial Reporting in Ukraine" dated 16.07.1999 No. 996-XIV, International Financial Reporting Standard 9 "Financial Instruments", International Accounting Standard 36 "Impairment of Assets" and other accounting regulations and taking into account the provisions of paragraph 13 of Resolution of the Cabinet of Ministers of Ukraine dated 29.11.2006 No. 1673 "On the state of financial and budgetary discipline, measures to strengthen the fight against corruption and control over the use of state property and financial resources" (hereinafter - Resolution No. 1673) and approved by the Ministry of Finance of Ukraine in accordance with the "Procedure for the Ministry of Finance to approve the methods of calculating the amount of the provision for expected credit losses and the method of determining the doubtfulness ratio within the accounting policies of state unitary enterprises and business companies with more than 50 percent of the authorized capital which are subjects of natural monopolies or whose planned estimated net profit exceeds UAH 50 million", approved by Resolution No. 604.

The provision for expected credit losses (doubtful debts) is not calculated for receivables from settlements with the budget and compulsory social and pension insurance funds.

JSC "NNEGC "Energoatom" creates a provision for expected credit losses using the ECL methods with the following provision matrix:



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Financial asset/Credit risk assessment factors	Influence of credit risk factors on the provision for ECL (+/-)		
	Group 1 - low credit risk	Group 2 - average credit risk	Group 3 - high credit risk
<b>Trade receivables, other receivables:</b>	by overdue days	by overdue days	by overdue days
- not overdue	0%	X	X
- overdue from/to	1-30 days – up to 0,1%	31-90 days – up to 5%	X
	X	91-120 days – up to 25%	X
	X	121-180 days – up to 30%	X
	X	181-366 days – up to 40%	X
- overdue more than	X	X	366 days – up to 100%
- availability of collateral	- expected cash flow from the collateral	- expected cash flow from the collateral	- expected cash flow from the collateral
- other positive factors *	up to -0,1%	up to -25%	up to -60%
- other negative factors in relation to receivables generated in the electricity market (including penalties)**	up to +60% in case of delay of up to 30 days	31-60 days – up to 70%	X
		61-90 days – up to 80%	X
		91-120 days – up to 90%	X
		121-366 days – up to 100%	X
- opening of bankruptcy proceedings, commencement of liquidation of the counterparty	X	X	up to 100%
- bad debts	X	X	up to 100%
- force majeure circumstances	X	X	up to 100%
<b>Group:</b>			
- ratio of accounts receivable by outstanding maturities, including overdue amounts:			
✓ absent	0%	X	X
✓ up to 30 days	up to 0,1%	X	X
✓ from 31 to 90 days	X	up to 5%	X
✓ from 91 to 180 days	X	up to 25%	X
✓ from 181 to 366 days	X	up to 40%	X
✓ more than 366 days	X	X	up to 100%
- positive factors *	up to -0,1%	up to -25%	up to -60%

\*positive factors may affect the amount of expected credit losses without changing the credit risk group of a financial instrument.

\*\*negative factors that are significant may change the credit risk group of a financial asset to a higher one regardless of the maturity date (information on the counterparty's bankruptcy, initiation of claims, etc.).

In 2023, the calculation of expected credit losses was performed in accordance with the standards of the Resolution No. 1673. Changes in estimates in 2024 did not have a significant impact on the amount of the provision for ECL.

#### Borrowing costs

Borrowing costs are capitalized as part of the costs of those assets that necessarily take, at least, 6 months to get ready for intended use or sale, i.e. qualifying assets. Further details of determination of costs required to be capitalized for borrowing costs are disclosed in Note 3.1. to these financial statements.

#### Decommissioning provision for nuclear facilities

Management estimates the obligation on decommissioning of existing nuclear reactors and spent nuclear storages. Such obligation is determined based on the present value of cost of basic labor and materials expected to be incurred during the decommissioning of nuclear facilities. Note 14 summarizes assumptions used by management to estimate the decommissioning liability. Changes in estimated timing of future expenses and the amount of the outflow of resources required to settle the obligation and the discount rate used to discount future expenses can have a significant effect on the carrying amount of the decommissioning provision.

*Back-end fuel cost provision*

Management estimates the obligation in respect of costs for storage of spent nuclear fuel. Such obligation is determined based on the present value of costs based on the Company's estimates. Note 14 contains a description of assumptions used by management to estimate the back-end fuel cost provision. Changes in the estimated timing of future expenses and the amount of the outflow of resources required to settle the obligation and the discount rate used to discount future expenses can have a significant effect on the carrying amount of the back-end fuel cost provision.

*Provision for reimbursement of expenses for payment and delivery of additional benefits and one-time retirement payments (post-employment benefit obligations)*

Management calculates pension plan provisions: for reimbursement of expenses for payment and delivery of fringe benefits and one-time retirement payments using the projected unit credit method based on actuarial assumptions that represent management's best estimates of the variables that will determine the ultimate cost of providing post-employment employee benefits and other non-current benefits. Note 14 summarizes assumptions used by management to estimate reimbursement of expenses for payment and delivery of fringe benefits and one-time retirement payments. Changes in actuarial assumptions (future salary growth rates, consumer price index increases, etc.) and changes in the discount rate used to discount future expenses can have a significant impact on the carrying amount of provisions.

### **3. Accounting policies**

#### **3.1 Summary of significant accounting policies**

According to the Law of Ukraine No. 2164-VIII dated October 05, 017 "On Amendments to the Law of Ukraine "On Accounting and Financial Reporting in Ukraine", JSC "NNEGC "Energoatom" is a public interest entity (PIE).

The accounting policy of JSC "NNEGC "Energoatom" based on IFRS was put into effect by Order No. 146 dated 07.02.2018 and approved by the letter of the Ministry of Energy and Coal Industry of Ukraine dated 06.03.2018 No. 02/10-1847. The latest amendments to the accounting policy were approved by the protocol decision of the Cabinet of Ministers of Ukraine No. 154 dated 02.12.2022 and concerned the updating of the materiality threshold and the list of related parties. The accounting policy sets out the basic principles, methods and procedures used for the preparation and presentation of reports and is currently applied by the Company.

**Property, plant and equipment** are measured at the acquisition cost at initial recognition. Subsequent to recognition, property, plant and equipment are recognized at the revalued amount, less accumulated depreciation and accumulated impairment losses.

Acquisition cost includes expenditure that is directly attributable to the acquisition of an asset. The cost of self-constructed assets includes:

- the cost of materials and direct labor;
- any other costs directly attributable to bringing the asset to a working condition for their intended use;
- the costs of dismantling and removing the items and restoring the site on which they are located (decommissioning costs);
- part of cost of nuclear fuel which is expected to be not fully burnt at the end of the last fuel campaign of a reactor and related back-end fuel cost provision; and
- capitalized borrowing costs.

Upon initial recognition, if an item of property, plant and equipment has major components (parts), multicomponent accounting is organized. Upon putting property, plant and equipment into operation, the residual value and expected useful life are determined for each item of property, plant and equipment and its components. The useful life of each item of property, plant and equipment is revised based on technical justification in the event of changes in economic benefits expected from its use.

Increases in the carrying amount arising on revaluation are credited to other comprehensive income and increase the revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognized in other comprehensive income and decrease the previously recognized revaluation surplus in equity; all other decreases are charged to impairment loss.

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Upon disposal or retirement of property, plant and equipment, the revaluation surplus is included in retained earnings.

Depreciation is charged primarily on a straight-line basis.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

Depreciation is charged on the acquisition cost of the asset, or other substitution cost, less its residual value. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components with the value of not less than 10% of the cost (revalued amount) of an item and not less than UAH 1,000 thousand) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment (or their part), and is recognized net within other income/other expenses in profit or loss.

Depreciation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted appropriately.

**Assets under construction** (construction in progress) are accounted for at their historical cost less impairment loss.

**Investment property** is accounted for under the fair value model. The investment property includes buildings and / or land on which they are located, or parts thereof, if they are held for the purpose of obtaining lease payments and / or capital appreciation. In doing so, parts of items used for this purpose must be provided separately. If these parts cannot be provided separately, the property is an investment property, if only an insignificant part thereof is held to use in production, to supply goods or services, or for administrative purposes.

**Intangible assets** that are acquired by the Company, which have limited useful lives, are measured at cost less accumulated amortization and accumulated impairment losses. Intangible assets that have definite useful lives primarily include capitalized computer software, copyrights, trademarks and licenses.

Upon initial recognition, acquired intangible assets are measured on the basis of the costs incurred to acquire and bring them to use.

Development costs that are directly associated with identifiable and unique software are recorded as intangible assets if an inflow of incremental economic benefits exceeding costs is probable. Capitalized costs include employee benefit expenses of the software development team and an appropriate portion of relevant overheads. All other costs associated with computer software are expensed when incurred.

Amortization is charged on the acquisition cost of the asset, or other substitution cost, less its residual value.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use since this most closely reflects the expected pattern of consumption of future economic benefits embodied in the asset.

Amortization methods, useful lives and residual values are reviewed at each financial year end and adjusted appropriately.

The Company has the perpetual **right to use the land** on which its buildings, structures and other capital assets are located, and pays a land tax as assessed annually based on the total area and use. Land is the property of the state and, therefore, is not recorded in the statement of financial position. The right to use land is included in the intangible assets at the cost of expenses incurred for its registration without amortization due to the fact that it does not have a specified term of use. A right-of-use intangible asset is reviewed annually for impairment.

At each reporting date, the Company determines whether there is any indication of a possible **impairment of non-financial assets**. If such signs exist or if an annual impairment test is required, the Company estimates the asset's recoverable amount. The expected recoverable amount of the asset is the higher of the fair value of an asset or cash-generating unit, less costs to sell, and the value in use of the asset, except for assets that do not generate cash inflows that are generally independent of inflows generated by other assets or groups thereof. A cash generating unit for the impairment test is the Company's total assets.

If the carrying amount of an asset exceeds its recoverable amount, the asset is deemed to be impaired and is written down to the expected recoverable amount.

In assessing the value in use, estimated cash flows are discounted to their present value at the pre-tax discount rate, which reflects the current market value of money in time and the risks inherent in the asset. Impairment losses on non-revaluated assets used in operating activities are recognized in the Statement of profit or loss and other comprehensive income. However, an impairment loss for an asset that has been revaluated is recognized directly against any revaluation surplus of an asset to the extent that does not exceed the amount of the revaluation reserve for that asset.

At each reporting date, the Company determines whether there are any indications that previously recognized impairment losses no longer exist or decreased. If such a sign exists, the recoverable amount is revaluated. A previously recognized impairment loss is reversed only if there has been a change in the estimate used to determine the expected recoverable amount since the last recognition of the impairment loss. In this case, the carrying amount of the asset increases to its recoverable amount. The carrying amount increased cannot exceed the carrying amount of the asset that would have been determined (less depreciation) had not impairment losses been recognized in prior years. Reversal of the impairment losses from assets is recognized in the Statement of profit or loss and other comprehensive income. However, impairment of an asset with its revaluation surplus identified in prior periods is recognized in the revaluation reserve in the amount, which does not exceed the revaluation surplus recognized in the revaluation reserve for that asset.

**Inventories** are recorded at the lower of cost and net realizable value. Inventories, other than nuclear fuel, fuel and lubricants, when released for production, sold or otherwise disposed of are estimated under the specific identification method. Fuels and lubricants when released for production, sold and otherwise disposed of are estimated using the weighted average cost method.

Tangible assets with an expected useful life of more than one year and a value less than the materiality threshold set for non-current assets are recorded in inventories as low-value and fast-used items until they are put into operation.

**Nuclear fuel** when loaded into an active zone, sold and otherwise disposed of is estimated on the basis of the weighted average cost method for each type of nuclear fuel.

The cost of nuclear fuel assemblies in the core of a reactor is recognized in expenses pro rata the quantity of effective days worked by the reactor within one fuel campaign as determined by the Company's engineers based on instrument readings as at each reporting period end.

The Company stores its available spent nuclear fuel in the spent fuel storage facility (hereinafter referred to as the SFSF) at ZNPP and in the centralized spent fuel storage facility (hereinafter referred to as the CSFSF). The Company does not estimate the cost of spent nuclear fuel due to uncertainty about its future use. At the same time, it is expected that spent fuel reprocessing will result in nuclear materials that can be used in the future. The Company does not include the value of such nuclear materials in spent fuel or as a separate asset, as it does not have reliable estimates of their value.

**Financial instruments.** The Company recognizes a financial asset or financial liability in its statement of financial position when and only when it becomes a party to the contractual provisions in respect of the financial instrument.

**Classification of financial assets.** Upon initial recognition of financial instruments, the Company classifies them and determines the model of further valuation.

Financial assets are classified as follows:

- financial assets measured at amortized cost;
- financial assets measured as fair value through other comprehensive income;
- financial assets measured at fair value through profit or loss.

A financial asset is measured at amortized cost only if it meets both of the following conditions and is not classified as at fair value through profit or loss:

- it is held within the framework of a business model aimed to hold assets for contractual cash flows, and
- its contractual terms provide for the occurrence of cash flows within the set time limits, which represent solely payments of principal and interest (SPPI criterion) on the principal amount outstanding.

The Company evaluates the purpose of the asset holding business model at the level of the financial instruments portfolio as it best reflects the way business is managed and information is provided to management personnel.

In assessing whether the contractual cash flows are solely payments of principal and interest on the outstanding part of the principal, the Company analyses the contractual terms of a financial instrument, namely whether a financial asset contains a contractual clause that may change the timing or amount of contractual cash flows so that the financial asset will not meet the relative requirement.

Financial assets are reclassified prospectively only in case of change of change of the business model within which they are held.

**Classification of financial liabilities.** Financial liabilities are measured at amortized cost, except for:

- 1) financial liabilities measured at fair value through profit/loss;
- 2) financial liabilities resulting when transfer of a financial asset is not in compliance with derecognition criteria or when the continuing involvement principle is applied;
- 3) financial guarantee, aval and security contracts.

In 2024 and 2023, the Company did not have any financial liabilities measured at fair value.

**Initial recognition and subsequent measurement of financial instruments.** Financial instruments measured at fair value through profit or loss are carried at fair value. All other financial instruments are initially stated at fair value adjusted for transaction costs. Subsequent to initial recognition, the expected credit loss provision is recognized for financial assets measured at amortized cost, which results in a recognition of costs recognized immediately after the initial recognition of the asset. The Company measures trade accounts receivable on initial recognition at the transaction price if trade accounts receivable do not contain a significant financing component.

Transaction costs and commission income/expenses that are an integral part of a financial instrument are recognized in the financial instrument and are included in the calculation of the effective interest rate on that financial instrument.

The Company classifies financial assets in the following measurement categories: FVTPL, FVOCI and AC. The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset.

Financial liabilities are classified as subsequently measured at amortized cost, except for (i) financial liabilities at fair value through profit or loss: this classification is applied to derivatives, financial liabilities held for trading, contingent consideration recognized by an acquirer in a business combination and other financial liabilities designated as such at initial recognition and (ii) financial guarantee contracts and loan commitments.

After initial recognition, financial assets and financial liabilities (loans, borrowings and long-term financial liabilities) are carried at amortized cost.

**Impairment.** The Company applies the impairment requirements of section 5.5 of IFRS 9 to financial assets. JSC "NNEGC "Energoatom" recognizes the provision for expected credit losses on a financial asset carried at amortized cost.

As stated in Note 2.7, JSC "NNEGC "Energoatom" calculates the provision for ECL using methods developed in accordance with international financial reporting standards, taking into account the requirements of Resolution No. 1673 and Resolution No. 604, which, in the opinion of the Company's management, meets the requirements of IFRS 9 for the measurement of ECL of financial instruments and the requirements of IAS 36 for the measurement of non-financial assets.

Impairment losses from financial assets are recognized as a separate line item in the statement of profit or loss and other comprehensive income.

**Write-offs.** Write-off of the gross carrying amount of a financial instrument through the provision charged is recognized after its recognition as bad debt, the existence of the provision for expected credit losses, and simultaneous fulfilment of other prerequisites defined by the requirements of the current legislation of Ukraine and the internal regulations of the Company.

**Derecognition.** Financial assets are derecognized whenever:

- a) assets are redeemed or the rights to cash flows from the assets otherwise expire;
- b) the Company has transferred substantially all the risks and rewards of ownership of the assets;
- c) the Company has neither transferred nor retained substantially all the risks and rewards of ownership but has not retained control.

Control is retained if the counterparty does not have the practical ability to sell the asset in its entirety to an unrelated third party without needing to impose additional restrictions on the sale. There is no control of the transferred asset if a party to whom the asset is transferred has the real ability to sell it to an unrelated third party and can sell it unilaterally without the need to impose additional restrictions on such transfer.

The difference between the carrying amount of a financial asset measured at the derecognition date and the amount of consideration received (including the value of the new asset received less the amount of the liability assumed) is recognized as income or expense from derecognition.

A financial liability or part thereof is derecognized when such liability is settled, cancelled or expired. The difference between the carrying amount of the financial liability (or part thereof) settled or transferred to another party and the amount of the consideration paid represents income/expense from derecognition.

**Modification of financial instruments.** If the estimate of cash outflows or inflows from financial instruments (except for modifications of financial instruments with a floating rate and changes in estimates of expected credit losses) is revised, the gross carrying amount of a financial asset or the amortized cost of a financial liability is adjusted to reflect actual and revised estimated contractual cash flows. The gross carrying amount of a financial asset, or the amortized cost of a financial liability is recalculated as the present value of estimated future contractual cash flows discounted at the original effective interest rate for a financial instrument.

The substantial modification of a financial liability is accounted for as a settlement of the original financial liability and recognition of the new financial liability. The substantial modification is considered a modification of a financial liability by more than 10%. The effect of the insubstantial modification of a financial liability is recognized in the period when the modification occurred in profit or loss.

Any difference between the carrying amount of the original asset derecognized and fair value of the new substantially modified asset is recognized in profit or loss unless the substance of the difference is attributed to a capital transaction with owners.

**Offsetting financial instruments.** Financial assets and financial liabilities are offset, and the net amount is recorded in the statement of financial position, if there is an enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, realize assets and settle a liability simultaneously.

**Transactions in foreign currencies** are translated to hryvnia at the exchange rates set by the National Bank of Ukraine at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary assets and liabilities is the difference between the amortized cost in the functional currency at the beginning of the period, adjusted for the effective interest rate and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising from translation are recognized in profit or loss.



**A provision** is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

The Company estimates the following provisions:

- the provision for cost of activities related to decommissioning of nuclear facilities;
- the provision for back-end fuel costs;
- the provision for payment of employee benefits upon retirement; the provision for one-off retirement payments and the provision for reimbursement of expenses for payment and delivery of fringe benefits;
- the provision for annual performance bonuses;
- the provision for unused vacations;
- the provision for litigations;
- the provision for expenses under outstanding documents.

When needed, the Company may raise provisions for future relocation and dismantling of property, plant and equipment and future expenses for repair (restoration) of leased assets, etc.

**Provision for cost of activities related to decommissioning of nuclear facilities (decommissioning provision).** The cost of decommissioning of nuclear facilities comprises direct labor costs and cost of materials expected to be incurred during the decommissioning of nuclear reactors and spent fuel storage facilities (SFSF). The calculation is based on the approaches set out in the Ukrainian NPP Decommissioning Conception that was developed with the support of the European Commission with involvement of foreign experts.

The decommissioning provision is estimated based on the estimate of costs discounted at the long-term effective discount rate reflecting the current market estimates of the time value of money at the reporting date.

The effect of changes in estimates of the timing or amount of resources required to settle a liability or changes in the discount rate is reflected in the revaluation reserve in equity (in other comprehensive income) or in expenses (if related revaluation reserve is utilized) in the period in which the changes occurred.

The increase in the provision for cost of activities related to decommissioning of nuclear facilities due to passage of time is included as interest expense in finance costs of the period.

If financing of a part of obligations to cover the costs of decommissioning of nuclear facilities is essentially confirmed by any third party, for example, by the State, the amount of such reimbursement is recognized as an asset.

In accordance with the legislation of Ukraine on the State Budget, the Company transfers funds annually to the budget in order to compensate future costs of decommissioning of nuclear facilities, i. e. financing of a portion of the liabilities in the future to cover cost of decommissioning of nuclear reactors is confirmed by the State. The amount of such compensation is recognized as **a non-current asset in the form of funds transferred to the budget to the decommissioning financial reserve**. This asset is discounted at the same rate and schedule as the corresponding portion of the recognized provision for decommissioning of the item of property, plant and equipment, except when the maturity dates/period of the liability and the asset are inconsistent. In these financial statements, such asset is included in the item 'Other non-current assets' (Note 6.6).

**The back-end fuel cost provision** mainly includes estimated costs of storage of spent nuclear fuel. The back-end fuel cost provision is estimated based on the estimate of costs discounted at the long-term effective discount rate reflecting the current market estimates of the time value of money at the reporting date.

The Company accounts for buildings, structures and equipment of the ZNPP SFSF, CSFSF (including back-end fuel storage containers) as property, plant and equipment and, therefore, it does not include the cost of these PPE items in the calculation of the back-end fuel cost provision. Information on the signed contracts on future purchase of production equipment and capital construction is disclosed in Note 6.1.

The effect of changes in estimates of terms or of the amount of resource outflows required to settle a liability, or changes in the discount rate is recognized in income or expenses as they arise.

The increase in the back-end fuel cost provision due to passage of time is included as interest expense in finance costs of the period.

**The provision for reimbursement of expenses for payment and delivery of fringe benefits (post-employment benefit obligations)** relates to the defined benefit state pension plan. The Company is obliged to compensate to the Ukrainian state amounts of fringe benefits payment and delivery as defined by the legislation of Ukraine and paid by the State to employees who worked a certain period of time in hazardous conditions as defined by the statutory regulations. These employees are eligible for early retirement and pensions before reaching the normal retirement age as defined by the statutory regulations. These obligations are paid using cash generated from operations. There are no special plan assets set aside to fund this obligation.

The net obligation in respect of this defined state benefit pension plan is calculated by estimating the amount of future benefits that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The discount rate is determined considering various sources of information, including yields at the reporting date on Ukrainian government bonds based on "General Information on Implementation of Domestic Bonds Purchase and Sale on Secondary Market".

The calculation is performed by a qualified actuary using the projected unit credit method. Actuarial gains and losses, the effect of the asset ceiling and the actual return on plan assets remeasurements are recognized immediately in the statement of financial position through other comprehensive income in the period to which they relate. Interest expense is calculated on the net defined benefit liability by applying the discount rate. Liabilities and expenses for pensions are recognized at the earlier of the dates when the Company can no longer withdraw the offer to pay such amounts or when the Company recognizes restructuring costs.

Past-service cost is recognized in the Statement of profit or loss and other comprehensive income when the plan is amended.

In addition, JSC "NNEGC "Energoatom" has a pension fund programme the Company finances, which provides for the separate **provision for one-off retirement payments**.

The Company makes one-off payments on retirement to employees who have a lengthy period of services in the Company in the amount of up to twenty monthly basic salaries, depending on years of service in the nuclear energy industry. There are no special plan assets set aside to fund this obligation.

The net obligation in respect of these benefits is calculated using the same accounting policies as described above for the defined benefit state pension plan.

Bonuses and other incentive payments are recognized as a liability through charging the provision for subsequent (future) expenses in the reporting period if the work performed by employees during that period entitles them to receive such benefits in the future. **The provision for annual performance bonuses** is raised so that the Company pays remunerations based on annual performance results in accordance with the terms and conditions of the Collective Agreement. Bonuses are paid after reviewing and summarizing the results of the Company's production and commercial performance for the year. The provision is recognized in current liabilities.

**The provision for unused vacations** is estimated to reimburse subsequent (future) operating expenses for vacation pay. An employee is entitled to annual leave for the completed working year, which starts from the date of the employment contract and, accordingly, the Company assumes obligations for the annual leave entitlement of its employees. Payments that are carried forward and can be used in future periods if the current period's rights are not fully exercised, are cumulative. The liability arises when employees start providing their services that increase their rights to future payments during absence periods. Provisions are created taking into account the unified social tax and are recognized as current liabilities.

The Company **recognizes revenue** when it satisfies performance obligations by transferring the promised product or service to the customer. The asset is transferred when the customer obtains control thereof.

For each performance obligation, the Company determines at the contract inception whether it fulfils the performance obligation with the passage of time, or whether it satisfies this performance obligation at a certain point in time. If the Company does not comply with the performance obligation with the passage of time, the performance obligation is met at a certain point in time.

Control over the asset means the ability to control its use and receive virtually all other associated benefits. Control includes the ability to prohibit other business entities from managing the use of the asset and receiving associated benefits. Benefits from the asset are potential cash flows (cash inflows or outflow of cash savings) that can be obtained directly or indirectly by:

- a) use of an asset to manufacture goods or provide services (including state services);
- b) use of an asset to increase the cost of other assets;
- c) use of an asset to settle an obligation or decrease costs;
- d) asset sale or exchange;
- e) pledge of an asset as collateral;
- f) holding an asset.

Revenue from contracts with customers is recognized based on the five-step model as follows:

- Step 1: Identifying the contract;
- Step 2: Identifying of performance obligations within the contract;
- Step 3: Determining the transaction price;
- Step 4: Allocating the transaction price to performance obligations;
- Step 5: Recognizing revenues.

**Revenue from electricity sales** under electricity supply contracts is defined by the Company as a performance obligation that is satisfied over time as the transmission took place of a series of separate goods or services that are essentially the same and passed on to the customer under the same scheme.

During the reporting and prior periods, the Company sold electricity according to the Law of Ukraine No. 2019-VIII dated April 13, 2017 "On Electric Energy Market" (as amended) (the Law No. 2019), the Market Rules, the Day-ahead Market and Intraday Market Rules. The Company sells electricity in all segments of the electricity market across Ukraine.

Revenue from sales is recognized net of value added tax, excise tax and other similar mandatory payments.

**The stage of completion** of the provision of services (performance of works) of other sales is also estimated by the result-oriented method.

The Company applies a practical expedient that does not require a mandatory adjustment of the promised amount of consideration in order to account for a significant financing component if the period expected between the transfer of products (works, services) to the client and the time of payment to be no more than one year. In addition, the Company applies a practical expedient according to which additional costs of obtaining a contract with client are not capitalized, if the period of the contract execution does not exceed one year.

**Leases of assets** are accounted for in accordance with IFRS 16 "Leases". Where the Company is a lessee under the lease contract, an asset is recognized as the right-of-use asset under the cost model with a lease payment liability recognized and discounted using the interest rate implicit in the lease. Assets as the right-of-use assets are depreciated using a straight-line basis. Lease components are accounted for as other non-current assets separately from non-rent components. Exemption from the lease recognition applies to short-term leases and leases of low-value assets within the materiality of UAH 150 thousand for the underlying lease asset when it is new. As at December 31, 2024, the Company accounts for the right-of-use assets, in particular, office premises.

As at the end of the reporting year, the Company as a lessor leased out the following groups of property, plant and equipment: buildings, structures and transmitting devices, machinery and equipment, vehicles, instruments, implements (furniture), fixtures and other property, plant and equipment.

Leases in which the Company retains substantially all the risks and rewards of ownership of the underlying asset are classified as operating leases. Leases are classified at the lease commencement date and can change upon lease modification.

The Company recognizes operating lease payments as income on a straight-line basis as this approach reflects a pattern of benefits from the use of the underlying asset.

**Government grants and assets received for free** are recognized as deferred revenue when there is reasonable assurance that the grant or the asset will be received and that the Company will comply with the conditions associated with the grant. Grants that compensate the Company for expenses incurred are recognized in profit on a systematic basis in the same periods in which the expenses are recognized. Assets received for free are carried at fair value. The cost of current assets received for free, current and non-current assets recognized based on the stocktaking results is recognized in profit simultaneously with the asset recognition at fair value. Grants that compensate the cost of an asset acquired by the Company or the cost of non-current assets received for free are recognized in profit on a systematic basis over the useful life of the asset in proportion to depreciation charged.

**Free transfer of property** is recognized in expenses of the reporting period.

**Finance income** comprises interest income on funds invested. Interest income is recognized in income on an accrual basis using the effective interest rate method.

**Finance costs** comprise interest expenses on borrowings, leased assets and unwinding of the discount on provisions. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset that meets the specific criteria are recognized in expenses using the effective interest method.

**Borrowings.** Borrowings are recognized initially at fair value, net of transaction costs incurred, and are subsequently carried at amortized cost using the effective interest rate method.

**Capitalization of borrowing costs.** General and specific borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial time to get ready for intended use or sale (qualifying assets) are capitalized as part of the costs of those assets, if the commencement date for capitalization is on or after January 01, 2009.

The commencement date for capitalization is when (a) the Company incurs expenditures for the qualifying asset; (b) it incurs borrowing costs; and (c) it undertakes activities that are necessary to prepare the asset for its intended use or sale.

Capitalization of borrowing costs continues up to the date when the assets are substantially ready for their use or sale.

The Company capitalizes borrowing costs that could have been avoided if it had not made capital expenditure on qualifying assets.

Capitalization is applied to costs of:

- borrowings directly attributable to creation of a qualifying asset (monthly);
- borrowings not directly attributable to creation of a qualifying asset (quarterly).

Finance costs that are not attributable to creation of a qualifying asset are not capitalized.

In addition to accrued interest on borrowings, capitalization is also applied to costs for the issue of government guarantees and costs for one-off commission fees paid (monthly write-off of the cost of unwinding of discount).

The Company raises foreign currency-denominated borrowings, but foreign exchange differences are not considered a component of finance costs for borrowings for capitalization purposes.

Borrowing costs capitalized are calculated at the Company's average funding cost (the weighted average interest cost is applied to the expenditures on the qualifying assets), except to the extent that funds are borrowed specifically for the purpose of obtaining a qualifying asset. Where this occurs, actual borrowing costs incurred on the specific borrowings less any investment income on the temporary investment of these borrowings are capitalized.

**Gains and losses on a net basis** are recognized on the following transactions:

- foreign currency sales and purchases;
- foreign exchange rate differences;
- initial recognition and fair value gains/losses on assets carried at fair value;
- other sale of non-current assets held for sale, inventories, works, services, leases;
- impairment losses, impairment/gain on impairment reversal of assets previously impaired;
- fines, penalties and forfeit charged and received;
- increase/decrease of the provision for expected credit losses;
- current government guarantees and expenses associated with the conditions of receipt of those guarantees;
- changes in estimates of the back-end fuel cost and decommissioning provisions;
- interest costs on the decommissioning provision and interest income on the decommissioning financial reserve asset;
- revaluation surplus as part of the previous revaluation decrease / revaluation decrease of non-current assets;
- write-off on non-current assets and replacement of separate parts (components) of property, plant and equipment items.

**Income tax expense** comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes and is estimated on the basis of tax rates that are expected to be applied to temporary differences as they are reversed, in accordance with laws that are enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized for deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**Statement of cash flows** is prepared under the direct method. Interest paid and other finance costs related to borrowings are split between investing and financing activities in proportion to actual expenses incurred, which are capitalized or included in current expenses, respectively. Income tax paid is recorded in cash flows from operating activities, and the paid share of net profits of state-owned enterprises transferred to the State Budget is recorded as dividends paid in cash flows from financing activity.

### **3.2 Changes in the accounting policies**

During 2024, there were no changes in the accounting policies of the Company.

## **4. New and revised Standards and Interpretations**

### **4.1 New and revised Standards and Interpretations effective for the Company**

The Company adopted new and revised Standards and Interpretations and amendments to them for accounting periods beginning on or after January 01, 2024.

These amended standards became effective in 2024, but did not have a significant impact on the Company. Generally, the accounting policies are consistent with those applied in the previous reporting year.

The following is the information on new and revised standards and interpretations that became effective from January 01, 2024:

- Amendments to IAS 1 "Presentation of Financial Statements" - "Classification of Liabilities as Current or Non-Current"; "Non-Current Liabilities with Covenants";
- Amendments to IFRS 16 "Leases" - "Lease Liability in a Sale and Leaseback Transaction";
- Amendments to IAS 7 and IFRS 7 - "Supplier Finance Arrangements".

#### **4.2 IFRS and Interpretations not yet effective**

Certain new standards and interpretations have been issued that will be mandatory for the Company's annual periods beginning on or after January 01, 2025. The Company has not applied these standards and interpretations before their mandatory application.

Issued Standards:

- Amendments to IAS 21 "Effect of Changes in Exchange Rates" - "Lack of Exchangeability" (2025);
- Amendments to IFRS 7 "Financial Instruments: Disclosures" and IFRS 9 "Financial Instruments" - "Amendments to the Classification and Measurement of Financial Instruments" (2026);
- Amendments to IFRS 18 "Presentation and Disclosures in Financial Statements" (2027);
- Amendments to IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (2027);
- Annual Improvements to IFRS - Volume 11.

Applicable to annual reporting periods beginning on or after January 01, 2026. The improvements comprise the following amendments:

IFRS 1: Hedge accounting by a first-time adopter

IFRS 7: Gain or loss on derecognition

IFRS 7: Disclosure of deferred difference between fair value and transaction price

IFRS 7: Introduction and credit risk disclosures

IFRS 9: Lessee derecognition of lease liabilities

IFRS 9: Transaction price

IFRS 10: Determination of a 'de facto agent'

IAS 7: Cost method

The Company has analyzed the abovementioned standards and amendments and concluded that their adoption will not have a significant impact on the financial statements during their first adoption, since the Company's activities are not within the scope of the standards and amendments, except as described below.

At the same time, IFRS 18 "Presentation and Disclosures in Financial Statements", issued in April 2024, will become effective on January 01, 2027, and its implementation will have a significant impact on the Company's financial statements. The standard sets out a single approach to presentation and disclosure aimed at ensuring coherence and understandability of the financial statements. The Company is developing a transition plan and expects significant changes in the structure of financial data presentation, which, in turn, will require adaptation of internal reporting processes. The Company will continue to monitor further clarifications and recommendations regarding the adoption of IFRS 18 to ensure its timely implementation.

#### **5. Correction of errors and changes in the financial statements**

Any errors of previous periods, namely: omissions or misstatements in the financial statements for one or more previous periods, which arise due to the non-use or misuse of reliable information that was available when the financial statements for those periods were approved for issue; based on reasonable expectation, could have been received and considered when preparing and submitting these financial statements, were not identified during the year ended December 31, 2024.

In particular, no errors were identified and, accordingly, corrected in these financial statements for previous reporting periods, which were errors in mathematical calculations, in the application of accounting policies, errors made due to neglect or misinterpretation of facts, as well as due to fraud.



## **6. Non-current assets**

### **6.1 Property, plant and equipment**

The Company applies the following judgements and estimates to account for property, plant and equipment.

The Company is an operator of nuclear power plants under licenses issued by the State Nuclear Regulation Committee of Ukraine. These licenses provide for a 30-year useful life of each nuclear reactor starting from the date of putting it into operation. The possibility of extending the useful life of nuclear reactors is envisaged "In the Energy Strategy of Ukraine until 2035" approved by the Cabinet of Ministers of Ukraine's Decree No. 605-r dated August 18, 2017.

In 2023, the Company extended the validity of the existing licenses for the operation of power unit No. 1 of the South Ukrainian NPP until 02.12.2033.

Management believes that all technical tests and works (including subsequent periodic safety reassessments) will be successfully completed and licenses will be obtained to operate all nuclear reactors beyond the design lifetime for 20 years. Given the abovementioned, the Company applies the useful life of not less than 50 years to calculate depreciation for all nuclear power units. A nuclear power unit comprises items that primarily relate to groups of property, plant and equipment, such as building, structures and transmission devices, and machinery and equipment.

Estimated useful lives of property, plant and equipment are presented below:

<b>Groups of property, plant and equipment</b>	<b>December 31, 2024</b>		<b>December 31, 2023</b>	
	<b>min</b>	<b>max</b>	<b>min</b>	<b>max</b>
Buildings	10	148	10	130
Structures and transmission devices	5	125	5	125
Machinery and equipment	2	100	2	100
Vehicles	5	55	5	55
Instruments, implements and fixtures	4	70	4	70
Other property, plant and equipment	1	65	1	65

As described in note 2.7, the Company carried out a revaluation of property, plant and equipment as at October 31, 2023 with the engagement of an independent professional expert which has the relevant recognized professional qualifications.

The fair value measurement of land, buildings, structures and transmission devices, vehicles, machinery and equipment, computers, furniture and inventory, livestock and perennial plantings was classified as Level 3 of the fair value hierarchy, which is based on the materials of generally accepted approaches and valuation methods.

Based on the results of the fair value assessment, the carrying amount of assets was adjusted to the revalued amount.

The revaluation results are recognized in these financial statements in revaluation reserve and gains/losses as follows:

<b>As at 31.10.2023</b>	<i>thousands UAH</i> <b>Amount</b>
Carrying amount of PPE that were subject to revaluation, before the revaluation	105,186,037
Carrying amount of PPE that were subject to revaluation, after the revaluation	285,254,419
<b>Revaluation result</b>	<b>180,068,382</b>
including recognized in the financial statements:	
Increase in additional capital	187,847,397
Decrease in additional capital	(7,159,620)
Recognized in income previously impaired through expenses	583,521
<i>including the restoration of assets impairment</i>	<i>613</i>
Excess of the revaluation surplus balance recognized is expenses	(1,202,916)
<b>In addition, deferred tax liability through the revaluation reserve</b>	<b>(32,459,750)</b>

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Roll-forward of property, plant and equipment for the years 2024 and 2023 is presented as follows:

	Notes	Historical cost	Depreciation	thousands UAH Carrying amount
<b>As at December 31, 2022</b>		<b>536,488,200</b>	<b>(374,711,163)</b>	<b>161,777,037</b>
<b>Additions, including</b>		<b>6,038,242</b>	<b>-</b>	<b>6,038,242</b>
commissioned from CIP assets		2,927,086	-	2,927,086
<i>incl. CIP assets received for free</i>		311,309	-	311,309
PPE items received for free		14,105	-	14,105
reconstruction, modernization		3,093,104	-	3,093,104
recognized from stocktaking results and other		540	-	540
change in the cost PPE due to change in provisions		3,407	-	3,407
<b>Revaluation, incl.</b>		<b>238,968,430</b>	<b>(58,900,661)</b>	<b>180,067,769</b>
revaluation surplus through depreciation		58,900,661	(58,900,661)	-
revaluation surplus through additional capital		180,687,777	-	180,687,777
revaluation decrease through expenses		(620,008)	-	(620,008)
<b>Transfers to/from investment property</b>		<b>2,914</b>	<b>(1,974)</b>	<b>940</b>
<b>PPE disposals during the year</b>		<b>(107,358)</b>	<b>79,832</b>	<b>(27,526)</b>
write-offs		(51,380)	38,847	(12,533)
transfers for free		(55,978)	40,985	(14,993)
<b>Impairment (-)/reversal of impairment (+)</b>		<b>-</b>	<b>(30,697)</b>	<b>(30,697)</b>
<i>incl. through revaluation reserve</i>			613	613
through revaluation reserve		-	(3,776)	(3,776)
<b>Depreciation charge</b>		<b>-</b>	<b>(12,313,752)</b>	<b>(12,313,752)</b>
<b>As at December 31, 2023</b>		<b>781,390,428</b>	<b>(445,878,415)</b>	<b>335,512,013</b>
<b>Additions, including</b>		<b>9,048,428</b>	<b>-</b>	<b>9,048,428</b>
commissioned from CIP assets		4,926,647	-	4,926,647
<i>incl. CIP assets received for free</i>		336,685	-	336,685
reconstruction, modernization		4,121,362	-	4,121,362
recognized from stocktaking results and other		419	-	419
<b>Transfers to/from investment property</b>		<b>88,124</b>	<b>(32,004)</b>	<b>56,120</b>
<b>PPE disposals during the year</b>		<b>(406 303)</b>	<b>274,043</b>	<b>(132,260)</b>
write-offs		(406,303)	274,043	(132,260)
<b>Impairment (-)/reversal of impairment (+), incl.</b>	a)	<b>-</b>	<b>(12,266)</b>	<b>(12,266)</b>
restored impairment during revaluation		-	2,116	2,116
through revaluation reserve		-	(2,209)	(2,209)
<b>Depreciation charge</b>		<b>-</b>	<b>(23,281,644)</b>	<b>(23,281,644)</b>
<b>As at December 31, 2024</b>		<b>790,120,677</b>	<b>(468,930,286)</b>	<b>321,190,391</b>

A detailed disclosure of roll-forward of property, plant and equipment (PPE items) during the reporting period is provided below:

a) As required by IAS 36 "Impairment of Assets", the Company tests assets for whether an indication of impairment of assets exists, whether assets can be used subsequently as intended, etc. Based on the analysis performed, PPE items are impaired by UAH 14,382 thousand, including impaired through the revaluation reserve in the amount of UAH 2,209 thousand, impaired through the expenses in the amount of UAH 12,173 thousand, impairment of PPE items restored through the income based on the revaluation results in the amount of UAH 2,116 thousand.

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Roll-forward of property, plant and equipment **by groups of property, plant and equipment** for the years 2024 and 2023 are presented as follows:

*thousands UAH*

	Land plots	Buildings, structures, transmission devices	Machinery and equipment	Vehicles	Other PPE	Total
<b>Historical revalued amount</b>						
<b>As at 31.12.2022</b>	<b>439</b>	<b>140,735,668</b>	<b>388,483,236</b>	<b>3,759,461</b>	<b>3,509,396</b>	<b>536,488,200</b>
Additions	-	1,791,123	4,006,749	56,165	184,205	6,038,242
Transfers and reclassification*	-	(18,127)	21,059	-	(18)	2,914
Revaluation	1,056	95,559,900	140,880,787	593,383	1,933,304	238,968,430
Disposals	-	(53,816)	(47,710)	-	(5,832)	(107,358)
<b>As at 31.12.2023</b>	<b>1,495</b>	<b>238,014,748</b>	<b>533,344,121</b>	<b>4,409,009</b>	<b>5,621,055</b>	<b>781,390,428</b>
Additions	-	1,395,398	6,344,161	479,764	829,105	9,048,428
Transfers and reclassification*	-	88,124	302	(37)	(265)	88,124
Disposals	-	(839)	(392,426)	(153)	(12,885)	(406,303)
<b>As at 31.12.2024</b>	<b>1,495</b>	<b>239,497,431</b>	<b>539,296,158</b>	<b>4,888,583</b>	<b>6,437,010</b>	<b>790,120,677</b>
<b>Accumulated depreciation and impairment loss</b>						
<b>As at 31.12.2022</b>	<b>-</b>	<b>(98,292,243)</b>	<b>(271,219,659)</b>	<b>(2,563,422)</b>	<b>(2,635,839)</b>	<b>(374,711,163)</b>
Transfers and reclassification*	-	(2,097)	123	-	-	(1,974)
Impairment	-	(929)	(9,610)	(19,755)	(403)	(30,697)
Depreciation charge	-	(3,000,861)	(8,945,224)	(115,920)	(251,747)	(12,313,752)
<i>incl. under the production method**</i>	-	-	(4,665)	(228)	-	(4,893)
Revaluation	-	(52,688,664)	(6,096,715)	182,474	(297,756)	(58,900,661)
Disposals	-	38,633	35,368	-	5,831	79,832
<b>As at 31.12.2023</b>	<b>-</b>	<b>(153,946,161)</b>	<b>(286,235,717)</b>	<b>(2,516,623)</b>	<b>(3,179,914)</b>	<b>(445,878,415)</b>
Transfers and reclassification*	-	(32,004)	(41)	27	14	(32,004)
Impairment	-	(12,572)	485	(120)	(59)	(12,266)
Depreciation charge	-	(4,840,473)	(17,428,625)	(231,167)	(781,379)	(23,281,644)
<i>incl. under the production method**</i>	-	-	(4,317)	-	(23)	(4,340)
Disposals	-	527	260,611	150	12,755	274,043
<b>As at 31.12.2024</b>	<b>-</b>	<b>(158,830,683)</b>	<b>(303,403,287)</b>	<b>(2,747,733)</b>	<b>(3,948,583)</b>	<b>(468,930,286)</b>
<b>Net carrying amount</b>						
<b>As at 31.12.2022</b>	<b>439</b>	<b>42,443,425</b>	<b>117,263,577</b>	<b>1,196,039</b>	<b>873,557</b>	<b>161,777,037</b>
<b>As at 31.12.2023</b>	<b>1,495</b>	<b>84,068,587</b>	<b>247,108,404</b>	<b>1,892,386</b>	<b>2,441,141</b>	<b>335,512,013</b>
<b>As at 31.12.2024</b>	<b>1,495</b>	<b>80,666,748</b>	<b>235,892,871</b>	<b>2,140,850</b>	<b>2,488,427</b>	<b>321,190,391</b>

\*the reclassification results in the value of property, plant and equipment transferred to/from investment property.

\*\*the production method of depreciation charge is used for a part of property, plant and equipment items of Atomremontservice and Atomenergomash.

As required by IAS 16 "Property, Plant and Equipment", the Company provides additional disclosures of non-current assets:

	<i>thousands UAH</i>	<i>thousands UAH</i>
	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Historical (revalued) cost of property, plant and equipment fully depreciated	8,565,182	7,011,671
Historical cost of property, plant and equipment with restricted right of ownership (including in the AR Crimea)	1,497,946	1,511,614
Cost of property, plant and equipment leased (short-term lease and lease of low-value assets)	4,298	2,570

In the Statement of profit or loss and other comprehensive income, depreciation of property, plant and equipment was recognized in the following items:

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thousands UAH

	2024	2023
<b>Operating expenses:</b>	<b>23,252,265</b>	<b>12,305,596</b>
Cost of sales	22,896,210	12,109,027
Administrative expenses	112,117	44,903
Selling and distribution expenses	2,321	1,413
Other operating expenses	146,337	64,443
Change in work in progress	95,280	85,810
<b>In addition:</b>	<b>29,379</b>	<b>8,156</b>
<i>depreciation reflected in capital investments and use of provisions</i>	29,379	7,936
<i>other expenses</i>	-	220

Roll-forward of assets under construction (construction in progress (CIP)) for the years 2024 and 2023 are presented as follows:

thousands UAH

	Construction in progress	Acquisition (production) PPE items	intangible assets	Total
<b>As at January 01, 2023, including</b>	<b>20,056,424</b>	<b>674,113</b>	<b>325,926</b>	<b>21,056,463</b>
<b>Historical cost</b>	<b>20,573,131</b>	<b>696,732</b>	<b>325,926</b>	<b>21,595,789</b>
<b>Impairment of CIP</b>	<b>(516,707)</b>	<b>(22,619)</b>	<b>-</b>	<b>(539,326)</b>
<b>Investments for the reporting period, incl.</b>	<b>6,870,419</b>	<b>2,252,955</b>	<b>336,414</b>	<b>9,459,788</b>
capitalized finance costs	216,365	-	-	216,365
assets received for free	85,551	871,466	8,216	965,233
recognized as a result of stocktaking	372	-	-	372
<b>Disposal of capital investments, incl.</b>	<b>(4,818,855)</b>	<b>(1,298,406)</b>	<b>(235,569)</b>	<b>(6,352,830)</b>
increase in cost of non-current assets	(4,722,328)	(1,297,862)	(216,824)	(6,237,014)
<i>incl. assets received for free</i>	<i>(17,792)</i>	<i>(293,517)</i>	<i>(8,216)</i>	<i>(319,525)</i>
write-off (carrying amount), incl.	(14)	-	-	(14)
<i>write-off of historical cost</i>	<i>(26)</i>	<i>-</i>	<i>-</i>	<i>(26)</i>
<i>write-off of impairment</i>	<i>12</i>	<i>-</i>	<i>-</i>	<i>12</i>
impairment	(8,975)	(147)	(18,745)	(27,867)
transfers to/from inventories	(87,538)	(397)	-	(87,935)
<b>As at December 31, 2023, including</b>	<b>22,107,988</b>	<b>1,628,662</b>	<b>426,771</b>	<b>24,163,421</b>
<b>Historical cost</b>	<b>22,633,658</b>	<b>1,651,428</b>	<b>445,516</b>	<b>24,730,602</b>
<b>Impairment of CIP</b>	<b>(525,670)</b>	<b>(22,766)</b>	<b>(18,745)</b>	<b>(567,181)</b>
<b>Investments for the reporting period, incl.</b>	<b>13,025,667</b>	<b>3,510,130</b>	<b>245,543</b>	<b>16,781,340</b>
assets received for free a)	23,432	428,550	125	452,107
recognized as a result of stocktaking	1,735	-	-	1,735
<b>Disposal of capital investments, incl.</b>	<b>(7,087,288)</b>	<b>(3,500,677)</b>	<b>(337,985)</b>	<b>(10,925,950)</b>
increase in cost of non-current assets	(5,660,156)	(3,387,853)	(268,263)	(9,316,272)
<i>incl. assets received for free</i>	<i>(15,350)</i>	<i>(321,335)</i>	<i>(29)</i>	<i>(336,714)</i>
write-off (carrying amount), incl.	(1)	-	-	(1)
<i>write-off of historical cost</i>	<i>(1)</i>	<i>(419)</i>	<i>-</i>	<i>(420)</i>
<i>write-off of impairment</i>	<i>-</i>	<i>419</i>	<i>-</i>	<i>419</i>
impairment b)	(1,044,283)	(75,169)	-	(1,119,452)
transferred free of charge by decision of the of the relevant authority c)	(2,291)	-	-	(2,291)
transfer to/from inventories	(380,557)	(37,655)	(69,722)	(487,934)
<b>As at December 31, 2024, including</b>	<b>28,046,367</b>	<b>1,638,115</b>	<b>334,329</b>	<b>30,018,811</b>
<b>Historical cost</b>	<b>29,616,320</b>	<b>1,735,631</b>	<b>353,074</b>	<b>31,705,025</b>
<b>Impairment of CIP</b>	<b>(1,569,953)</b>	<b>(97,516)</b>	<b>(18,745)</b>	<b>(1,686,214)</b>

a) In total, during the reporting period, assets under construction amounting to UAH 452,107 thousand were received free of charge (2023: UAH 965,233 thousand), which were received mainly as international technical assistance.

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b) In accordance with the requirements of IAS 36 "Impairment of Assets", during the annual stocktaking, non-current assets were assessed on an individual basis for obsolescence, possibility of planned future use, etc. Based on the results of the analysis, in 2024, capital construction in progress was impaired in the amount of UAH 1,119,452 thousand (in 2023 - UAH 27,867 thousand). The impairment is mainly attributable to capital construction in progress (including equipment and materials for NIP) located in the temporarily occupied territory, namely, for the facilities of the ZNPP, the amount of impairment of NIP amounted to UAH 223,008 thousand, for the SS "SG" - UAH 787,167 thsd, for the SS "AEM" - UAH 26,873 thsd.

c) in 2024, assets under construction (off-site household sewage networks of the SS "ATC") were transferred free of charge to the ownership of the Bilohorodska rural territorial community of Buchanskyi district of Kyiv region by the decision of the authorized management body, with a carrying value of UAH 2,291 thousand.

As at December 31, 2024 and 2023, property, plant and equipment were not pledged as collateral for loans and borrowings. As at December 31, 2024, the Company accounts for contracts on future purchase of production equipment and capital construction (effective ones) in the amount of UAH 29,217,500 thousand (2023: UAH 16,847,134 thousand).

Information about the net carrying amount of property, plant and equipment at historical cost is not disclosed in these notes as, given paragraph QC35 of the Conceptual Financial Reporting Framework, estimates needed to receive such information require from the Company excessive costs and efforts (maintenance of the third type of accounting in addition to financial and tax accounting), which, in the Company's opinion, are not justified by benefits from submission of such information.

## **6.2 Intangible assets**

Intangible assets are presented in the financial statements as the rights to use property (perpetual rights to use land), copyrights and related rights (the cost of rights to use certain technologies for production and organization of production, sets of design and technical documentation), computer software programs and other intangible assets (licenses, permits, patents, etc.). The table below presents useful lives of intangible assets in 2024 and 2023:

<b>Groups of intangible assets</b>	<b>December 31, 2024</b>		<b>December 31, 2023</b>	
	<b>min</b>	<b>max</b>	<b>min</b>	<b>max</b>
Right to property use	-	-	-	-
Copyright and related rights	3	20	3	20
Computer software	2	30	2	30
Patents, licenses and other intangible assets	4	34	4	29

Movements of intangible assets for 2024 are presented as follows:

<b>Groups of intangible assets</b>	<b>31.12.2023</b>	<b>Additions</b>	<b>Disposals</b>	<b>Amortization</b>	
				<b>charge</b>	<b>31.12.2024</b>
<b>Rights to property use</b>	<b>4,371</b>	<b>292</b>	<b>(43)</b>	<b>-</b>	<b>4,620</b>
<b>Rights to trademarks</b>	<b>20</b>	<b>-</b>	<b>-</b>	<b>(6)</b>	<b>14</b>
cost	43	-	-	-	43
amortization	(23)	-	-	(6)	(29)
<b>Copyright and related rights</b>	<b>2,467</b>	<b>-</b>	<b>-</b>	<b>(84)</b>	<b>2,383</b>
cost	20,927	-	(651)	-	20,276
amortization	(18,460)	-	651	(84)	(17,893)
<b>Computer software</b>	<b>459,315</b>	<b>188,687</b>	<b>-</b>	<b>(90,952)</b>	<b>557,050</b>
cost	850,706	188,687	(1,126)	-	1,038,267
amortization	(391,391)	-	1,126	(90,952)	(481,217)
<b>Other intangible assets</b>	<b>32,212</b>	<b>79,299</b>	<b>(5)</b>	<b>(5,188)</b>	<b>106,318</b>
cost	44,430	79,299	(101)	-	123,628
amortization	(12,218)	-	96	(5,188)	(17,310)
<b>Total</b>	<b>498,385</b>	<b>268,278</b>	<b>(48)</b>	<b>(96,230)</b>	<b>670,385</b>
cost	920,477	268,278	(1,921)	-	1,186,834
amortization	(422,092)	-	1,873	(96,230)	(516,449)

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Movements of intangible assets for 2023 are presented as follows:

*thousands UAH*

Groups of intangible assets	31.12.2022	Additions	Disposals	Amortization charge	Reclassification	31.12.2023
<b>Rights to property use</b>	<b>4,413</b>	-	<b>(42)</b>	-	-	<b>4,371</b>
<b>Rights to trademarks</b>	<b>26</b>	-	-	<b>(6)</b>	-	<b>20</b>
cost	43	-	-	-	-	43
amortization	(17)	-	-	(6)	-	(23)
<b>Copyright and related rights</b>	<b>19,980</b>	1	-	<b>(125)</b>	<b>(17,389)</b>	<b>2,467</b>
cost	41,593	1	-	-	(20,667)	20,927
amortization	(21,613)	-	-	(125)	3,278	(18,460)
<b>Computer software</b>	<b>295,133</b>	<b>201,035</b>	-	<b>(59,081)</b>	<b>22,228</b>	<b>459,315</b>
cost	634,915	201,035	(8,097)	-	22,853	850,706
amortization	(339,782)	-	8,097	(59,081)	(625)	(391,391)
<b>Other intangible assets</b>	<b>23,464</b>	<b>15,788</b>	<b>(21)</b>	<b>(2,180)</b>	<b>(4,839)</b>	<b>32,212</b>
cost	30,866	15,788	(38)	-	(2,186)	44,430
amortization	(7,402)	-	17	(2,180)	(2,653)	(12,218)
<b>Total</b>	<b>343,016</b>	<b>216,824</b>	<b>(63)</b>	<b>(61,392)</b>	-	<b>498,385</b>
cost	711,830	216,824	(8,177)	-	-	920,477
amortization	(368,814)	-	8,114	(61,392)	-	(422,092)

In the Statement of profit or loss and other comprehensive income, amortization of intangible assets is recognized in the following items:

*thousands UAH*

	2024	2023
<b>Operating expenses:</b>	<b>95,942</b>	<b>61,310</b>
Cost of sales	87,585	59,666
Administrative expenses	2,284	178
Other operating expenses	727	9
Change in work in progress	5,346	1,457
<b>In addition, amortization recognized in capital investments and use of provisions</b>	<b>288</b>	<b>82</b>

No impairment indications of intangible assets were identified as at December 31, 2024 and December 31, 2023.

As at December 31, 2024, the Company accounts for contracts on the future purchase of intangible assets in the amount of UAH 71,042 thousand (2023: UAH 60,911 thousand).

### **6.3 Measurement of the expected recoverable amount of property, plant and equipment, construction in progress and intangible assets**

The value of property, plant and equipment was revalued as at October 31, 2013, but management performed an impairment test as at December 31, 2024.

As a generating unit, the independent appraiser accepted a set of property, plant and equipment: operating assets (according to the property list) used in the company's activity. As at December 31, 2024, management considered Zaporizhzhia NPP to be a separate cash generating unit for which the recoverable amount of assets cannot be estimated due to an absence of safe access to all facilities of the plant (Note 2.5) and an uncertainty of further developments of the military situation and timing of recommencing electricity generation and, consequently, inflow of economic benefits by Zaporizhzhia NPP.

In performing the analysis, management prepared cash flow projections based on the approved budget targets for 2025 and the expected key targets for subsequent periods. Cash flows were discounted using the weighted average cost of capital at rates of 23.35% for 2025 – 2026 and 18.78% - for 2027, and 15.21% - for subsequent periods.



Cash flows are calculated using the projected consumer price index and producer price index for 2025-2027 in accordance with the Key Macroeconomic and Social Development Forecasts for Ukraine for 2025-2027, approved by the Cabinet of Ministers of Ukraine on June 28, 2024 No. 780, and for the period 2028-2055 - according to the Economist Intelligence Unit, which is calculated for Ukraine.

Key assumptions used are provided below:

**Electricity prices.** Management assumes that the increase in the weighted average price of electricity sold by the Company will correlate with the producer price index and the projected growth rates stated above.

**Generation output.** Management assumes that the generation volumes in 2025-2026 will correspond to the generation volumes in 2024 (deviation of no more than 1.6%), and in the following years are assumed to be at the level of 2026 and are based on the assumption that military operations will not have a significant negative development and that nuclear power plants will continue to operate as part of the existing operating units as at December 31, 2024 until 2031, when the first unit is expected to be decommissioned. From 2031 to 2055, the generation volumes will be adjusted by the percentage of reduction in the total installed capacity due to the planned decommissioning of the units.

**Electricity accessibility service (PSO) for household consumers.** The cost of the PSO for household consumers for 2025 is estimated considering the legislative framework as at 01.01.2025 and the extension of the PSO mechanism until the end of the year. Given that the legislation sets forth the temporary electricity accessibility obligation and, at the time of the estimate, no legislative framework is available to continue operation of the service mechanism, the estimate is based on an assumption on an extension of the electricity accessibility service period with a gradual decrease in the cost of the electricity accessibility service in the Hryvnia equivalent from 2026 and its complete termination since 2031. In 2025 - 2026, 2027 - 2030, the volume of electricity consumption by household consumers in MWh is expected to grow by 2.8% and 3% annually, respectively. The ratio of the weighted average projected electricity price for household consumers to the weighted average cost of services provided by universal service providers was used at 40% in 2025, 45% in 2026, 55% in 2027 with a gradual annual increase to 85% in 2030. The share of compensation for the services of ensuring the availability of electricity for household consumers by JSC "NNEGC "Energoatom" between electricity producers with special responsibilities remained at the level of 86% on average.

**Nuclear fuel costs.** Nuclear fuel costs were estimated to the extent of loading of standard lots for all operational nuclear power units and under conditions that were effective according to nuclear fuel supply contracts as at December 31, 2024. Projected consumption of nuclear fuel considers expectations regarding generation volumes and starting from 2031 correlates with the percentage of the capacity decrease due to the planned decommissioning of nuclear power units. In addition, the projected costs will correlate with the changes in the expected exchange rate of UAH to foreign currencies and UxConsulting forecasts (in USD) until 2030 for price growth of prices for uranium, conversion and enrichment, which will affect the cost of nuclear fuel (in USD). After 2030, an index of increase in the cost of nuclear fuel (in USD) is taken into account at the level of approximately 2%.

**Payroll costs.** Payroll costs are calculated using the projected growth index of nominal average wages according to Economist Intelligence Unit data calculated for Ukraine.

The cost of property, plant and equipment, capital investments in progress, intangible assets, accounts receivable less accounts payable as at 31.12.2024 (except for the respective assets of Zaporizhzhia NPP) amounted to UAH 337,529,936 thousand, and the aggregate value of cash flows generated by these assets calculated by the management was UAH 548,543,500 thousand. This fact indicates that there are no grounds for economic impairment of property, plant and equipment.

#### **6.4 Investment property**

The Company's investment property carried at fair value represent buildings and structures leased out as at the balance sheet date. Fair value of investment property is based on valuations performed by independent appraisers who hold recognized and relevant professional qualifications and have experience in the valuation.

Movement of investment property is presented at carrying amount as follows:

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*thousands UAH*

	<b>2024</b>	<b>2023</b>
<b>As at January 01</b>	<b>122,381</b>	<b>48,551</b>
Disposals for the year (transferred back to property, plant and equipment)	(56,120)	(940)
Fair value changes	22,744	74,770
<b>As at the end of the reporting period</b>	<b>89,005</b>	<b>122,381</b>

Other information required to be disclosed by IAS 40 "Investment Property", is presented as follows:

*thousands UAH*

	<b>2024</b>		<b>2023</b>
	<b>Buildings</b>	<b>Structures</b>	<b>Buildings</b>
			<b>Structures</b>
Lease income	2,948	-	1,231
Direct costs recognized in connection with maintenance of investment property generating lease income during the reporting year (maintenance of properties)	(305)	-	(112)
			-

### 6.5 Non-current accounts receivable

During the reporting year, the structure and movement of JSC "NNEGC "Energoatom" non-current accounts receivable are presented as follows:

*thousands UAH*

	<b>December</b>	<b>December</b>
	<b>31, 2024</b>	<b>31, 2023</b>
Long-term borrowings to employees:	150,861	144,168
<i>nominal value</i>	299,129	293,324
<i>discount*</i>	(148,268)	(149,156)
Long-term promissory notes received:	25	31
<i>nominal value</i>	31	41
<i>discount</i>	(6)	(10)
Restructured accounts receivable:	22,754	41,912
<i>nominal value</i>	30,263	56,156
<i>discount</i>	(7,509)	(14,244)
Other non-current receivables:	861	891
<i>nominal value</i>	2,786	2,905
<i>discount</i>	(1,925)	(2,014)
Advances maturing in more than one year:	586,542	6,897
<i>total paid</i>	587,037	7,220
<i>tax credit</i>	(495)	(323)
<b>Total</b>	<b>761,043</b>	<b>193,899</b>

\*discount rates are described in Note 19.

### 6.6 Other non-current assets

Other non-current assets are presented in the financial statements as follows:

*thousands UAH*

	<b>Note</b>	<b>December</b>	<b>December</b>
		<b>31, 2024</b>	<b>31, 2023</b>
Restricted cash, including:	a	-	51,408
<i>with banks undergoing liquidation</i>		844	844
<i>restricted cash devalued</i>		(844)	(844)
<i>deposits</i>		-	51,408
Emergency, irreducible and centralized inventories, fresh nuclear fuel and other inventories not intended to be used during the year	b	2,670,532	2,603,182

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	<b>Note</b>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
<i>historical cost</i>		2,947,961	2,607,642
<i>impairment</i>		(277,429)	(4,460)
Funds transferred to the financial reserve for decommissioning	c	1,417,845	1,201,739
Advances for capital investments:	d	2,036,016	1,808,821
<i>total paid</i>		2,216,527	1,896,648
<i>tax credit</i>		(102,176)	(87,827)
<i>impairment</i>		(78,335)	-
Other non-current assets		-	-
Right-of-use assets, cost	e	3,585	4,279
Right-of-use assets, depreciation	e	(2,761)	(2,155)
<b>Total</b>		<b>6,125,217</b>	<b>5,667,274</b>

a) Restricted cash:

	<b>Note</b>	<b>December 31, 2024</b>		<b>December 31, 2023</b>	
		<b>Cost</b>	<b>Devaluation</b>	<b>Cost</b>	<b>Devaluation</b>
PJSC "VAB Bank"	i	71	(71)	71	(71)
PJSC "Diamantbank"	i	666	(666)	666	(666)
JSC "Raiffeisen Bank Aval", Central Skadovsk	ii				
SS in Kherson Region		107	(107)	107	(107)
JSC "Ukreximbank"	iii	-	-	51,408	-
<b>Total</b>		<b>844</b>	<b>(844)</b>	<b>52,252</b>	<b>(844)</b>

*thousands UAH*

i) According to the Resolution of the NBU Board in respect of insolvency of banks, the Executive Directorate of the Individual Deposit Guarantee Fund made a decision to impose a temporary administration in the abovementioned banks and initiated a removal of the banks from the market.

ii) The account is opened by the Donuzlavskaya WPP (the AR Crimea). Collectability of cash by the Company is doubtful.

iii) Cash is placed on the coverage account under terms and conditions of the Agreement on issue of the guarantee related to the loan received from Ceska exportni banka, A.S.

b) The Company holds certain inventories (emergency, irreducible and centralized inventories) and nuclear fuel held to ensure the continuity of NPP operations, which are not primarily expected to be used within 12 months after the reporting date. Such inventories are recognized in other non-current assets in the financial statements. Due to the fact that part of the Company's non-current inventories is located in the temporarily occupied territory of the country (TOT), the value of these assets was written off (impaired). During 2024, the value of these non-current assets was reduced by UAH 272,969 thousand and the expenses were recognized in other operating expenses (Note 16.5). In 2023, the amount of impairment of other non-current assets amounted to UAH 1,028 thousand.

c) A need of formation of the financial reserve for decommissioning of nuclear facilities is governed by the Law of Ukraine "On Arrangement of Issues Related to Nuclear Safety Assurance" No. 1868 dated June 24, 2004, as amended (the "Law No.1868") and Resolutions of the Cabinet of Ministers of Ukraine No. 594 dated April 27, 2006 and No. 207 dated February 17.02.2010, as amended.

According to the State Budget Laws of Ukraine, the Company transfers the financial reserve funds to finance nuclear facilities decommissioning measures to the State budget of Ukraine. The financial reserve funds transferred to the State Budget of Ukraine are accounted for by the State Treasury on a single account of the State Budget special fund. At the same time, the Company additionally charges provisions for nuclear facilities decommissioning costs in the financial statements according to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

The Company is confident that funds paid to the State budget of Ukraine will be provided to the Company in the future on financing of nuclear facilities decommissioning after their final shutdown. The reason for such confidence is the norms of the Ukrainian legislation.

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According to Article 8 of the Law No. 1868, prior to approval of the nuclear facilities decommissioning project, the amount of transfers of the operating entity (operator) to the special account is defined by expertise in accordance with the procedure set forth by the Cabinet of Ministers of Ukraine based on the Nuclear Facilities Decommissioning Concept.

The effective Concept for Decommissioning of Operating Nuclear Power Plants of Ukraine (the "Concept") was enacted on January 01, 2016 by the Ministry of Energy and Coal Industry Order No 798 dated December 10, 2015. The Concept is required to be updated every six years.

The draft industry-specific Concept for Decommissioning of Operating Nuclear Facilities of JSC "NNEGC "Energoatom" was approved by the company and sent for approval to the Ministry of Energy of Ukraine by letter No. 01-23525/18-out dated 16.10.2024. As at 10.01.2025, the document is pending approval by the Ministry of Energy.

The rate of annual contributions to the Financial Reserve for Decommissioning is expected to be updated based on the updated Concept considering the revised estimated future decommissioning costs.

Due to the fact that funding will be provided in the long run, funds transferred to the decommissioning reserve are discounted at the same rate and schedule as the corresponding part of the recognized provision for nuclear facility decommissioning costs. As at December 31, 2024, the asset was discounted at the nominal long-term rate of 11.86% (2023: 12.23%). Refer to Note 14 for details on estimation of the discount rate.

As at December 31, 2024 and December 31, 2023, funds transferred to the State budget of Ukraine financial reserve for decommissioning are presented as follows:

	2024	thousands UAH 2023
Funds transferred to the financial reserve for decommissioning (historical cost) at the beginning of the year	5,096,468	5,096,468
Discount of cash transferred to the financial reserve for decommissioning at the beginning of the year	(3,894,729)	(4,109,540)
Unwinding of discount	146,973	127,314
Income (loss) from remeasurement of the present value of the asset at the reporting date	69,133	87,497
Funds transferred to the financial reserve for decommissioning (historical cost) at the end of the year	5,096,468	5,096,468
Discount of cash transferred to the financial reserve for decommissioning at the end of the year	(3,678,623)	(3,894,729)
<b>Balance as at December 31</b>	<b>1,417,845</b>	<b>1,201,739</b>

d) During 2024, the Company paid advances for capital investments not closed as at the end of the period in the amount of UAH 1,456,960 thousand, including VAT (2023: UAH 1,387,367 thousand, including VAT).

e) Right-of-use assets are disclosed in Note 18 "Leases".

## 7. Inventories

Nuclear fuel and nuclear materials as at December 31, 2024 and December 31, 2023 are presented as follows:

	December 31, 2024	thousands UAH December 31, 2023
Nuclear fuel in storage	19,799,109	15,640,605
Nuclear materials	992,178	2,265,805
Nuclear fuel in core of nuclear reactors	7,436,434	6,615,292
<b>Total current inventory of nuclear fuel and nuclear materials</b>	<b>28,227,721</b>	<b>24,521,702</b>

According to the electricity and heat generation plan for 2025, the cost of nuclear fuel to be used in production (written down to cost of sales) is expected at the level of UAH 10,646,252 thousand during the next 12 months.

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Inventories other than nuclear fuel and nuclear materials as at December 31, 2024 and December 31, 2023 are presented as follows:

	<i>thousands UAH</i>
	<b>December</b>
	<b>31, 2024</b>
	<b>December</b>
	<b>31, 2023</b>
Inventories for current production and business needs	2,497,033
Work in progress	678,960
Finished goods	215,094
Goods	29,893
<b>Total current inventories</b>	<b>3,420,980</b>
	<b>4,555,709</b>

Management estimates the necessity of write-down of inventories to their net realizable value taking into consideration the ageing of inventories and indications of economical, technical and physical obsolescence.

During 2024, there was a decrease in the value of inventories to net realizable value in the amount of UAH 1,647,595 thousand, mainly due to inventories remaining in the TOT. In addition, the value of previously written-off inventories was restored in the amount of UAH 2,179 thousand. In 2023, the amount of inventory impairment was UAH 11,125 thousand, and the recovery of inventory value was UAH 8,567 thousand.

As at December 31, 2024 and December 31, 2023, no inventories were under tax lien.

## **8. Accounts receivable**

### **8.1 Trade accounts receivable**

Current accounts receivable for goods, works and services are presented as follows:

	<i>thousands UAH</i>
	<b>December</b>
	<b>31, 2024</b>
	<b>December</b>
	<b>31, 2023</b>
Accounts receivable from SE "Energorynok" (sale of electricity before 30.06.2019)	11,061,147
Accounts receivable for electricity under bilateral contracts with DSO and USP (PSO)	2,254,532
Accounts receivable for electricity under bilateral contracts with SE "Guaranteed Buyer" (PSO)	2,704,864
Accounts receivable for electricity in "day-ahead" market, intraday and balancing markets	838,736
Accounts receivable for electricity under bilateral contracts (commercial contracts)	225,746
Accounts receivable for electricity under bilateral contracts (export contracts)	111,450
Accounts receivable for electricity from other counterparties (before July 01, 2019)	79,659
Accounts receivable for thermal energy and other products*	344,598
Accounts receivable for regulation of frequency and active capacity	706
<b>Total gross amount</b>	<b>17,621,438</b>
ECL provision on accounts receivable for electricity from SE "Energorynok"	(11,061,147)
ECL provision on accounts receivable for electricity from other counterparties	(2,340,120)
ECL provision on accounts receivable for thermal energy and other products	(292,845)
<b>Carrying amount</b>	<b>3,927,326</b>
	<b>4,063,493</b>

\*Other products in the meaning of this Note are services in other licensed and regulated activities: centralized water supply and drainage, utility services.

The abovementioned **trade accounts receivable** is recognized as a financial asset carried at amortized cost and the expected credit loss have been estimated as at the date of the annual financial statements.

During 2024 and 2023, the Company sold electricity in all segments of electricity market in accordance with Law No. 2019.

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As at December 31, 2024, JSC "NNEGC "Energoatom" accounted for both accounts receivable for electric energy that were sold before June 30, 2019 at a single tariff, and accounts receivable that were formed under the electric energy market conditions.

As at December 31, 2024, the accounts receivable from SE "Energorynok" (sales of electricity before June 30, 2019) amounted to UAH 11,061,147 thousand, and a 100% ECL provision was created on the whole balance outstanding.

The issue of repayment of the debt of SE "Energorynok" is resolved at the national legislative level. Thus, on June 17, 2020, the Law of Ukraine No. 719-IX "On Measures Aimed at Repaying Debts Formed in the Wholesale Electricity Market" was adopted, which provides for procedures for repayment (write-off) of the debt of SE "Energorynok" to electricity producers. However, repayment of the outstanding receivable has been insignificant compared to the amount outstanding.

As at December 31, 2024, accounts receivable that were formed during the operation of the electricity market amounted to UAH 6,135,328 thousand (31.12.2023 - UAH 5,464,436 thousand), and provision for ECL in the amount of UAH 2,260,472 thousand (31.12.2023 - UAH 1,492,781 thousand) was created in respect of this balance.

The largest debtors of the Company with outstanding payables for electricity are:

- SE "Guaranteed Buyer" (receivables in the amount of UAH 2,704,864 thousand as at December 31, 2024 and UAH 2,077,077 thousand as at December 31, 2023): receivables for electricity (PSO). An ECL provision in the amount of UAH 16,217 thousand (December 31, 2023: UAH 141,237 thousand) was accrued for these receivables.
- PrJSC "NPC "Ukrenergo" (receivables in the amount of UAH 490,836 thousand as at December 31, 2024 and UAH 650,833 thousand as at December 31, 2023): sales of electricity in the balancing market at prices that are based on supply and demand in the market at the time of sale. No provision for ECL has been made for receivables of PrJSC "NPC "Ukrenergo" overdue for more than 91 days due to preparations for offsets and expectations of simultaneous repayment of old debts.
- DSO and USP entities (receivables in the amount of UAH 2,254,532 thousand as at December 31, 2024 and 2,142,342 thousand as at December 31, 2023): sales of electricity to these entities under the PSO financial model starting from October 01, 2021. As at December 31, 2024, the most significant balances represent receivables from LLC "Kherson Regional EC" - UAH 1,082,678 thousand, LLC "Zaporizhyaelectropostachannya" - UAH 1,078,781 thousand. The provision for ECL for receivables from DSO and USP was accrued in the amount of UAH 2,135,118 thousand (December 31, 2023 - UAH 1,051,965 thousand).

The provision for **trade accounts receivable** in 2024, was created according to the ECL methods adopted by the company, using the provision matrix (Note 3.1) based on the assessment of expected credit risks for each of the debtors, and for receivables for utilities - on a group basis (in 2023 - taking into account the requirements of Resolution No. 1673).

Trade accounts receivable by maturity as at December 31, 2024 are presented as follows:

	<b>Gross (without provision for ECL)</b>	<b>Provision for ECL</b>	<i>thousands UAH</i> <b>Provisioning rate, %</b>
not overdue	2,427,440	(18,594)	0,77
from 1 to 30 days overdue	668,505	-	0,00
from 31 to 90 days overdue	388,642	(182,928)	47,07
from 91 to 365 days overdue*	268,957	(6,285)	2,34
over 365 days overdue	13,867,894	(13,486,305)	97,25
<b>Total</b>	<b>17,621,438</b>	<b>(13,694,112)</b>	

\* mainly the debt of PrJSC "NPC "Ukrenergo"

Trade accounts receivable by maturity as at December 31, 2023 are presented as follows:



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	Gross (without provision for ECL)	Provision for ECL	thousands UAH Provisioning rate in %
not overdue	2,407,301	(17,622)	0,74
from 1 to 30 days overdue	74,508	-	0,00
from 31 to 90 days overdue	72,259	(8,353)	11,56
from 91 to 365 days overdue	1,995,566	(766,684)	38,42
over 365 days overdue	12,653,620	(12,347,102)	97,58
<b>Total</b>	<b>17,203,254</b>	<b>(13,139,761)</b>	

## 8.2 Prepayments

Prepayments as at 31 December are presented as follows:

	thousands UAH December 31, 2024	thousands UAH December 31, 2023
Prepayments for nuclear fuel and materials	4,797,126	4,055,759
Prepayments for other works and services	8,647,414	160,535
<i>including advances paid to SE Guaranteed Buyer for the service of ensuring the availability of electricity to household consumers</i>	8,521,122	-
Prepayments for inventories	25,869	10,577
Tax credit (deferred VAT)*	(1,978,002)	(434,120)
Impairment reserve	(12,982)	(12,982)
<b>Total carrying amount</b>	<b>11,479,425</b>	<b>3,779,769</b>

\* VAT paid as part of prepayments to counterparties and included in the tax credit

## 8.3 Other current accounts receivable

Other current accounts receivable as at December 31 comprise the following:

	thousands UAH December 31, 2024	thousands UAH December 31, 2023
Settlements on claims issued	11,845,863	11,388,132
<i>including receivables from SE "Energoatom" for recognized inflation losses and court fees*</i>	9,189,508	9,189,508
Settlements with employees on loans issued (current portion), other settlements	57,497	53,103
Settlements on insurance	3,249	3,315
Settlements with other debtors	578,089	667,510
<i>incl. financial assistance</i>	224,278	195,000
<b>Total gross amount</b>	<b>12,484,698</b>	<b>12,112,060</b>
Impairment reserve**	(11,480,488)	(10,780,868)
<b>Carrying amount</b>	<b>1,004,210</b>	<b>1,331,192</b>

\* refer to Note 21 for additional details.

\*\* the principal amount of the provision is the amount of the provision for receivables on claims issued in the amount of UAH 11,181,043, including receivables of SE "Energoatom" on recognized inflation losses, court fees in the amount of UAH 9,189,508 thousand.

## 9. Cash and cash equivalents

Cash and cash equivalents as at December 31 are presented as follows:

	thousands UAH December 31, 2024	thousands UAH December 31, 2023
Cash in banks	8,068,482	2,356,610
Cash on hand	38	44
Cash in transit	548,233	7,712
<b>Total cash</b>	<b>8,616,753</b>	<b>2,364,366</b>

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During 2024 and the respective comparative period, these cash balances were not impaired.

Analysis by credit quality of cash and cash equivalents and assets based on the Fitch's agency ratings are presents as follows as at December 31, 2024 and December 31, 2023:

	<i>thousands UAH</i>	<i>thousands UAH</i>
	<b>December 31, 2024</b>	<b>December 31, 2023</b>
C-rated	7,407,918	2,329,876
Unrated and banks with other ratings	1,208,797	34,446
<b>Total</b>	<b>8,616,715</b>	<b>2,364,322</b>

Items of the "Statement of cash flows" related to other proceeds and transfers are disclosed additionally.

**9.1 Other proceeds from operating activity**

	<i>thousands UAH</i>	<i>thousands UAH</i>
	<b>2024</b>	<b>2023</b>
Reimbursement of losses from temporary disability, other receipts from social insurance funds	194,106	183,162
Other sales	126,758	200,992
Foreign currency sales/purchases	6,588	997
Collection of loans issued	2,528	2,418
Cash balances in seized bank accounts	371	57
Return of contributions and financial guarantees on the energy market	-	114,103
Other	7,156	32,109
<b>Total</b>	<b>337,507</b>	<b>533,838</b>

**9.2 Other payments for operating activity**

	<i>thousands UAH</i>	<i>thousands UAH</i>
	<b>2024</b>	<b>2023</b>
Deductions to trade unions and social needs under the Collective Agreement (except payroll)	991,970	1,077,347
Transfers of other deductions from salaries	883,903	766,497
Reimbursement of expenses for payment and delivery of fringe benefits to the Pension Fund	599,405	573,119
Payment of fines, penalties, forfeit	218,414	248,777
Payment of contributions and financial guarantees in the electricity market	153,091	-
Restricted cash reclassified to other current assets	362	143
Leases (short-term leases and leases of low-value PPE)	142,281	113,594
Business trips	133,681	93,553
Foreign currency sales/purchases	86,872	178,001
Other	1,156	117,444
<b>Total</b>	<b>3,211,135</b>	<b>3,168,475</b>

**9.3 Other proceeds from investing activity**

	<i>thousands UAH</i>	<i>thousands UAH</i>
	<b>2024</b>	<b>2023</b>
Financial assistance reimbursed	-	205,000
Other	-	23
<b>Total</b>	<b>-</b>	<b>205,023</b>

#### 9.4 Selected payments for investing activity

thousands UAH

	2024	2023
Expenditure to provide loans, including:	1,540,395	1,447,977
<i>advances on capital investments</i>	1,456,960	1,387,367
<i>provision of long-term borrowings to employees and reimbursable financial assistance</i>	83,435	60,610
<b>Total</b>	<b>1,540,395</b>	<b>1,447,977</b>

#### 9.5 Other proceeds from financing activity

thousands UAH

	2024	2023
Other proceeds (bank interest on deposits)	2,471	1,409
<b>Total</b>	<b>2,471</b>	<b>1,409</b>

#### 9.6 Other payments for financing activity

thousands UAH

	2024	2023
For servicing of loans and other non-current financial liabilities	938,559	71,951
Fees for State guarantees	76,730	58,643
<b>Total</b>	<b>1,015,289</b>	<b>130,594</b>

### 10. Other current assets

Other current assets are presented as follows:

thousands UAH

	Note	December 31, 2024	December 31, 2023
VAT tax credit under cash basis	a	920,793	3,140,499
Cash contributions and financial guarantees in the electricity market		156,748	3,657
Current deposits	b	51,408	-
Cash in seized accounts	c	20,284	20,293
Current letters of credit		-	22,509
Contract assets		3,710	3,710
Other current assets		2,483	1,634
<b>Total other current assets</b>		<b>1,155,426</b>	<b>3,192,302</b>

a) In respect of the electricity sold after January 01, 2016, the cash basis for the payment of value added tax (VAT) is applied, which was introduced for taxpayers supplying electricity and/or heat by Law of Ukraine No. 812-VIII dated November 24, 2015 "On Amendments to the Tax Code of Ukraine to Provide Pre-requisites for the New Natural Gas Market Model and Ensure Stable Settlements Between Energy Entities". Item 'VAT tax credit under cash basis' includes amounts of the value added tax not due for decreasing liabilities on payments to the budget due to the cash basis application, and the amounts of VAT for which no confirmations were received.

b) Placement of UAH 51,408 thousand on the cover account with "Ukreximbank", JSC in accordance with the terms of the guarantee agreement related to the loan received from Ceska exportni banka, A.S.

c) Balances on seized accounts of the Company are presented as follows:

thousands UAH

	December 31, 2024	December 31, 2023 (restated)	Counterparty
JSC "Ukreximbank"	20,168	20,147	CJSC "Ukrainian-American Joint Venture with Foreign Investments
JSC "SENS BANK"	-	80	"Ukrelectrovat". Enforcement
PJSC "Raiffeisen Bank Aval"	30	30	proceeding No. 34029225* dated
JSB "Ukrigasbank"	7	7	January 28, 2016
JSC "Oschadbank"	2	3	

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	<b>December 31, 2024</b>	<b>December 31, 2023 (restated)</b>	<b>Counterparty</b>
JSB "Ukr gasbank"	62	3	Consolidated enforcement proceeding No. 69687886** dated August 19, 2022
JSC "Oschadbank"	15	2	
<b>Total</b>	<b>20,284</b>	<b>20,293</b>	

\*enforcement proceeding was suspended based on the Judgement of the Kyiv Commercial Court of Appeal dated July 06, 2016. The enforcement proceeding was resumed based on the resolution of the Enforcement Unit of the State Enforcement Service Department of the Ministry of Justice of Ukraine dated August 27, 2021;

\*\* consolidated enforcement proceeding No. 69687886 - Department of Enforcement of Judgements of the Administration of Enforcement of Judgements in the Zaporizhzhia region of the Southern Interregional Administration of the Ministry of Justice (Odesa).

## **11. Non-current assets held for sale**

As at December 31, 2024 and December 31, 2023, the Company has no non-current assets held for sale.

There were no sales of non-current assets held for sale during 2024 and 2023.

No impairment loss was recognized in respect of non-current assets held for sale during 2024 and 2023.

## **12. Equity**

### **12.1 Authorized capital**

The authorized (share) capital of JSC "NNEGC "Energoatom" at the beginning of the year amounted to UAH 164,875,664 thousand in accordance with the Charter of SE "NNEGC "Energoatom" (as amended in 2021), approved by Resolution of the Cabinet of Ministers of Ukraine No. 302 dated 24.02.2021.

In accordance with the Law of Ukraine "On Joint Stock Company "National Nuclear Energy Generating Company "Energoatom", the State Enterprise "National Nuclear Energy Generating Company "Energoatom" was transformed into a Joint Stock Company "National Nuclear Energy Generating Company "Energoatom". In accordance with the Plan for the transformation of the State Enterprise "National Nuclear Energy Generating Company "Energoatom" into a Joint Stock Company with 100 percent state-owned shares, approved by the Cabinet of Ministers of Ukraine on 27.06.2023 No. 571-r, the amount of the Company's authorized capital was determined with the involvement of an independent appraiser. The property appraisal report was reviewed by the State Property Fund of Ukraine and approved by the relevant order of the Ministry of Economy of Ukraine.

The Order of the Cabinet of Ministers of Ukraine No. 1226-r dated 29.12.2023 "Some Issues of Establishment of the Joint Stock Company "National Nuclear Energy Generating Company "Energoatom" approved the transfer certificate of non-current assets and current assets, equity, non-current and current liabilities, other rights and obligations of the State Enterprise "National Nuclear Energy Generating Company "Energoatom" to the Joint Stock Company "National Nuclear Energy Generating Company "Energoatom".

Thus, as a result of the transformation of SE "NNEGC "Energoatom" into a Joint Stock Company, the authorized capital of the Company in accordance with the Charter of JSC "NNEGC "Energoatom", approved by the Resolution of the Cabinet of Ministers of Ukraine dated 29.12.2023 No. 1420, as at the date of registration and as at the date of these financial statements amounted to UAH 306,245,378 thousand, as also disclosed in Note 1.1. The authorized (share) capital of the Company is divided into 306,245,378 ordinary registered shares with a nominal value of UAH 1,000 each. The sole founder and shareholder of the Company is the state represented by the Cabinet of Ministers of Ukraine.

As a result of the formation of the authorized capital of the JSC "NNEGC "Energoatom", the effect of corporatization amounted to UAH 141,352,824 thousand, which is recognized through retained earnings (accumulated deficit).

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Information on the formation of the authorized capital of the Company is presented below:

<b>Date</b>	<b>Number of ordinary shares (units)</b>	<b>Authorized capital (UAH thousand)</b>	<b>Additional capital (UAH thousand)</b>	<b>Effect of corporatization (UAH thousand)</b>
31.12.2023	-	164,875,664	16,890	-
31.12.2024	306,245,378	306,245,378	-	(141,352,824)

## 12.2 Revaluation reserve

Movements in the revaluation reserve are provided below:

	<b>Note</b>	<b>2024</b>	<i>thousands UAH</i> <b>2023</b>
<b>Revaluation reserve at the beginning of the period</b>		<b>287,705,935</b>	<b>147,799,211</b>
Revaluation surplus of property, plant and equipment		62	180,687,777
Property, plant and equipment impairment		(2,209)	(3,776)
Changes in PPE revaluation reserve resulting from change in the decommissioning provision for nuclear facilities	a	9,916,511	(10,006,603)
Deferred tax liabilities recognized/(settled) on revaluation surplus (decrease)	b	(1,787,076)	(30,659,386)
Revaluation reserve reclassified to retained earnings on disposals of PPE	c	(116,745)	(111,288)
<b>Revaluation reserve at the end of the period</b>		<b>295,716,478</b>	<b>287,705,935</b>

a) Changes in revaluation reserve in respect of non-current assets resulting from decrease in the decommissioning provision for nuclear facilities comprise UAH 9,916,511 (in 2023: increase in the amount of provisions by UAH 10,006,603). Refer to Note 14 for more details.

b) The recognized deferred tax liability on transactions recognized in the revaluation reserve amounts to UAH (1,787,076) thousand (in 2023: UAH (30,659,386) thousand).

c) Disposal of revaluation reserve on disposed PPE is recognized in equity in the amount of UAH 116,745 thousand (in 2023: UAH 111,288 thousand).

## 12.3 Additional capital

The additional capital included the authorized capital of the State Enterprise "Avtomatyka and Mashynobuduvannya" in the amount of UAH 16,890 thousand when this entity was joined to the SE "NNEGC "Energoatom" in accordance with the order of the Ministry of Energy and Coal Mining No. 738 dated 23.10.2014. When forming the authorized capital of JSC "NNEGC "Energoatom" this amount was included in the authorized capital of the Company. As at 31.12.2024, the Company has no additional capital.

## 12.4 Retained earnings (accumulated deficit)

During 2024, retained earnings (accumulated deficit) decreased by UAH 140,539,484 thousand - from UAH (203,179,395) thousand as at 31.12.2023 to UAH (343,718,879) thousand as at 31.12.2024, mainly due to the effect of corporatization (Note 12.1). For 2024, the Company earned net profit in the amount of UAH 1,317,967 thousand.

Movements in retained earnings (accumulated deficit) of the Company for 2023 and 2024 are presented as follows:

	<b>2024</b>	<i>thousands UAH</i> <b>2023</b>
<b>Opening balance</b>	<b>(203,179,395)</b>	<b>(192,109,711)</b>
The effect of corporatization	(141,352,824)	-
Revaluation of pension benefits*	(757,770)	91,948
DTL from revaluation of pension benefits*	136,398	(16,551)
Write-off of revaluation reserve on disposal of property, plant and equipment	116,745	111,288
Financial result	1,317,967	(11,256,369)
<b>Closing balance</b>	<b>(343,718,879)</b>	<b>(203,179,395)</b>

\*disclosed in Note 14.

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## 12.5 Dividends

Until 2024, SE "NNEGC "Energoatom" was a payer of a part of net profit (income). The part of the profit that should be allocated to the state budget for any reporting period was determined based on the net profit indicator in the financial statements in accordance with the Procedure for Allocation of Part of Net Profit (Income) to the State Budget by State Unitary Enterprises and Their Associations, approved by the Resolution of the Cabinet of Ministers of Ukraine No. 138 dated 23.02.2011 (hereinafter - Procedure No. 138). In 2023, the Company's net loss amounted to UAH (11,256,369) thousand, respectively, no part of the profit was accrued.

In connection with the transformation of the State Enterprise into the Joint Stock Company "National Nuclear Energy Generating Company "Energoatom" starting from the first quarter of 2024, the Company is a payer of dividends on ordinary shares.

In 2024, the Company earned a net profit in the amount of UAH 1,317,967 thousand. No decision on the distribution of net profit and payment of dividends for 2024 has been made as at the date of these financial statements.

## 13. Liabilities, loans and borrowings

### 13.1 Loans, borrowings and other liabilities arising from financing activity

**Non-current and current liabilities** of JSC "NNEGC "Energoatom" comprise long-term and short-term bank loans, the current portion of non-current borrowings and other non-current liabilities presented in the Balance sheet as follows:

		Amount		%		thousands UAH		
Currency		December 31, 2024	December 31, 2023	min	max	Ultimate maturity	Collateral description	Collateral amount
<b>Long-term loans</b>		<b>9,416,159</b>	<b>8,245,454</b>					
EBRD (European Bank for Reconstruction and Development)	EUR	3,464,169	4,643,764	3,90	4,29	12.03.2028	state guarantees	-
Czech Export Bank (Ceska Exportni Banka, A.S.)	EUR	-	23,394	-	-	-	-	-
Deutsche Bank AG	EUR	4,991,307	-	4,28	4,28	24.05.2029	-	-
JSC "State Savings Bank"	USD	960,683	3,578,296	7,50	7,50	23.01.2026	-	-
<b>Borrowings within other non-current liabilities</b>		<b>20,125,931</b>	<b>19,488,118</b>					
European Commission – EURATOM	EUR	13,198,786	12,685,904	0,00	0,89	17.12.2031	state guarantees	-
Central Storage Safety Project Trust	USD	6,927,145	6,802,214	6,833	6,833	01.02.2038	state guarantees	-
<b>Lease liabilities</b>	UAH	<b>1,194</b>	<b>2,327</b>	14,00	22,00	30.09.2026	absent	-
<b>Other</b>	UAH	<b>180</b>	<b>180</b>			16.12.2029	absent	-
<b>Total non-current liabilities</b>		<b>29,543,464</b>	<b>27,736,079</b>					
<b>Short-term bank loans borrowings</b>		<b>10,551,418</b>	<b>9,945,977</b>					
JSC "Ukreximbank"	USD	7,948,139	7,179,266	8,00	8,00	01.11.2025	electricity	28,386,614
JSC "SENS BANK"	USD	2,057,460	1,519,296	8,50	8,50	10.09.2025	electricity	2,000,000
PJSC "Ukr gasbank"	UAH	545,819	1,247,415	17,00	17,00	26.02.2026	electricity	8,779,214
JSC "Tascombank"	UAH	-	-	17,00	17,00	11.06.2025	property rights	815,533
PJSC "MTB Bank"	UAH	-	-	18,90	18,90	24.04.2025	property rights	100,000
JSC "BANK CREDIT DNIPRO"	UAH	-	-	18,00	18,00	17.04.2025	electricity	600,000
<b>Current portion of non-current liability:</b>		<b>8,060,935</b>	<b>4,396,317</b>					
Current portion of non-current borrowings		8,059,527	4,394,924	-	-	-	electricity, property rights, bank guarantees	14, 590,208*
Lease liabilities		1,408	1,393	14,00	22,00	-	-	-
<b>Total current liabilities</b>		<b>18,612,353</b>	<b>14,342,294</b>					

\* incl. the amount of collateral pledged with JSC "State Savings Bank" of UAH 14,538,800 thousand comprises electricity of current and future generation in the amount of UAH 12,538,800 thsd and property rights to cash in the amount of UAH 2,000,000 thsd.

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Changes in liabilities arising from financing activity for the year ended December 31, 2024 are presented as follows:

*thousands UAH*

	Long-term loans and borrowings	Current loans and borrowings (including interest payable, Note 13.3)	Leases	Total
<b>Balance as at December 31, 2023</b>	<b>27,733,572</b>	<b>14,578,523</b>	<b>3,720</b>	<b>42,315,815</b>
Cash flows:				
Loans and borrowings received*	8,143,394	23,431,006	-	31,574,400
Other proceeds	-	-	-	-
Loans and borrowings repaid**	(42,135)	(27,596,481)	-	(27,638,616)
Interest paid	-	(2,462,549)	(30)	(2,462,579)
Lease liabilities settled	-	-	(843)	(843)
Non-cash transactions:				
Interest costs, changes in lease liabilities	-	2,446,039	(245)	2,445,794
Foreign exchange rate differences	1,390,158	1,489,447	-	2,879,605
Reclassification to/from current liabilities***	(7,111,154)	7,111,154	-	-
Adjustment of the carrying amount of liability	(571,745)	(162,278)	-	(734,023)
<b>Balance as at December 31, 2024</b>	<b>29,542,090</b>	<b>18,834,861</b>	<b>2,602</b>	<b>48,379,553</b>

\* the amount includes proceeds from loans to finance the acquisition of non-current and current assets in the amount of UAH 8,143,394 thousand received from the EBRD and Deutsche Bank AG.

\*\* the amount includes repayment of loans and borrowings from the EBRD, Central Security Project Trust, Deutsche Bank AG and Česká exportní banka in the amount of UAH 2,800,663 thousand and loans from Ukrainian banks in the amount of UAH 24,837,953 thousand.

\*\*\* the amount includes transfer from non-current to current debt on loans and borrowings from the EBRD in the amount of UAH 1,397,731 thousand, Deutsche Bank AG - UAH 2,397,561 thousand; Česká exportní banka - UAH 24,764 thousand. Central Security Project Trust - UAH 599,708 thousand, and JSC "State Savings Bank of Ukraine" - UAH 3,652,073 thousand, of which current debt to long-term debt - JSC "State Savings Bank of Ukraine" in the amount of UAH 960,683 thousand.

Changes in liabilities arising from financing activity for the year ended December 31, 2023 are presented as follows:

*thousands UAH*

	Long-term loans and borrowings	Current loans and borrowings (including interest payable, Note 13.3)	Leases	Total
<b>Balance at December 31, 2022</b>	<b>10,852,127</b>	<b>29,711,406</b>	<b>3,900</b>	<b>40,567,433</b>
Cash flows:				
Borrowings received*	844,270	7,087,160	-	7,931,430
Other proceeds	-	-	-	-
Loans repaid**	(34,503)	(8,497,527)	-	(8,532,030)
Interest paid	-	(2,071,266)	(38)	(2,071,304)
Lease liabilities settled	-	-	(1,049)	(1,049)
Non-cash transactions:				
Interest costs, changes in lease liabilities	-	2,122,935	907	2,123,842
Foreign exchange rate differences	438,481	1,837,513	-	2,275,994
Reclassification to/from current liabilities***	15,606,202	(15,606,202)	-	-
Adjustment/ write-off of the carrying amount of liability	26,995	(5,496)	-	21,499
<b>Balance at December 31, 2023</b>	<b>27,733,572</b>	<b>14,578,523</b>	<b>3,720</b>	<b>42,315,815</b>

\* the amount includes proceeds of loans to finance the acquisition of long-term assets in the amount of UAH 863,854 thousand received from the EBRD and Central Bank;

\*\* the amount includes repayment of loans from EBRD and Central Security Project Trust in the amount of UAH 1,760,927 thousand;

\*\*\* the amount includes transfer from current to non-current debt of EBRD loans in the amount of UAH 4,656,242 thousand, Euratom - UAH 12,662,370 thousand; from non-current debt to current debt: JSC "State Savings Bank of Ukraine" - UAH 1,121,960 thousand, Česká exportní banka - UAH 46,957 thousand, Central Security Project Trust in the amount of UAH 543,493 thousand.

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Terms, carrying amounts of loans, borrowings and interest rate type as at December 31, 2024 are presented as follows:

*thousands UAH*

	<b>Interest rate type</b>	<b>Effective interest rate</b>	<b>Amount</b>
Bank loans in USD	Fixed	8,0-8,53%	15,580,472
Borrowings in USD	Fixed	7,51%	7,535,935
Bank loans in UAH	Fixed	20,50%	545,819
Borrowings in EUR	Fixed	0,0-0,89%	13,198,786
Bank loans in EUR	Floating	4,53%-9,67%	11,267,232
Borrowings in EUR	Floating	9,42%	24,791
<b>Total</b>			<b>48,153,035</b>

Terms, carrying amounts of loans, borrowings, and interest rate type as at December 31, 2023 are presented as follows:

*thousands UAH*

	<b>Interest rate type</b>	<b>Effective interest rate</b>	<b>Amount</b>
Bank loans in USD	Fixed	7,5-9,50%	14,748,686
Borrowings in USD	Fixed	7,51%	7,351,731
Bank loans in EUR	Fixed	23,56%	1,247,415
Borrowings in EUR	Fixed	0,0-0,89%	12,685,904
Bank loans in EUR	Floating	5,21%	5,970,554
Borrowings in EUR	Floating	10,26%	70,183
<b>Total</b>			<b>42,074,473</b>

### **Loans received from the European Bank for Reconstruction and Development**

In 2013, the Company entered into the Loan Agreement with the European Bank for Reconstruction and Development (EBRD), the subject of which was to obtain a loan of EUR 300,000 thousand. As at December 31, 2024, EUR 299,119 thousand of loan funds were provided. The disbursement period was extended to January 15, 2026 on the basis of the EBRD Mandate letter dated 06.04.2023, which postponed the last date of availability of EBRD loan funds. The loan is used to finance measures to improve the safety of existing Ukrainian nuclear power plants. The loan is provided with a floating interest rate (6m EURIBOR+1% margin). The interest rate charged on the outstanding loan amount is 3,898%-4,293% as at December 31, 2024 (December 31, 2023: 4.938%-5.098%). Commitment fee is 0.5% per annum. The ultimate maturity of the loan is March 12, 2028. According to the terms of this loan agreement, interest must be paid annually on March 12 and September 12 until the loan is repaid.

As at December 31, 2024, the outstanding principal amount of the loan under this agreement was UAH 4,860,002 thousand (2023: UAH 5,986,597 thousand). This loan is guaranteed by the Government of Ukraine.

### **Loans received from the European Atomic Energy Community (Euratom)**

In 2013, the Company entered into the Loan Agreement with the European Atomic Energy Community (Euratom), the object of which was to obtain a loan in the amount of EUR 300,000 thousand. The loan is used to finance improvements of the safety of existing Ukrainian NPPs.

In accordance with the terms of this Loan Agreement, loans are provided as separate tranches, with lending conditions (in particular, interest rate, repayment schedule) are set separately for each tranche.

*thousands EUR*

<b>Tranche draw-down year</b>	<b>Tranche amount</b>	<b>Interest rate</b>	<b>Payment of interest</b>	<b>Maturity of tranche</b>
2017	50,000	0.75%	04 May annually	04.05.2027
2018	50,000	0.89%	06 July annually	06.07.2028
2020	100,000	0.00%	-	23.07.2030
2021	100,000	0.00%	-	17.12.2031
<b>Total</b>	<b>300,000</b>			

As at December 31, 2024, the amount of the principal debt on the loan is UAH 13,177,980 thousand (2023: UAH 12,662,370 thousand). This loan is guaranteed by the Government of Ukraine.



Loans from EBRD and EURATOM are special-purpose in nature with proceeds used to finance improvements of the safety of existing Ukrainian NPPs, which will benefit not only the Company, but also Ukraine and the European Union as a whole. The loans were provided at the interest rates of Euratom and EBRD. As the loans received are highly specialized in nature, there is no market for similar debt extended by the EU and therefore the interest rates carried by borrowings to the Company are treated as market rates.

Under the agreements with Euratom and EBRD, the Company must comply with the following special ratios (financial covenants):

- a) payment collectability ratio of at least 0.95;
- b) financial debt to EBITDA higher than 3.5;
- c) net income to debt servicing payments of 1.3 or higher.

As at December 31, 2023, the Company failed to comply with the financial debt to EBITDA ratio. In response to the letters of JSC "NNEGC "Energoatom", waiver letters were received from the creditors not to comply with the terms of the loan agreements in terms of financial covenants, namely: the EBRD was given consent for non-compliance with the covenants by letter dated November 30, 2023; from Euratom, consent was given regarding the non-compliance with the covenants by letter dated 06.12.2023.

Based on the abovementioned, in accordance with IAS 1, the Company has been restored the right to present borrowings from Euratom and EBRD in non-current liabilities as at December 31, 2023.

As at December 31, 2024, the Company complied with the requirements for these special ratios.

#### **Loans received from Central Storage Safety Project Trust**

In December 2017, the Company entered into the loan agreement with Central Storage Safety Project Trust (CSSPT), the subject of which is to obtain a loan in the amount of USD 250,000 thousand. The loan is used to finance the construction of the Central Spent Fuel Storage Facility (CSFSF).

Maturity of the loan is 20 years. As at December 31, 2024, tranches in the amount of USD 236,692 thousand were drawn down from the CSSPT; tranches for the CSFSF construction were fully drawn. The balance in the amount of USD 13,308 thousand is the minimum amount reserved for contingencies. The loan carries a fixed interest rate of 6.833% per annum, the interest on the loan commission - 5.083% per annum (as at December 31, 2024 it is no longer accrued). Interest is payable monthly on the 1st day of the following month. As at December 31, 2024, the amount of the principal debt on the loan is UAH 7,660,023 thousand (2023: UAH 7,479,962 thousand). This loan is guaranteed by the Government of Ukraine.

#### **Loan agreement with Česká exportní banka, a.s.**

In December 2019, the Company entered into the loan agreement with Česká exportní banka, a.s., under which a loan in the amount of EUR 5,712 thousand was obtained and used to finance the supply of equipment manufactured in the Czech Republic. The loan carries a floating interest rate (6m EURIBOR + 2.5% margin, EURIBOR equals zero if EURIBOR is negative). The interest rate charged on the outstanding balance of the loan as at December 31, 2024 is 5.394% p.a. (December 31, 2023: 6.605%). Interest is accrued from the date of the loan and is paid every six months. It is expected to repay the principal loan amount in ten equal semi-annual payments; the final repayment date is October 30, 2025. The amount of the principal loan debt as at December 31, 2024 is UAH 25,091 thousand (2023: UAH 72,327 thousand).

#### **Loans received from DEUTSCHE BANK AG**

In 2024, the Company entered into a loan agreement with DEUTSCHE BANK AG in the amount of EUR 180,964 thousand to finance the supply of enriched uranium product under a contract with Urenco Enrichment Company Limited (Exporter). As at 31.12.2024, EUR 180,964 thousand of loan funds were disbursed. The loan was raised under the guarantee of the United Kingdom Export Finance Agency ("UK Export Finance"). The loan bears a floating interest rate (6-month EURIBOR + 1.5%). The interest rate accrued on the outstanding loan amount as at 31.12.2024 is 4.278% per annum. Interest is accrued from the date of disbursement and is payable every six months. The principal amount of the loan is to be repaid in ten equal semi-annual installments, with the final maturity date being 24.05.2029. The principal amount of the loan as at December 31, 2024 is UAH 7,154,225 thousand.

**Other loan debts** are presented by loans from Ukrainian banks.

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Under the loan agreements with JSC "State Savings Bank of Ukraine", the Company must comply with the following special ratios (financial covenants):

- a) EBITDA to INTEREST not lower than 2.0;
- b) DEBT to EBITDA not higher than 3.0.

As at December 31, 2024, the Company complied with the requirements for these special ratios, as at December 31, 2023, JSC "NNEGC "Energoatom" did not comply with the requirements for these special ratios.

Under the loan agreements with JSC "Ukreximbank", the Company must comply with the following special ratios (financial covenants):

- a) borrowings to INTEREST not higher than 4.0;
- b) total liquidity ratio not lower than 1.0.

As at December 31, 2024, the Company complied with the requirements for these special ratios, as at December 31, 2023, JSC "NNEGC "Energoatom" did not comply with the requirements for these special ratios.

As at 31.12.2024 and 31.12.2023, the Company was in compliance with all other covenants under existing loan agreements concluded with other banks and other financial institutions.

### 13.2 Deferred revenue

Deferred revenue is presented by government grants and non-current assets received free of charge and is included in current period profits pro rata to the depreciation charge on assets acquired for government grants or received free of charge.

	<i>thousands UAH</i>	
	<b>December</b>	<b>December</b>
	<b>31, 2024</b>	<b>31, 2023</b>
<b><i>Non-current deferred revenue</i></b>	<b>2,802,240</b>	<b>2,511,627</b>
Government grants for capital investments	696,791	732,058
Non-current assets received free of charge	2,105,449	1,779,569
<b><i>Current deferred revenue</i></b>	<b>150,325</b>	<b>122,691</b>
Government grants for capital investments	34,672	34,688
Non-current assets received free of charge	114,291	87,079
Other deferred revenue	1,362	924
<b>Total deferred revenue</b>	<b>2,952,565</b>	<b>2,634,318</b>

Income generated during the year, including income accrued pro rata to the depreciation charge on assets acquired from the respective sources, was as follows:

	<i>thousands UAH</i>	
	<b>2024</b>	<b>2023</b>
Government grants for capital investments	35,283	34,794
Non-current assets received free of charge	99,015	69,179

During the reporting year 2024, similar to 2023, the Company received no government grants for capital investments.

Total non-current assets received free of charge during the reporting year amounted to UAH 452,107 thousand (2023: UAH 979,338 thousand), including:

- assets under construction in the amount of UAH 452,107 thousand (2023: UAH 965,233 thousand) received free of charge as international technical assistance;
- property, plant and equipment were not received free of charge (2023: UAH 14,105 thousand);
- no intangible assets were received free of charge during 2024 and 2023.

### 13.3 Current liabilities

Current **trade accounts payable** (current accounts payable for goods, works and services) of the Company are presented as follows:

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	<i>thousands UAH</i>
	<b>December 31, 2024</b>
	<b>December 31, 2023</b>
Payables for works, services and other trade payables, including to SE "Guaranteed Buyer" for electricity accessibility service for household consumers	984,242
	14,622,558
for dispatching services	-
	13,516,930
for electricity	246,584
	76
Payables for inventories, including nuclear fuel	311,204
	15,491
<b>Total</b>	1,640,531
	1,554,396
	<b>2,624,773</b>
	<b>16,176,954</b>

**Current accounts payable on advances received** are summarized in the table below as at the reporting date:

	<i>thousands UAH</i>
	<b>December 31, 2024</b>
	<b>December 31, 2023</b>
Advances received for electricity	6,573,564
Contract liabilities	3,437
Advances received for leases	94
<b>Total</b>	6,577,095
	3,761,266
	16,316
	94
	<b>3,777,676</b>

During 2024, contract liabilities in the amount of UAH 3,776,049 thousand (2023: UAH 678,820 thousand) were recognized in income.

**Other current liabilities** as at December 31 are presented as follows:

	<i>thousands UAH</i>
	<b>December 31, 2024</b>
	<b>December 31, 2023</b>
Settlements with creditors for capital investments	8,015,983
Deferred value added tax and excise tax	4,976,332
Settlements with other creditors*	2,304,821
Settlements on interest accrued**	2,210,235
Settlements with accountable employees and other settlements with employees	4,579,432
	226,613
	251,723
	32,911
	16,425
<b>Total</b>	15,159,760
	7,893,433

\* including UAH 3,996,750 thousand - debt to SE Guaranteed Buyer in accordance with the court decision.

\*\* including UAH 2,697 thousand (2023: UAH 14,101 thousand) refer to commodity credit.

Deferred value added tax is the value added tax (VAT) payable on a cash basis after receipt of cash. Part of this balance arose prior to 2001 for electricity sold. In respect of electricity and heat sold and utility services provided, cash basis of VAT payment is also applied subsequent to January 01, 2016. As at December 31, 2024, the excise tax paid on a cash basis amounted to UAH 155,236 thousand (as at December 31, 2023 - UAH 134,840 thousand).

#### **14. Provisions**

The structure and movements in provisions for future expenses during 2024 and 2023 are presented as follows:

	<i>thousands UAH</i>
	<b>December 31, 2024</b>
	<b>December 31, 2023</b>
<b>Non-current provisions</b>	<b>40,213,803</b>
Decommissioning provision for nuclear facilities	46,159,954
Back-end fuel cost provision	26,959,329
Provision for reimbursement of expenses for payment and delivery of fringe benefits (post-employment benefit obligations)	5,934,061
Provision for one-off one-time retirement payments (post- employment benefit obligations)	5,348,243
	4,717,276
	1,972,170
	1,407,062

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	<b>December 31, 2024</b>	<b>December 31, 2023</b>
<b>Current provisions</b>	<b>6,955,400</b>	<b>4,674,347</b>
Provision for litigation	3,136,457	1,304,377
Provision for unused vacations	1,370,460	1,172,947
Provision for annual performance bonuses	977,284	898,883
Back-end fuel cost provision (current portion)	558,854	473,114
Provision for reimbursement of expenses for payment and delivery of fringe benefits (current portion)	535,158	494,709
Provision for one-off one-time retirement payments (current por.)	270,300	267,680
Provision for expenses under outstanding documents	106,887	62,637

### **Decommissioning provision for nuclear facilities**

The Company estimates decommissioning provision in respect of existing nuclear facilities, which include nuclear units of NPPs and spent fuel storage facilities ("SFSF"). Such liabilities are determined on the basis of the present value of labor costs for key employees and of materials that are expected to be incurred during decommissioning. As at December 31, 2024 and December 31, 2023, Scientific & Technical Centre of JSC "NNEGC "Energoatom" completed an expert revaluation of future decommissioning costs for nuclear power units using the deferred decommissioning approach and for SFSF using immediately decommissioning approach.

The calculation of the provision for decommissioning of nuclear facilities costs is based on the assumption of an extension for 20 years beyond the design lifetime of nuclear reactors. The possibility of extending the life of nuclear reactors is mentioned in the "Energy Strategy of Ukraine until 2035", approved by the Cabinet of Ministers of Ukraine Decree No. 605-p dated August 18, 2017.

For estimation of provision as at December 31, 2024, future costs were discounted to present value at the reporting date using the rate of salary increases in the Company and the inflation rate for 2024 based on the expected decommissioning periods and discounted from the date when they are expected to be incurred. For estimation of provision as at December 31, 2023, the same method was used.

The calculations are made taking into account environmental legislation, international practice, as well as the uncertainty factor, due to the long run nature of payments.

Thus, the provision was charged on the total calculated present value of the decommissioning costs, including direct decommissioning costs of NPP, SFSF at the Zaporizhzhia NPP and CSFSF (including the provision for costs relating to Zaporizhzhia NPP in the amount of UAH 11,858,563 thousand as at December 31, 2024 and UAH 14,617,083 thousand as at December 31, 2023).

The net present value of decommissioning provision in respect of nuclear facilities as at December 31, 2024 and December 31, 2023 is calculated by discounting the amount of expenses at the nominal long-term pre-tax discount rate, which amounted to 11.86% (2023: 12.23%). The projected inflation rate assumed in calculating the provision was 4.41% (2023: 6.80%).

In 2024 and 2023, the change in provision in terms of changes in cash flows was caused by a change in the assumption regarding the projected inflation rate and a change in expectations about the future costs for decommissioning provision for power units RNPP-2, PNPP-2.

Changes in the provision for decommissioning provision for nuclear facilities for the year ended December 31 are presented below:

	<b>2024</b>	<i>thousands UAH</i> <b>2023</b>
<b>Balance as at January 01</b>	<b>32,857,382</b>	<b>20,236,822</b>
Creation of the provision in PPE	-	3,407
Unwinding of discount	4,018,458	2,610,550
Effect of changes in estimated time and in cash flows recognized in other comprehensive income	(11,676,793)	5,773,645
Effect of changes in discount rate recognized in other comprehensive income	1,760,282	4,232,958
<b>Balance as at December 31</b>	<b>26,959,329</b>	<b>32,857,382</b>

### **Back-end fuel cost provision**

The Company estimates the obligation related to the costs of storage of spent nuclear fuel (SNF). Such liabilities are determined on the basis of the present value of estimated costs of storing SNF in storage facilities. These costs are discounted from the date when they are expected to be incurred.

As at December 31, 2024 and December 31, 2023, the back-end fuel cost provision was estimated based on the discounted expected costs of maintaining the Company's own SNF storage facilities, namely, the Central Spent Fuel Storage Facility (CSFSF) and the Dry Spent Fuel Storage Facility (SFSF) on Zaporizhzhia NPP.

Estimation of the future back-end fuel costs for Zaporizhzhia NPP was based on the SFSF operation cost estimate of Zaporizhzhia NPP for the maintenance of the SFSF in 2025 and 2024, respectively, discounted to current prices by applying the projected inflation rate. Estimation of the future back-end fuel costs for the Company's other NPPs was based on the estimated CSFSF operation costs of SS "Atomremontservice" for 2025 and 2024, estimated SNF transportation costs for 2025 and 2024, respectively, estimated CSFSF maintenance costs for the active and passive period discounted to current prices by applying the projected inflation rate.

The spent fuel assemblies are expected to be stored in CSFSF until 2123, inclusively.

The created collateral is used to finance the costs of maintaining SNF and CSFSF storage facilities.

Expenses are discounted at the nominal long-term discount rate before tax of 11.86% (2023: 12.23%). The projected inflation rate used in estimation of the provision is 4.41% (2023: 6.80%).

Movements in back-end fuel cost provision for the year ended December 31 are presented as follows:

	<b>2024</b>	<b>2023</b>
	<i>thousands UAH</i>	
<b>Balance as at January 01</b>	<b>7,651,348</b>	<b>5,682,020</b>
Creation of a provision recognized in cost of sales	39,855	30,227
Effect of changes in discount rate recognized in cost of sales	282,886	752,583
Effect of changes in estimated time and in cash flows recognized in cost of sales	(1,945,891)	719,138
Unwinding of discount	935,760	732,981
Utilization of provision	(471,043)	(265,601)
<b>Balance as at December 31</b>	<b>6,492,915</b>	<b>7,651,348</b>

### **Sensitivity factors for decommissioning provision for nuclear facilities and back-end fuel cost provision**

In view of the sensitivity to the underlying assumptions of all the provisions mentioned herein, particularly in terms of future cost, inflation rate, long-term discount rate, and disbursement schedules, the amount of provisions is reviewed at the end of each reporting period and adjusted to reflect the current best estimate.

The principal assumptions used in determining the decommissioning and back-end fuel cost provisions are presented below:

	<b>2024</b>	<b>2023</b>
Nominal discount rate	11,86%	12,23%
Projected inflation rate	4,41%	6,80%
Expected overall operating life of NPP reactors	50-51 years	

The discount rate is based on the market yield (as of the end of the reporting period) of government bonds in hryvnia with maturity up to 4 years based on the results of transactions with government bonds in the secondary market, extrapolated using the Swenson model for the period to maturity of 32 years, and chosen as a single rate that reflects the distribution of payments over time and their amount. To determine the long-term inflation rate for 2025-2027, inflation was taken into account in accordance with the forecast macroeconomic and social development indicators of Ukraine (Annex to the Resolution of the Cabinet of Ministers of Ukraine No. 780 dated June 28, 2024), then, starting from 2028, annual forecast data from the international agency EIU were used, extrapolated as a geometric mean for the period to be paid.

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The sensitivity of the decommissioning provision to changes in key assumptions is as follows:

- a decrease in the discount rate by 100 basis points would increase the liability by approximately UAH 5,581,560 thousand (2023: UAH 7,893,398 thousand); an increase in the discount rate by 100 basis points would decrease the liability by approximately UAH 4,444,391 thousand (2023: UAH 6,068,468 thousand).
- a decrease in the projected inflation rate (and, consequently, the amount of future expenses) by 100 basis points would decrease the liability by UAH 4,766,359 thousand (2023: UAH 6,390,477 thousand); an increase in the projected inflation rate by 100 basis points would increase the liability by UAH 5,967,972 thousand (2023: UAH 8,266,589 thousand).
- a decrease in useful lives of NPP reactors by 1 year (in relation to the estimated useful lives) would increase the liability by approximately UAH 1,922,775 thousand (2023: UAH 1,670,557 thousand); an increase in useful lives of NPP reactors by 1 year would decrease the liability by approximately UAH 1,794,717 thousand (2023: UAH 1,589,732 thousand).

The sensitivity of the back-end fuel cost provision to changes in key assumptions is as follows:

- a decrease in the discount rate by 100 basis points would increase the liability by approximately UAH 914,618 thousand (2023: UAH 1,481,016 thousand); an increase in the discount rate by 100 basis points would decrease the liability by approximately UAH 710,761 thousand (2023: UAH 1,071,300 thousand).
- a decrease in the projected inflation rate (and the resulting decrease in future costs) by 100 basis points would decrease the liability by UAH 761,885 thousand (2023: UAH 1,126,790 thousand); an increase in the projected inflation rate by 100 basis points would decrease of the liability by UAH 979,130 thousand (2023: UAH 1,553,808 thousand).

**Provision for reimbursement of expenses for payment and delivery of fringe benefits and one-time retirement payments (post-employment benefit liabilities)**

The Company calculates post-employment benefit liabilities using the projected unit credit method based on actuarial assumptions that represent management's most accurate estimates of those variables that will determine the final cost of post-employment employee benefits.

The employee benefits at the end of employment are calculated by an independent qualified actuary.

Changes in the provision recognized in the Statement of financial position for the year ended December 31, 2024 are presented as follows:

*thousands UAH*

	<b>One-time payment on retirement</b>	<b>Fringe benefits</b>	<b>Total</b>
<b>January 01, 2024</b>	<b>1,674,742</b>	<b>5,211,985</b>	<b>6,886,727</b>
Cost of current services included in (profit)/loss, of which recognized in:			
cost of sales	79,861	179,035	258,896
administrative expenses	55,762	167,625	223,387
selling and distribution expenses	6,613	-	6,613
other	310	-	310
Net interest expense	17,176	11,410	28,586
	261,762	814,633	1,076,395
<b>Included in (profit) or loss, total</b>	<b>341,623</b>	<b>993,668</b>	<b>1,335,291</b>
<b>Current service cost recognized in capital investments</b>	<b>5,253</b>	<b>143</b>	<b>5,396</b>
Revaluation losses/(gains) reported in other comprehensive income:			
from experience adjustments	50,287	140,907	191,194
from changes of demographic assumptions	11,986	(6,730)	5,256
from changes of financial actuarial assumptions (discount rate, inflation level, salary increase)	418,487	142,833	561,320
<b>Included in other comprehensive income, total</b>	<b>480,760</b>	<b>277,010</b>	<b>757,770</b>
Benefits paid	(255,217)	(599,405)	(854,622)
Benefits accrued, but unpaid (reported in accounts payable to employees)	(4,691)	-	(4,691)
<b>December 31, 2024</b>	<b>2,242,470</b>	<b>5,883,401</b>	<b>8,125,871</b>

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Changes in the provision recognized in the Statement of financial position for the year ended December 31, 2023 are presented as follows: *thousands UAH*

	One-time payment on retirement	Fringe benefits	Total
<b>January 01, 2023</b>	<b>1,569,627</b>	<b>4,854,899</b>	<b>6,424,526</b>
Cost of current services included in (profit)/loss, of which recognized in:			
cost of sales	78,990	164,723	243,713
administrative expenses	61,703	147,339	209,042
selling and distribution expenses	5,755	-	5,755
other	241	-	241
Net interest expense	11,291	17,384	28,675
	270,133	835,528	1,105,661
<b>Included in (profit) or loss, total</b>	<b>349,123</b>	<b>1,000,251</b>	<b>1,349,374</b>
<b>Current service cost recognized in capital investments</b>	<b>51</b>	<b>30</b>	<b>81</b>
Revaluation losses/(gains) reported in other comprehensive income:			
from experience adjustments	(125,404)	(544,952)	(670,356)
from changes of demographic assumptions	8,661	77,484	86,145
from changes of financial actuarial assumptions (discount rate, inflation level, salary increase)	94,871	397,392	492,263
<b>Included in other comprehensive income, total</b>	<b>(21,872)</b>	<b>(70,076)</b>	<b>(91,948)</b>
Benefits paid	(215,363)	(573,119)	(788,482)
Benefits accrued, but unpaid (reported in accounts payable to employees)	(6,824)	-	(6,824)
<b>December 31, 2023</b>	<b>1,674,742</b>	<b>5,211,985</b>	<b>6,886,727</b>

#### **Movements in other provisions**

Movements in other provisions for the year ended December 31, 2024 are presented as follows:

	December 31, 2023	Provision charge	Utilized	Released	<i>thousands UAH</i> December 31, 2024
<b>Current provisions</b>	<b>3,438,844</b>	<b>5,055,838</b>	<b>(2,632,345)</b>	<b>(271,249)</b>	<b>5,591,088</b>
Provision for annual performance bonuses	898,883	1,011,638	(859,282)	(73,955)	977,284
Provision for unused vacations	1,172,947	1,954,666	(1,681,884)	(75,269)	1,370,460
Provision for litigation	1,304,377	2,017,247	(74,418)	(110,749)	3,136,457
Provision for expenses under outstanding documents	62,637	72,287	(16,761)	(11,276)	106,887

Movements in other provisions for the year ended December 31, 2023 are presented as follows:

	December 31, 2022	Provision charge	Utilized	Released	<i>thousands UAH</i> December 31, 2023
<b>Current provisions</b>	<b>3,157,239</b>	<b>4,136,094</b>	<b>(3,626,342)</b>	<b>(228,147)</b>	<b>3,438,844</b>
Provision for annual performance bonuses	1,027,523	911,699	(917,747)	(122,592)	898,883
Provision for unused vacations	1,003,459	1,870,507	(1,602,416)	(98,603)	1,172,947
Provision for litigation	65,220	1,302,527	(56,418)	(6,952)	1,304,377
Provision for expenses under outstanding documents	1,061,037	51,361	(1,049,761)	-	62,637

#### **Sensitivity factors for post-employment employee benefits**

Minor changes in key assumptions (such as discount rates, increase in the consumer price index, mortality rates and future wage growth rates) may have a material impact on the liability recognition. Factoring in the sensitivity of all employee benefit obligations stated herein to the key assumptions about the long-term discount rate, future wage growth rates and consumer price index increases, these actuarial assumptions are reviewed at each reporting date.

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Changes in actuarial assumptions and adjustments based on experience result in an increase or decrease in provisions for employee benefits and recognition of actuarial gains / (losses).

The main assumptions used in determining the provisions for employee benefits are presented below:

	<b>2024</b>	<b>2023</b>
Discount rate	14,77%	15,63%
Future salary annual increase rate (year 1)	9,70%	10,80%
Future salary annual increase rate (year 2)	9,90%	7,00%
Future salary annual increase rate (year 3)	8,00%	5,80%
Inflation	7,3% in 2025, 6,7% in 2026 and 4,35% further	6,8 %

The discount rate is based on the market yield (at the end of the reporting period) of government bonds and with a maturity of up to 4 years based on the results of transactions with government bonds on the secondary market, extrapolated using the Svensson model for the period before payments of 13-14 years, and chosen as a single weighted average rate that reflects the distribution of payments over time and their amount. To determine the weighted average rate of long-term inflation, data of the annual forecast from the source of the international agency EIU were used, extrapolated as a geometric mean value for the period before payments. Salary growth rates are estimated on the basis of the projected growth of salaries of the Company's employees. The staff turnover ratio is estimated individually for each business unit based on the expected staff turnover considering the historical data.

The sensitivity of post-employment employee benefit obligations to the key assumptions is presented as follows:

- a decrease in the discount rate by 100 basis points would increase the liability by UAH 570,401 thousand (2023: UAH 463,213 thousand); an increase in the discount rate by 100 basis points would decrease the liability by UAH 510,088 thousand (2023: UAH 415,341 thousand);
- an increase in the estimated salary growth rate by 100 basis points would increase the liability by UAH 192,712 thousand (2023: UAH 176,600 thousand); a decrease in the estimated salary growth rate by 100 basis points would decrease the liability by UAH 184,161 thousand (2023: UAH 174,752 thousand).
- an increase in the estimated inflation growth rate by 100 basis points would increase the liability by UAH 280,206 thousand (2023: UAH 164,504 thousand), decrease in the estimated inflation growth rates by 100 basis points would decrease the liability by UAH 277,383 thousand (2023: UAH 182,062 thousand).

The expected utilization periods for provisions recorded by JSC "NNEGC "Energoatom" are presented as follows:

- Provision for unused vacations - within 1 year;
- Provision for future annual performance bonuses – within 1 year;
- Provision for decommissioning of nuclear power units - by the year 2100;
- Back-end fuel cost provision - by the year 2123;
- Provision for reimbursement of expenses for payment and delivery of fringe benefits - the weighted average settlement period of defined benefit obligations is 7.1 years;
- Provision for one-time retirement payments - the weighted average settlement period of defined benefit obligations is 7.5 years;
- Provision for litigation – within 1 year;
- Provision for expenses under outstanding documents– within 1 year.



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**15. Payments to the state budget and Pension fund**

Settlements with the state budget and the Pension fund for the year ended December 31, 2024 are presented as follows:

*thousands UAH*

Note	December 31, 2023		Payable	Paid	Recovered from the budget (-), reinstated (+)	December 31, 2024	
	Dr	Cr				Dr	Cr
Corporate income tax	a	-	655,254	5,621,998	5,861,314	-	415,938
VAT		-	765,841	10,238,898	9,991,872	-	1,012,867
Excise tax		-	586,112	6,574,543	6,374,056	-	786,599
Part of the net profit payable to the state budget	b	1,016,334	-	(1,015,000)	-	1,334	-
Personal income tax, military tax		-	186,911	3,750,145	3,531,189	-	405,867
Environmental tax		-	213,998	715,598	718,599	-	210,997
Land tax	15	8,194	124,971	123,936	-	1,033	10,247
Charge for socioeconomic compensations to population		-	194,508	2,012,624	1,945,576	-	261,556
Other taxes and charges, penalties		3,369	44,646	350,407	349,387	(2,713)	49,884
Recovered from the budget		2,598	-	(25,508)	-	(25,702)	2,404
<b>Total taxes and charges</b>		<b>1,022,316</b>	<b>2,655,464</b>	<b>29,363,676</b>	<b>27,880,929</b>	<b>(28,415)</b>	<b>9,645</b>
Unified social contribution		-	193,307	3,747,266	3,608,586	-	331,987
Compensation of preferential pensions		-	-	599,405	599,405	-	-
<b>Total payments to the state budget and Pension fund</b>		<b>1,022,316</b>	<b>2,848,771</b>	<b>33,710,347</b>	<b>32,088,920</b>	<b>(28,415)</b>	<b>9,645</b>

a) As at 31.12.2024, accounts payable (debt to the budget) on income tax for 2024 in the amount of UAH 415,938 thousand is recorded, which will be repaid within the terms provided for in clause 57.1 of the Tax Code - in March 2025.

Based on the results of 2024, income tax was accrued in the amount of UAH 5,621,998 thousand (2023: UAH 714,778 thousand). Income tax was paid in the total amount of UAH 5,861,314 thousand, of which: UAH 5,561,314 thousand in cash, UAH 300,000 thousand by offsetting overpayment from part of net profit (income) to pay income tax.

b) JSC "NNEGC "Energoatom" was a payer of part of the net profit (income) for the reporting periods of 2023. Part of the net profit (income) was calculated on the basis of the net profit indicator of the Company's financial statements, and its amount was determined in accordance with clause 1 of the "Procedure for deducting to the state budget a part of the net profit (income) by state unitary enterprises and their associations", approved by the Resolution of the Cabinet of Ministers of Ukraine No. 138 dated 23.02.2022 (rate 80%) and Article 111 of the Law of Ukraine "On Management of State-Owned Property" dated 21.09.2006 No. 185-V. The amount of deductions of part of the net profit (income) for state unitary enterprises and their associations to the state budget for 2023 is set at the general rate of 80%.

Starting from the first quarter of 2024, in connection with the transformation from a State Enterprise to a Joint Stock Company, "NNEGC "Energoatom" becomes an annual payer of dividends on ordinary shares (dividends are accrued by the decision of the general meeting and paid by July 1 of the following year).

In the reporting period, part of the receivable (overpayment) from deductions of a part of net profit in the amount of UAH 1,015,000 thousand was taken into account in repayment of other taxes: income tax - UAH 300,000 thousand; excise tax - UAH 615,000 thousand; environmental tax - UAH 100,000 thousand.

As at 31.12.2024, accounts receivable (overpayment to the budget) from part of the net profit of previous periods in the amount of UAH 1,334 thousand are recognized.

Settlements with the budget and the Pension fund for the year ended December 31, 2023 are presented as follows:

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*thousands UAH*

	December 31, 2022		Payable	Paid	Recovered from the budget, impaired (-) / reinstated (+)	December 31, 2023	
	Dr	Cr				Dr	Cr
Income tax	1,310,937	-	714,778	85,791	(1,337,204)	-	655,254
VAT	-	44,472	7,556,558	6,828,595	6,594	-	765,841
Excise tax	-	229,006	5,304,554	4,947,448	-	-	586,112
Portion of the net profit payable to the state budget	1,384,334	-	-	-	(368,000)	1,016,334	-
Personal income tax, military tax	-	147,449	3,189,602	3,150,140	-	-	186,911
Environmental tax	-	171,420	700,063	657,485	-	-	213,998
Land tax	99	8,506	98,187	98,415	-	15	8,194
Charge for socioeconomic compensations to population	-	131,425	1,514,629	1,451,546	-	-	194,508
Other taxes and charges	268,702	67,271	323,532	260,467	(179,643)	3,369	44,646
Recovered from the budget	3,918	-	(22,626)	-	(23,946)	2,598	-
<b>Total taxes and charges</b>	<b>2,967,990</b>	<b>799,549</b>	<b>19,379,277</b>	<b>17,479,887</b>	<b>(1,902,199)</b>	<b>1,022,316</b>	<b>2,655,464</b>
Unified social contribution	-	175,300	3,279,611	3,261,604	-	-	193,307
Compensation of pref. pensions	-	-	573,119	573,119	-	-	-
Social security fines	-	-	1	1	-	-	-
<b>Total payments to the state budget and funds</b>	<b>2,967,990</b>	<b>974,849</b>	<b>23,232,008</b>	<b>21,314,611</b>	<b>(1,902,199)</b>	<b>1,022,316</b>	<b>2,848,771</b>

In addition, in the insurance settlements presented in the Statement of financial position, in addition to the unified social contribution payables, as at 31.12.2024, accounts payable for other insurance in the amount of UAH 2,262 thousand (as at 31.12.2023 - UAH 1,808 thousand) are recognized.

## 16. Income and expenses, comprehensive income

In 2024, the Company received a gross profit from the sale of electricity and heat, heat supply, centralized water supply and sewerage services in the amount of UAH 138,278,331 thousand (in 2023 - UAH 102,329,395 thousand). Taking into account other operating, financial and other income and expenses, the company's financial result before tax amounted to a profit of UAH 1,836,499 thousand (in 2023 - a loss in the amount of UAH 13,473,893 thousand). Income tax expense amounted to UAH 518,532 thousand (in 2023, income tax income was UAH 2,217,524 thousand).

The net profit amounted to UAH 1,317,967 thousand (2023: net loss amounted to UAH 11,256,369 thousand). Details by principal type of income and expenses are disclosed in tables below.

### 16.1 Revenue

**Net revenue from sales of products (goods, works and services)** for the year ended December 31 by type of activity is presented as follows:

	<i>thousands UAH</i>	
	2024	2023
Revenue from sales of electricity sales, including by sales market:	206,734,865	153,575,836
Bilateral agreement market (PSO), incl.:	87,926,301	72,757,070
<i>SE "Guaranteed Buyer"</i>	10,505,111	8,706,782
<i>Universal service providers (USP)</i>	77,421,190	64,050,288
Bilateral agreement market, other	101,735,377	63,231,101
Bilateral agreement market (export)	12,005	-
"Day-ahead" market	14,783,616	15,550,351
Intra-day market	966,526	632,237
Balancing market	1,311,040	1,405,077
Thermal energy (total)	81,961	79,616
<i>thermal energy (generation)</i>	51,699	55,320
<i>thermal energy (transmission)</i>	29,270	23,471
<i>thermal energy (supply)</i>	992	825
Centralized water supply, drainage and utility services	211,605	172,568
Regulation of frequency and active capacity	4,799	8,309
<b>Total</b>	<b>207,033,230</b>	<b>153,836,329</b>

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Shares of specific markets in total sales of electricity by physical volume sold and by revenue are disclosed below:

Electricity markets	2024, percent (%)		2023, percent (%)	
	physical volumes sold	sales revenue	physical volumes sold	sales revenue
Bilateral agreement market (PSO), incl.:	43,8	42,5	47,7	47,4
<i>SE "Guaranteed Buyer"</i>	5,2	5,1	6,0	5,7
<i>USP</i>	38,6	37,4	41,7	41,7
Bilateral agreement market, other	49,2	49,2	40,7	41,2
"Day-ahead" market	5,9	7,2	8,9	10,1
Intra-day market	0,4	0,5	0,4	0,4
Balancing market	0,7	0,6	2,3	0,9
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Revenue from sales of products and services is recognized mostly over time.

***Revenue from sales of electricity***

Products and services are mainly sold in Ukraine. During the reporting period, the Company didn't export electricity.

During the reporting period and comparative period, electricity was sold in all electricity market segments.

Throughout 2024, the PSO financial model was in place in the electricity market (effective from 01.10.2021), according to which the entire volume of electricity sold is sold at market prices determined depending on the available supply and demand in all market segments in accordance with the rules for bidding on them.

***Revenue from sales of thermal energy, centralized water supply and drainage, utility services***

Other products and services are sold predominantly in nuclear plant satellite towns to various counterparties, including households. Sales are made under direct contracts, generally on a regular basis. Prices (tariffs) for other products and services are regulated by the NCSREPU and local municipalities.

***Income earned in the ancillary services market***

JSC "NNEGC "Energoatom" entered the ancillary services market in 2021. Currently 7 out of 15 NPP reactors are certified for participation in the ancillary services market.

During 2024, the Company provided ancillary services for regulating the frequency and active power of Tashlyk Pumped-Storage Power Plant hydroelectric units. The ancillary services are provided to PrJSC "NPC "Ukrenergo".

## 16.2 Cost of sales

**Cost of sales of products (goods, works and services)** for 2024 and 2023 by type of business activity is disclosed as follows:

	thousands UAH	
	2024	2023
Electricity, incl.:	68,271,574	51,156,356
<i>purchased</i>	3,423,433	751,735
Thermal energy, incl.:	133,213	99,476
<i>thermal energy (generation)</i>	67,668	68,938
<i>thermal energy (transmission)</i>	64,202	29,429
<i>thermal energy (supply)</i>	1,343	1,109
Centralized water supply, drainage and utility services	350,112	251,102
<b>Total</b>	<b>68,754,899</b>	<b>51,506,934</b>

**Cost of sales of goods, works and services** for 2024 and 2023 by item of expenses is disclosed as follows:

	<b>2024</b>	<i>thousands UAH</i> <b>2023</b>
Depreciation/amortization	22,984,624	12,170,067
Wages, salaries and related charges	16,477,808	15,156,926
Materials and services	8,700,115	7,399,863
Nuclear fuel	8,631,679	6,620,255
Provision of fire, watchman and paramilitary security services	4,996,895	3,138,306
Electricity	4,553,340	1,988,874
Taxes, levies, other charges	3,063,877	2,488,665
Other employee benefits	404,460	316,985
Insurance costs	163,998	141,615
Other expenses*	(1,221,897)	2,085,378
<b>Total</b>	<b>68,754,899</b>	<b>51,506,934</b>

\*including UAH (1,663,005) thousand – a change in the amount of provision for the costs of spent fuel management for 2024 (in 2023 – UAH 1,501,948 thousand) (Note 14).

### 16.3 Administrative expenses

**Administrative expenses** for the year ended December 31 are presented as follows:

	<b>2024</b>	<i>thousands UAH</i> <b>2023</b>
Wages, salaries and related charges	2,160,481	1,623,046
Depreciation/amortization	114,407	45,084
Materials and services	90,230	68,503
Operating lease expense	69,197	46,920
Professional fees	54,321	68,619
Settlement and cash services	15,012	16,760
Other employee benefits	26,075	18,548
Business trips	22,791	12,522
Communication	7,607	5,850
Taxes and charges	6,555	3,779
Maintenance of property, plant and equipment	3,676	20,606
Other	8,137	17,726
<b>Total</b>	<b>2,578,489</b>	<b>1,947,963</b>

### 16.4 Selling and PSO expenses

**Selling expenses** include the costs of sales units selling electricity and utilities directly to end consumers.

	<b>2024</b>	<i>thousands UAH</i> <b>2023</b>
Wages, salaries and related charges	117,878	83,952
Arrangement to purchase and sell electricity	101,673	93,672
Depreciation/amortization	2,321	1,413
Material expenses	2,935	1,139
Other operating expenses, incl.	7,983	8,363
<b>Total</b>	<b>232,790</b>	<b>188,539</b>

Under the PSO model effective since October 01, 2021, the public service obligation was imposed on the Company as an electricity producer, in particular, in the form of payment of a fee to SE "Guaranteed Buyer" for service of electricity accessibility for household consumers as defined in Regulation 483. Purchased by the Company this service cost during 2024 totaled UAH 109,287,906 thousand (2023: UAH 100,650,652 thousand).

## 16.5 Other operating income and expenses

**Other operating income** for the year ended December 31 is presented as follows:

	<i>thousands UAH</i>	
	<b>2024</b>	<b>2023</b>
Bank interest on current account balances	331,584	273,181
Assets received free of charge, gain on stocktaking	139,354	172,613
Recovery of assets previously written off	127,990	130,802
Recognition of inventories during repairs and other works, write-off of other inventories	17,967	101,586
Written off accounts payable*	8,613	(388,146)
Use of tax-exempt funds, other government grants	-	1,269,089
Profit from sales of goods and inventories	337	45,600
Lease income	-	967
Other income	527	9,043
<b>Total</b>	<b>626,372</b>	<b>1,614,735</b>

\* including in 2023, this amount includes UAH 978,434 thousand of reversed income, which in 2022, pursuant to the Resolution of the Cabinet of Ministers of Ukraine No. 187 dated 03.03.2022 "On Ensuring the Protection of National Interests in Future Claims of the State of Ukraine in connection with the Military Aggression of the Russian Federation", was recognized when writing off accounts payable to counterparties related to the aggressor state of the Russian Federation.

**Other operating expenses** for the year ended December 31 are presented as follows:

	<i>thousands UAH</i>	
	<b>2024</b>	<b>2023</b>
Fines, penalties and forfeits	4,761,308	209,380
Foreign exchange rate differences	3,452,330	2,315,397
Impairment loss of inventories	1,918,385	3,586
Housing and utilities and welfare infrastructure, soc. and cult. activities	1,867,588	1,663,142
Contributions to the Ukrainian Nuclear Community, WANO and others	89,667	114,697
Currency exchange transactions	80,339	177,108
Write off of bad debts, including release of provision for impairment of non-financial assets	78,793	13,004
Expenses for socioeconomic development of territories	37,000	-
Access to border crossing points purchased but not utilized	14,763	280,660
Expenses for average salaries of employees called for military duty or involved in territorial defense forces as volunteers, which are non-refundable from the State budget	4,387	8,380
Other expenses, incl.	1,806,195	827,624
<i>forced idle time costs because of occupation</i>	<i>1,184,095</i>	<i>558,095</i>
<b>Total</b>	<b>14,110,755</b>	<b>5,612,978</b>

**Total expenses for employee benefits** for the year ended December 31 are presented as follows:

	<i>thousands UAH</i>	
	<b>2024</b>	<b>2023</b>
		<b>(restated)</b>
Wages and other short-term benefits	17,670,660	15,365,667
Contributions to the State Social Fund (SSF)	3,743,045	3,275,942
Exp. related to defined benefit plans and other long-term employee ben.	264,292	243,794
Movements in the provision for unused vacations	197,513	169,488
Movements in the provision for employee benefits	78,401	(128,640)
Other employee benefits, other than payroll	695,745	583,831
<b>Total expenses</b>	<b>22,649,656</b>	<b>19,510,082</b>
Payments compensated from the SSF and budget	218,786	198,727

## 16.6 Other finance income and costs

During 2024 and 2023, the Company's **other finance income** by type is disclosed as follows:

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	<i>thousands UAH</i>	
	<b>2024</b>	<b>2023</b>
Interest gain on remeasurement of long-term accounts receivable	32,696	29,777
Bank interest received on deposits	2,324	2,352
Income from the modification of a financial liability	-	1,120
Other finance income	3,658	3,331
<b>Total</b>	<b>38,678</b>	<b>36,580</b>

**Finance costs** by item during 2024 and 2023 are disclosed as follows:

	<i>thousands UAH</i>	
	<b>2024</b>	<b>2023</b>
Interest expense on decommissioning provision, unwinding of discount on the asset related to contributions to the Financial Reserve for Decommissioning	3,802,352	2,395,739
Interest on bank loans and other financial liabilities	2,536,399	1,959,768
Interest expense on retirement benefit plan	1,076,395	1,105,661
Interest expense on back-end fuel cost provision	935,760	732,981
Expenses related to servicing of loans and other non-current financial liabilities	182,055	135,990
Loss on initial recognition of non-current accounts receivable at amortized cost	24,980	35,250
Loss on modification of financial liability	506	-
Other finance costs	125	22
<b>Total</b>	<b>8,558,572</b>	<b>6,365,411</b>

In 2024, there was no capitalization of finance costs (in 2023, finance costs were capitalized in the amount of UAH 216,365 thousand).

## 16.7 Other income and expenses

**Other income** by item for the year ended December 31 is presented as follows:

	<i>thousands UAH</i>	
	<b>2024</b>	<b>2023</b>
Non-current assets received free of charge (including income recognized pro rata to the depreciation)	134,839	104,349
Investment property revaluation surplus	22,744	-
Other income	90	-
<b>Total</b>	<b>157,673</b>	<b>104,349</b>

**Other expenses** by item for the year ended December 31 are presented as follows:

	<i>thousands UAH</i>	
	<b>2024</b>	<b>2023</b>
Write off of non-current assets	125,768	13,133
Impairment of non-current assets*	1,129,509	54,788
Revaluation decrease of non-current assets	-	545,238
Other expenses	101	1,003
<b>Total</b>	<b>1,255,378</b>	<b>614,162</b>

\*impairment of assets is recognized in accordance with the requirements of IAS 36 and includes the impairment of PPE in the amount of UAH 10,057 thousand and construction in progress in the amount of UAH 1,119,452 thousand (in 2023 - UAH 26,921 thousand and UAH 27,867 thousand, respectively). In 2024, the majority of the impairment amount was due to the impairment of capital investments in progress located in the TOT (Note 6.1). Also, during the reporting period, the following objects were impaired: objects that lost their initially expected benefits, obsolete, discontinued, etc.

## 16.8 Income tax

The Company's statutory income tax rate is 18% (2023: 18%). Main components of the income tax expense for the years ended December 31 are presented below:

**Income tax recognized in income and expenses**

	<i>thousands UAH</i>	
	<b>2024</b>	<b>2023</b>
Current income tax expense	(5,621,998)	(771,831)
Deferred income tax relating to origination and decrease of temporary differences	5,103,466	2,932,302
Adjustment of income tax of previous years	-	57,053
<b>Income tax benefit</b>	<b>(518,532)</b>	<b>2,217,524</b>

**Deferred income tax recognized in other comprehensive income**

Movements in the deferred income tax related to the items charged directly to other comprehensive income or equity during the year are presented as follows:

	<i>thousands UAH</i>	
	<b>2024</b>	<b>2023</b>
<b>Income tax related to other comprehensive income:</b>		
obligations related to post-retirement employee benefits	136,398	(16,551)
decommissioning provision	(1,784,972)	1,801,189
movements in the revaluation reserve	(2,104)	(32,460,575)
<b>Income tax recognized in other comprehensive income</b>	<b>(1,650,678)</b>	<b>(30,675,937)</b>

**Reconciliation of effective tax rate**

The reconciliation between the income tax expense and the accounting profit multiplied by the income tax rate effective in Ukraine for 2024 and 2023:

	<b>2024</b>		<b>2023</b>	
	<i>thousands UAH</i>	<i>%</i>	<i>thousands UAH</i>	<i>%</i>
<b>Loss before tax</b>	<b>1,836,499</b>	<b>100%</b>	<b>(13,473,893)</b>	<b>100%</b>
Income tax benefit at applicable tax rate	(330,570)	18,00%	2,425,301	18,00%
Non-deductible items	(187,962)	(10,23%)	(264,830)	(1,96%)
Adjustment of income tax of previous years	-	-	57,053	0,42%
<b>Income tax benefit recognized in profit or loss</b>	<b>(518,532)</b>	<b>28,23%</b>	<b>2,217,524</b>	<b>16,46%</b>

**16.9 Recognized and unrecognized deferred tax assets and liabilities**

**Recognized deferred tax assets and liabilities**

Deferred income tax for 2024 relates to the following items:

	<b>December 31, 2023</b>	<b>Recognized in profit and loss</b>	<b>Recognized in OCI</b>	<i>thousands UAH</i> <b>December 31, 2024</b>
Property, plant and equipment and intangible assets	(47,703,348)	3,377,484	(2,104)	(44,327,968)
Inventories, trade receivables (including long-term receivables) and other assets	4,315,505	786,200	-	5,101,705
Trade accounts payable and other current liabilities	250,414	338,331	-	588,745
Decommissioning and other non-current provisions	7,291,572	514,804	(1,784,972)	6,021,404
Post-employment employee benefit obligations	1,239,611	86,647	136,398	1,462,656
<b>Deferred tax asset/(liability)</b>	<b>(34,606,246)</b>	<b>5,103,466</b>	<b>(1,650,678)</b>	<b>(31,153,458)</b>

Deferred income tax for 2023 relates to the following items:

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	<b>December 31, 2022</b>	<b>Recognized in profit and loss</b>	<b>Recognized in OCI</b>	<i>thousands UAH</i> <b>December 31, 2023</b>
Property, plant and equipment and intangible assets	(16,805,977)	1,563,204	(32,460,575)	(47,703,348)
Inventories, trade receivables (including long-term receivables) and other assets	3,915,681	399,824	-	4,315,505
Trade accounts payable and other current liabilities	205,879	44,535	-	250,414
Decommissioning and other non-current provisions	4,665,392	824,991	1,801,189	7,291,572
Post-employment employee benefit obligations	1,156,414	99,748	(16,551)	1,239,611
<b>Deferred tax asset/(liability)</b>	<b>(6,862,611)</b>	<b>2,932,302</b>	<b>(30,675,937)</b>	<b>(34,606,246)</b>

**Unrecognized deferred tax assets**

There are no unrecognized deferred tax assets as at December 31, 2024 and 2023.

**17. Related party transactions**

Transactions and outstanding balances with related parties for the years ended December 31, 2024 and 2023 are presented below.

The supreme governing body of JSC "NNEGC "Energoatom", as a joint-stock company 100% owned by the state, is the General Meeting represented by the representative of the state - the Cabinet of Ministers of Ukraine.

For the purposes of compiling information on related parties and its disclosure in the financial statements, related parties are the Cabinet of Ministers of Ukraine; members of the Supervisory Board and close members of their families; members of the Board and close members of their families; managers of the Company who have the right to establish, change or terminate legal relations, and close members of their families.

For 2023, information on related parties was disclosed in relation to the Cabinet of Ministers of Ukraine; company executives who had the right to establish, change or terminate legal relations, and close members of their families.

**Types and amounts of related party transactions** during 2023 - 2024 are presented below:

	<i>thousands UAH</i> <b>2024</b>	<b>2023</b>
Sales of products, goods, works and services to related parties	98	60
Guarantees and collateral provided*	(77,052)	(73,394)

\*The costs related to State guarantees provided by the Government of Ukraine to secure loans (borrowings) (Note 13.1) obtained by JSC "NNEGC "Energoatom" under guarantee agreements ratified by Laws of Ukraine No 1267-VII dated May 15, 2014, No 1268-VII dated May 15, 2014 and the State Guarantee Agreement in respect of JSC "NNEGC "Energoatom" liabilities in accordance with the Cabinet of Ministers Resolution No 936 dated December 06, 2017.

Related party balances are disclosed in the table below in accordance with clause 18 of IAS 24 "Related Party Disclosures".

	<b>December 31, 2024</b>	<b>December 31, 2023</b>	<b>Terms and nature of recovery</b>	<i>thousands UAH</i> <b>Guarantee, Collateral collateral amount</b>
Non-current accounts receivable	690	88	deducted through payroll monthly until 2037	mortgage agreements 1,859
Trade receivables for prod. sold	10	11	-	- -
Other current accounts receivable	114	19	deducted through payroll over 12 months	mortgage agreements 736
Provision for post-employment employee benefits (non-current portion)	16,265	13,125	weighted average utilization period of 7.2 years	- -
Provision for post-employment employee benefits (current portion)	1,905	1,241	within 12 months	- -



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The **key management personnel**, for whom information is disclosed below for 2024 and 2023, comprises 63 individuals and 58 individuals (positions), respectively, for positions not lower than executive directors and deputy directors of separate subdivisions. As at December 31, 2024 and December 31, 2023, the Company's key management personnel are presented by 50 and 51 individuals, respectively.

**Remuneration to key management personnel** during 2024 and 2023 is disclosed below:

	<i>thousands UAH</i>	
	<b>2024</b>	<b>2023</b>
Short-term employee benefits	160,814	125,912
Post-employment benefits	2,272	-
Related tax	16,374	13,334

For the years ended December 31, 2024 and 2023, the Company accrued and paid the statutory unified social contribution at the rate of 22% (8.41% for employed people with disabilities) on gross salary in accordance with the requirements of the Ukrainian legislation.

The Company enters into significant transactions with **entities under common control of the State**.

These entities include SE "Energorynok", SE "Guaranteed Buyer", SE "Market Operator", PrJSC "NPC "Ukrenerg", PJSC "State Savings Bank of Ukraine", PJSC "Ukreximbank", PJSC JSB "Ukrasbank", JSC "Sense Bank", SE "Eastern GOK", JSC "Ukrenergomachyny" and other state-owned enterprises ("SE").

Related party balances as at December 31 are presented at cost as follows:

	<i>thousands UAH</i>	
	<b>December 31, 2024</b>	<b>December 31, 2023 (restated)</b>
<b>Non-current assets</b>		
Restricted cash	-	51,408
<b>Current assets</b>		
Trade receivables from SE "Energorynok"	-	-
historical cost	11 061 147	11,269,545
provision for ECL*	(11 061 147)	(11,269,545)
Trade receivables from SE "Guaranteed Buyer"	2 688 647	1,935,840
historical cost	2 704 864	2,077,077
provision for ECL*	(16 217)	(141,237)
Trade receivables from PrJSC NPC "Ukrenerg"	491 542	456,774
historical cost	491 542	651,488
provision for ECL*	-	(194,714)
Trade receivables from other state-owned enterprises	575 256	1,081,881
historical cost	1 450 748	1,496,773
provision for ECL	(875 492)	(414,892)
Prepayments to PrJSC NPC "Ukrenerg"	-	13,546
Prepayments to SE "Eastern GOK"	2 484 045	2,076,663
Advances issued to SE "Guaranteed Buyer"	7 100 935	-
Prepayments to other state-owned enterprises	25 887	20,312
Other current receivables, financial assistance	195 000	195,000
Other current receivables resulting from claims recognized by SE "Energorynok"	-	-
historical cost	9 189 508	9,189,508
provision for ECL	(9 189 508)	(9,189,508)
Other current receivables, claims issued to SE "Guaranteed Buyer"	18 535	398,886
historical cost	781 144	950,878
provision for ECL	(781 089)	(551,992)
Other current receivables, claims issued to other SEs	136 847	424,974
historical cost	994 106	915,429
provision for ECL	(857 259)	(490,455)
Cash held with state-owned banks	7 407 918	2,329,876
Current letters of credit and restricted cash with state-owned banks	71 662	42,772
<b>Non-current liabilities</b>		
Loans obtained from JSC "State Savings Bank of Ukraine"	(960 683)	(3,578,296)
Collateral provided for loan from JSC "State Savings Bank"	-	(9,740,000)
Lease liability recognized in accordance with IFRS 16 "Leases"	(1 194)	(2,327)

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	<b>December 31, 2024</b>	<b>December 31, 2023 (restated)</b>
<b>Current liabilities</b>		
Loans from state-owned banks including outstanding interest and principal	(15 281 336)	(12,562,407)
Collateral provided for loans from state-owned banks	(53 704 628)	(35,728,404)
Advances received from PrJSC "NPC "Ukrenergo"	(95 146)	(75,567)
Advances received from JSC "Energy Company of Ukraine"	(39 273)	(205,566)
Advances received from LLC "Mykolaiv Electricity Supply Company"	(153 099)	(107,655)
Advances received from LLC "Energo Zbut Trans"	(151 200)	(232,954)
Advances received from LLC "Kharkivenergozbut"	(217 151)	(70,488)
Advances received from LLC "Khmelnitskenergozbut"	(128 545)	(95,510)
Advances received from LLC "Cherkasyenergozbut"	(156 223)	(92,306)
Advances received from LLC "Zaporizhyaelectropostachannya"	(143 101)	-
Advances received from other state-owned entities	(82 800)	(54,146)
Trade and other payables to JSC "Ukrenergomachyny"	(223 592)	(420,559)
Trade and other payables to PrJSC "NPC "Ukrenergo"	(549 502)	(20,250)
Trade and other payables to SE "Guaranteed Buyer"	-	(13,516,930)
Trade and other payables to other state-owned enterprises	(117 028)	(68,108)
Other liabilities to SE "Guaranteed Buyer"	(3 996 750)	-
Other liabilities to other state-owned enterprises	(5 974)	-
Lease liability recognized in accordance with IFRS 16 "Leases"	(1 408)	(1,393)

\* Refer to Note 8.1 for disclosure of the provision for expected credit losses on trade receivables from SE "Energoatom", SE "Guaranteed Buyer", PrJSC NPC "Ukrenergo".

Transactions with state-owned enterprises during 2024 and 2023 are presented as follows:

	<b>2024</b>	<b>2023</b>
	<i>thousands UAH</i>	
SE "Guaranteed Buyer" (sales of electricity)*	10,505,111	8,706,783
SE "Guaranteed Buyer" (purchases of electricity accessibility service for household consumers)	(109,287,906)	(100,650,652)
SE "Guaranteed Buyer" (purchases of services to ensure the security of electricity export supply)	-	-
SE "Market Operator" (sales of electricity)	15,750,142	16,161,272
SE "Market Operator" (purchases of electricity and services to arrange purchase and sale of electric energy)	(654,568)	(305,813)
PrJSC "NPC "Ukrenergo" (sales of electricity)*	8,345,106	7,241,199
PrJSC "NPC "Ukrenergo" (sales of ancillary services)	4,799	8,309
PrJSC "NPC "Ukrenergo" (purchases of electricity, installed generating capacity dispatching services, electricity distribution / transmission services)*	(8,077,903)	(6,070,129)
LLC "Mykolaiv Electricity Supply Company" (sales of electricity)	3,105,786	2,632,191
LLC "Khmelnitskenergozbut" (sales of electricity)	3,619,293	2,824,439
LLC "Cherkasyenergozbut" (sales of electricity)	2,629,693	2,662,179
LLC "Energo Zbut Trans" (sales of electricity)	8,874,778	6,815,357
JSC "Energy Company of Ukraine" (sales of electricity)	1,965,210	1,797,904
JSC "Energy Company of Ukraine" (purchases of electricity)	(425,636)	(352,071)
LLC " Zaporizhyaelectropostachannya" (sales of electricity)	2,969,040	2,664,563
LLC "Ternopileletropostach" (sales of electricity)	1,490,987	1,322,046
LLC "Kharkivenergozbut" (sales of electricity)	3,620,438	2,963,429
Sales of electricity to other state-owned enterprises	879,810	1,124,946
SE "Eastern GOK" (purchases of uranium oxide concentrate and related transportation and storage services)	(1,577,476)	(1,215,242)
Sales of goods, works, services to other state-owned enterprises	5,754	4 558
Purchases of goods, works, services from other state-owned enterprises	(5,824,345)	(3,788,441)
Purchases of non-current assets from state-owned entities	(58,449)	(134,232)
Interest expense on bonds and loans obtained from state-owned banks	(1,462,404)	(1,267,621)
Penalties receivable from SE "Guaranteed Buyer"	-	574,583
Penalties receivable from PrJSC "NPC "Ukrenergo"	104,063	488,828
Penalties payable to PrJSC "NPC "Ukrenergo"	(3,996,750)	(1,106,537)

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	2024	2023
Penalties charged to other state-owned enterprises	247,429	33
Penalties charged in favor of other state-owned enterprises	(7,330)	(71)
Collateral provided during the reporting period in the form of electricity and rights to receivables under the contract with SE "Energoatom" for loans obtained from state-owned banks	(8,236,224)	(15,837,946)

\*Refer to Note 8.1 for disclosure of transactions with SE "Guaranteed Buyer".

Other relations and settlements of JSC "NNEGC "Energoatom" with the State are disclosed in Notes 12.1, 12.5, 15.

## 18. Leases

The Company acts as both a lessee and a lessor.

As a lessee, the Company recognizes right-of-use assets and lease liabilities. The exemption from recognition of leases under IFRS 16 "Leases", is applied to short-term leases and leases of low-value assets within the materiality level being UAH 150 thousand for a new basic leased asset.

**Right-of-use assets** are included in other non-current assets. Information on right-of-use assets for 2024 and 2023 is presented as follows:

	December 31, 2023	Adjustment*	Depreciation charge	Disposals	thousands UAH December 31, 2024
<b>Right-of-use assets</b>					
<b>Buildings, structures</b>	2,124	(694)	(606)	-	824
historical cost	4,279	(694)	-	-	3,585
depreciation	(2,155)	-	(606)	-	(2,761)

\* the value of the right-of-use asset was changed due to a change in the carrying amount of the lease liability due to changes in lease payments under the contract

	December 31, 2022	Increase*	Depreciation charge	Disposals	thousands UAH December 31, 2023
<b>Right-of-use assets</b>					
<b>Buildings, structures</b>	2,671	306	(853)	-	2,124
historical cost	3,973	306	-	-	4,279
depreciation	(1,302)	-	(853)	-	(2,155)

\* the value of the right-of-use asset was increased due to an increase in the carrying amount of the lease payment liability in connection with changes in lease payments under the contract

**Non-current and current lease liability** for 2024 and 2023 is disclosed as follows:

	December 31, 2023	Increase	Decrease	thousands UAH December 31, 2024
<b>Non-current liabilities</b>	2,327	(433)	(700)	1,194
- increase due to the right-of-use asset	-	(694)	-	-
- accrued interest	-	261	-	-
including by dates of repayment as at the year-end: September 30, 2026	2,327	-	-	1,194
<b>Current portion of non-current liability</b>	1,393	1,063	(1,048)	1,408
- transferred from the non-current portion	-	700	-	-
- VAT and % on current portion of liability	-	363	(205)	-
- paid to the lessor	-	-	(843)	-
<b>Total liabilities</b>	3,720	630	(1,748)	2,602

	December 31, 2022	Increase	Decrease	thousands UAH December 31, 2023
<b>Non-current liabilities</b>	2,575	732	(980)	2,327
- increase due to the right-of-use asset	-	306	-	-
- accrued interest	-	426	-	-
including by dates of repayment as at the year-end: September 30, 2026	2,575	-	-	2,327

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<b>Current portion of non-current liability</b>	<b>1,325</b>	<b>1,372</b>	<b>(1,304)</b>	<b>1,393</b>
- transferred from the non-current portion	-	980	-	-
- VAT and % on current portion of liability	-	392	(255)	-
- paid to the lessor	-	-	(1,049)	-
<b>Total liabilities</b>	<b>3,900</b>	<b>2,104</b>	<b>(2,284)</b>	<b>3,720</b>

Non-current and current lease liabilities are recognized in the Statement of financial position in other non-current liabilities and current portion of non-current liabilities, respectively.

In the Statement of profit or loss and other comprehensive income, depreciation of right-of-use assets is included in the following items:

	<i>thousands UAH</i>
	<b>2024</b>
	<b>2023</b>
<b>Operating expenses</b>	<b>569</b>
Cost of sales	829
Administrative expenses	6
Other operating expenses	63
Change in work in progress	(329)
<b>In addition depreciation recognized in capital investments</b>	<b>37</b>
	<b>21</b>

Interest costs on lease liability for the year ended December 31, 2024 amounted to UAH 450 thousand (2023: UAH 624 thousand). Expenses related to short-term leases and leases of low-value assets totaled to UAH 120,797 thousand (2023: UAH 95,397 thousand).

In addition, JSC "NNEGC "Energoatom" recognizes lease payments on PPE transferred into operating leases as income on a straight-line basis. Income and expenses from operating leases during 2024 and 2023 are presented as follows:

	<i>thousands UAH</i>
	<b>2024</b>
	<b>2023</b>
Lease income	1,583
Expenses related to leases	(4,881)
	(1,382)

Information on income and expenses from investment property is disclosed in Note 6.4.

## **19. Fair value of financial instruments**

### **Fair value measurement**

Some principles of the Company's accounting policies and disclosure rules require the determination of the fair value of both financial and non-financial assets and liabilities. Fair value has been determined for valuation and disclosure purposes using the following methods.

#### ***Non-current accounts receivable***

The fair value of long-term receivables is measured as the present value of future cash flows discounted at the market interest rate at the reporting date. This fair value is determined for disclosure purposes. To determine the fair value of long-term receivables, the Company applies the discount rate of the National Bank of Ukraine at the reporting date.

#### ***Non-derivative financial assets and liabilities***

The fair value determined for disclosure purposes is calculated on the basis of the present value of future cash flows by principal and interest discounted at market interest rate at the reporting date.

The fair values of cash and cash equivalents, trade and other receivables and payables approximate their carrying amounts due to their short-term nature and market interest rates at the end of the period.

The fair values of financial assets and financial liabilities, as well as their carrying amounts, recognized in the Statement of financial position, are as follows:

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	December 31, 2024		thousands UAH December 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets for which fair value is disclosed</b>				
Other non-current receivables	23,640	22,720	42,834	39,759
Employee borrowings	191,366	196,614	184,645	185,297
<b>Financial liabilities for which fair value is disclosed</b>				
Loans, borrowings, bonds (including interest and principal), promissory notes	48,398,156	46,508,546	42,346,781	39,436,080

### **Fair value hierarchy**

All assets and liabilities for which fair value is measured or disclosed in financial statements are classified within the fair value hierarchy described below based on the lowest level inputs which have a significant effect on the overall fair value measurement:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: techniques for which all inputs which have a significant effect on the recorded fair value at the lowest level of the hierarchy are observable, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value at the lowest level of the hierarchy that are not based on observable market data.

For measurements and disclosures in these financial statements, the fair value is determined based on IFRS 13 "Fair Value Measurement", leases for which IFRS 16 applies and the measurements comparable but not equal to fair value.

For valuation of capital invested or assets, three approaches can be used: (i) cost approach; (ii) market (or comparative) approach; and (iii) income approach. For valuation of property, plant and equipment, each of these approaches is initially considered and the appropriate approach in specific circumstances is determined based on the nature and profile of business and its assets subject to appraisal.

(i) The cost approach reflects the replacement principle and is based on the assumption that a rational investor would not pay more for an asset than the amount for which it could replace the service capacity of that asset with the same, or similar, asset.

(ii) Comparative (or market) approach is based on the information about the market condition in current circumstances and the transactions completed on, or immediately before, the valuation date. The comparative approach comprises two methods: the analogue method and the transaction method. The analogue method is based on comparing the company being appraised to comparable companies quotes in a stock market. When the transaction method is used, the company being appraised is compared to comparable companies recently sold in merger transactions. In both cases, a relevant sample of companies is selected on comparability basis.

(iii) When the income approach is used, the fair value is determined by estimating the present value of expected future cash flows projected over a pre-defined period of time.

For valuation of property, plant and equipment, external appraisers are engaged. For valuation of property, plant and equipment, the Company uses the cost approach for specialized assets and comparative approach for non-specialized assets for which market information is available about transactions involving purchases/sales of the same or similar assets.

Fair value is the amount at which a financial instrument could be exchanged in a current transaction between market participants on the valuation date, other than in a forced sale or liquidation, and is best evidenced by an active quoted market price.

The Company determined the estimated fair values of financial instruments with reference to various market information and other valuation techniques as considered appropriate. However, considerable judgement is required in interpreting market data to determine the estimated fair values. Ukraine continues to display some characteristics of an emerging market and economic conditions continue to limit the volume

of activity in the financial markets. Market quotations may be outdated or reflect distress sale transactions and therefore not represent fair values of financial instruments.

In determining the market values of financial instruments, management used all available market information.

**Financial assets carried at amortized cost.** The fair value of floating rate instruments is normally their carrying amount. The estimated fair value of fixed interest rate instruments is based on estimated future cash flows expected to be received discounted at current interest rates for new instruments with similar credit risk and remaining maturity. Discount rates used depend on credit risk of the counterparty. Carrying amounts of trade and other financial receivables approximate their fair values.

**Liabilities carried at amortized cost.** The fair value of floating rate instruments approximates their carrying amount. The fair values of other liabilities were determined using valuation techniques. The estimated fair value of fixed interest rate instruments with stated maturity, for which a quoted market price is not available, was estimated based on expected cash flows discounted at current interest rates for new instruments with similar credit risk and remaining maturity. The fair value of liabilities repayable on demand or after a notice period ("demandable liabilities") is estimated as the amount payable on demand, discounted from the first date that the amount could be required to be paid. Carrying amounts of trade and other payables and non-current liabilities approximate their fair values.

The Company determines the fair values of all financial assets and financial liabilities based on Level 3 in the fair value hierarchy.

During 2024 and 2023, there were no transfers between Level 1 and Level 2; also, there were no transfers in respect of Level 3.

## **20. Risks**

The Company has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk;
- currency risk;
- market risk.

This Note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and procedures for assessing and managing risk, and the Company's management of capital. Further quantitative disclosures are included in other Notes to these financial statements.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

Annual financial plans (comprising details of operational, investment and financing activities covering financial instruments risk management) are approved by the Government of Ukraine and included the risk management policies and procedures.

The Company's audit bodies, and various government agencies monitor the management's compliance with the provisions on risk management methodology and procedures and verify the adequacy of the risk management principles inherent in the Company's activity.

**Classes of financial instruments** as at December 31 are presented as follows:

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*thousands UAH*

	<b>2024</b>	<b>2023</b>
<b>Financial assets at amortized cost</b>		
Other non-current receivables	23,640	42,834
Trade accounts receivable	3,927,326	4,063,493
Employee borrowings	191,366	184,645
Restricted cash	51,408	51,408
Other current accounts receivable	926,815	1,274,655
Accounts receivable on accrued income settlements	66,730	29,822
Promissory notes received	11	21
Other current assets (funds in seized accounts, cash contributions and financial guarantees in the electricity market, other funds)	177,615	24,325
Cash and cash equivalents	8,616,753	2,364,366
<b>Financial liabilities at amortized cost</b>		
Loans, borrowings and promissory notes	48,153,135	42,074,573
Trade accounts payable	2,624,773	16,176,954
Other current liabilities	12,854,939	5,683,198

### **Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. This risk arises, mainly, in connection with the receivables of customers to the Company.

The level of credit risk for the Company is determined primarily according to the Company's policy for estimating expected credit losses taking into account individual characteristics of each client or on a group basis using a provision matrix to estimate the provision for ECL (Note 3.1). The Company does not require collateral to secure trade and other receivables, except for advances.

The maximum exposure to credit risk is equal to the carrying amount of financial assets presented above in this Note and amounts to UAH 13,981,664 thousand as at December 31, 2024 (2023: UAH 8,035,569 thousand).

The largest debtors of the Company as at December 31, 2024 are state-owned enterprises with outstanding payables for electricity:

- SE "Energorynok", to which electricity was sold before July 01, 2019, with receivables at cost as at December 31, 2024 amounting to UAH 11,061,147 thousand of principal and UAH 9,189,508 thousand of related penalties;
- SE "Guaranteed Buyer", the sales of electricity to which began on July 01, 2019, with receivables at cost as at December 31, 2024 amounting to UAH 2,704,864 thousand of principal and UAH 781,089 thousand of related penalties;
- LLC "Kherson regional EC", the sales of electricity to which began on July 01, 2019, with receivables at cost amounting to UAH 1,082,678 thousand as at December 31, 2024;
- LLC "Zaporizhyaelectropostachannya", the sales of electricity to which began on July 01, 2019, with receivables at cost amounting to UAH 1,078,781 thousand as at December 31, 2024.

The Company creates a reserve for impairment of receivables. A provision for expected credit losses of 100% has been accrued for the entire amount of the principal receivables of SE "Energorynok". A provision for expected credit losses is also accrued for receivables that were formed in the electricity market, as disclosed in Note 8.1. Information on the provision for expected credit losses on other trade receivables is also disclosed in Note 8.1.

During 2024, in respect of accounts receivable the Company created a provision for ECL and a reserve for impairment of assets other than financial instruments.

Movements in the ECL provision and reserve for impairment of financial assets by Balance sheet items are presented as follows:

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	<i>thousands UAH</i>				
	December 31, 2023	Provision charge/ increase, impairment	Written off against provision	Provision released, impairment	Exchange rate differences
<b>Current accounts receivable, incl.:</b>	<b>23,956,479</b>	<b>1,946,621</b>	<b>(888)</b>	<b>(705,958)</b>	<b>13,805</b>
promissory notes received	36,520	21	-	-	-
for goods, works and services, which includes	13,139,761	1,146,395	(24)	(596,291)	4,271
- credit impaired	13,122,139	1,127,801	(24)	(578,669)	4,271
- the impact of changes in estimates and assumptions and other changes	-	1,127,801	-	(578,669)	-
- other	17,622	18,594	-	(17,622)	-
- the impact of changes in estimates and assumptions and other changes	-	18,594	-	(17,622)	-
other receivables	10,780,198	800,205	(864)	(109,667)	9,534
<b>Restricted cash</b>	<b>844</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>23,957,323</b>	<b>1,946,623</b>	<b>(888)</b>	<b>(705,958)</b>	<b>13,805</b>

Comparatives in respect of the ECL provision and reserve for impairment of financial assets during 2023 are disclosed below (restated):

	<i>thousands UAH</i>				
	December 31, 2022	Provision charge/ increase, impairment	Written off against provision	Provision released, impairment	December 31, 2023
<b>Current accounts receivable, incl.:</b>	<b>21,780,421</b>	<b>2,505,027</b>	<b>(3,212)</b>	<b>(325,757)</b>	<b>23,956,479</b>
Promissory notes received	36,510	10	-	-	36,520
for goods, works and services, which includes	12,032,184	1,402,677	(261)	(294,839)	13,139,761
- credit impaired	12,013,139	1,385,055	(261)	(275,794)	13,122,139
- the impact of changes in estimates and assumptions and other changes	-	1,385,055	-	(275,794)	-
- other	19,045	17,622	-	(19,045)	17,622
- the impact of changes in estimates and assumptions and other changes	-	17,622	-	(19,045)	-
other receivables	9,711,727	1,102,340	(2,951)	(30,918)	10,780,198
<b>Restricted cash</b>	<b>867</b>	<b>-</b>	<b>-</b>	<b>(23)</b>	<b>844</b>
<b>Total</b>	<b>21,781,288</b>	<b>2,505,027</b>	<b>(3,212)</b>	<b>(325,780)</b>	<b>23,957,323</b>

The Company's policy is **not to provide financial guarantees**. As at December 31, 2024 and 2023, there are no issued guarantees.

### Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The main liquidity risk of the company in 2025 is a disproportionate decrease in current assets relative to current liabilities due to the following potential factors:

1) an increase in the Company's current accounts payable due to the inability to fulfil its obligations in a timely manner, as a result of a shortfall in revenues from the sale of electricity due to military aggression by the Russian Federation and possible damage to Ukraine's energy infrastructure;

2) unsatisfactory payments to JSC "NNEGC "Energoatom" for the electricity supplied, which may result in a shortage of funds and a decrease in the share of other current assets, an increase in the share of doubtful debts with long overdue periods, and a decrease in the probability of cash flows by the end of the reporting period, which will increase the risk of losing solvency;

3) increase in debt on short-term loans from banks attracted and accounted for in foreign currencies due to the possibility of a depreciation of the hryvnia against foreign currencies.

The Company strives to ensure the availability of sufficient cash in the accounts to make scheduled operating payments, including servicing financial obligations. This does not apply to the potential impact of unforeseeable emergencies, such as a natural disaster. In addition, as at December 31, 2024, the balance of unused credit lines available to the Company is UAH 2,190,634 thousand (December 31, 2023: UAH 945,627 thousand).



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The following are the contractual maturities of financial liabilities (including estimated interest payments and excluding the impact of offsetting agreements and fees for undrawn amounts). For loans and borrowings, contractual maturities are presented excluding the impact of non-compliance with loan covenants as management believes that non-compliance would not lead to early repayment or significant penalties (Note 13.1).

As at December 31, 2024:

*thousands UAH*

	<b>Loans, borrowings (including interest and commissions), promissory notes</b>	<b>Trade accounts payable</b>	<b>Lease liabilities, other current liabilities</b>	<b>Total</b>
<b>Carrying amount</b>	<b>48,398,156</b>	<b>2,624,773</b>	<b>12,625,040</b>	<b>63,647,969</b>
<b>Contractual cash flows</b>	<b>55,348,060</b>	<b>2,624,773</b>	<b>12,625,454</b>	<b>70,598,287</b>
up to 6 months	3,919,434	2,624,773	12,623,009	19,167,216
6 - 12 months	17,167,352	-	978	17,168,330
1 - 2 years	5,495,392	-	1,467	5,496,859
2 - 3 years	6,527,201	-	-	6,527,201
3 - 5 years	7,467,757	-	-	7,467,757
more than 5 years	14,770,924	-	-	14,770,924

As at December 31, 2023:

*thousands UAH*

	<b>Loans, borrowings, bonds (including interest and commissions), promissory notes</b>	<b>Trade accounts payable</b>	<b>Lease liabilities, other current liabilities</b>	<b>Total</b>
<b>Carrying amount</b>	<b>42,346,781</b>	<b>16,176,954</b>	<b>5,426,908</b>	<b>63,950,643</b>
<b>Contractual cash flows</b>	<b>48,041,542</b>	<b>16,176,954</b>	<b>5,431,129</b>	<b>69,649,625</b>
up to 6 months	3,240,450	16,176,954	5,427,344	24,844,748
6 - 12 months	12,854,802	-	728	12,855,530
1 - 2 years	6,297,669	-	1,747	6,299,416
2 - 3 years	2,553,629	-	1,310	2,554,939
3 - 5 years	8,323,921	-	-	8,323,921
more than 5 years	14,771,071	-	-	14,771,071

### Currency risk

The Company is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the functional currency of the Company. The currencies in which these transactions primarily are denominated are EUR and USD.

Assets and liabilities denominated in respective currencies as at December 31, 2024 are presented in the table below:

	<b>EUR</b>	<b>Equivalent in UAH</b>	<b>USD</b>	<b>Equivalent in UAH</b>
Current accounts, cash in transit	78,052	3,428,574	7	310
Seized accounts	1	31	-	-
Settlements with customers	2,485	109,136	1,246	52,374
Settlements on claims made	158	6,967	0,1	4
<b>Total assets</b>	<b>80,696</b>	<b>3,544,708</b>	<b>1,253</b>	<b>52,688</b>
Long-term bank loans	205,703	9,035,827	22,852	960,683
Long-term borrowings received	300,000	13,177,980	167,492	7,041,209
Short-term loans and borrowings	-	-	238,168	10,012,359
Current loans and borrowings payable	68,375	3,003,491	124,480	5,233,005
Settlements with suppliers for works, services, inventories	17,383	763,573	222	9,336
Settlements on interest accrued	2,658	116,773	2,585	108,657
Other settlements with creditors	33,991	1,493,093	93,933	3,948,831
<b>Total liabilities</b>	<b>628,110</b>	<b>27,590,737</b>	<b>649,732</b>	<b>27,314,080</b>
<b>Net position</b>	<b>(547,414)</b>	<b>(24,046,029)</b>	<b>(648,479)</b>	<b>(27,261,392)</b>

Comparative information as at December 31, 2023 is presented in the table below:

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	EUR	Equivalent in UAH	USD	thousands UAH Equivalent in UAH
Current accounts, cash in transit	13,900	586,708	-	-
Seized accounts	1	30	-	-
Other current assets (letters of credit)	533	22,509	-	-
Settlements with customers	2,485	104,865	1,191	45,229
Settlements on claims made	293	12,353	0,1	4
<b>Total assets</b>	<b>17,212</b>	<b>726,465</b>	<b>1,191</b>	<b>45,233</b>
Long-term bank loans	110,888	4,680,351	94,209	3,578,295
Long-term borrowings received	300,000	12,662,370	182,212	6,920,861
Short-term loans and borrowings	-	-	229,227	8,706,578
Current loans and borrowings payable	32,662	1,378,573	79,798	3,030,930
Settlements with suppliers for works, services, inventories	11,995	506,206	576	21,866
Settlements on interest accrued	2,647	111,742	3,027	114,977
Other settlements with creditors	32,463	1,370,205	753	28,600
<b>Total liabilities</b>	<b>490,655</b>	<b>20,709,447</b>	<b>589,802</b>	<b>22,402,107</b>
<b>Net position</b>	<b>(473,443)</b>	<b>(19,982,982)</b>	<b>(588,611)</b>	<b>(22,356,874)</b>

The Company prepared a **sensitivity analysis for floating interest rate financial instruments**. The effect of changes in currency exchange rates in relation to UAH (translated amounts in UAH in case of currency strengthening/weakening) on profit or loss of the Company as at December 31, 2024 is presented below:

	10% increase in exchange rate		10% decrease in exchange rate	
	Net position	Income/(expense)	Net position	Income/(expense)
EUR	(26,450,632)	(2,404,603)	(21,641,426)	2,404,603
USD	(29,987,531)	(2,726,139)	(24,535,253)	2,726,139

**Interest rate risk** represents changes in interest rates that impact primarily loans and borrowings by changing either their fair value (fixed rate debt) or their future cash flows (floating rate debt). Management does not have a formal policy of determining how much of the Company's exposure should be at fixed or floating rates. However, at the time of raising new loans or borrowings management uses its judgement to decide whether a fixed or floating rate would be more favorable to the Company over the expected period until maturity.

As at December 31, the interest rate profile of the Company's interest-bearing financial instruments was as follows:

	December 31, 2024	thousands UAH December 31, 2023
<i>Fixed rate instruments</i>		
Loans and borrowings	36,861,012	36,033,736
<i>Floating rate instruments</i>		
Loans and borrowings	11,292,023	6,040,737
<b>Total</b>	<b>48,153,035</b>	<b>42,074,473</b>

**Sensitivity analysis for floating interest rate financial instruments**

An increase in interest rates by 50 basis points at the reporting date would decrease the profit by UAH 60,113 thousand (2023: UAH 30,295 thousand). A decrease in interest rates by 50 basis points at the reporting date would increase the profit by UAH 60,113 thousand (2023: UAH 30,295 thousand). This analysis assumes that all other variables, in particular currency exchange rates, remain unchanged. Data analysis for 2023 was conducted on the same basis.

**Market risk** is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

## **Capital management**

The Company's policy provides for the maintenance of a stable capital level to ensure confidence of investors, creditors and other market participants, as well as to ensure further sustainable development of the Company's business activities. This is achieved through efficient cash management, continuous monitoring of the Company's revenues and profits and long-term investment plans, financed mainly by the Company's operating cash flows. Through these measures, the Company seeks to ensure stable revenue growth. The Government of Ukraine significantly influences the Company's capital management policy.

## **21. Commitments and contingencies**

### **Litigation**

The table below discloses material legal proceedings and claims with counterparties of JSC "NNEGC "Energoatom":

	Notes	December 31, 2024		December 31, 2023	
		Claim by the Company against the counterparty	Claim by the counterparty against the Company	Claim by the Company against the counterparty	Claim by the counterparty against the Company
PJSC "Centrenergo"	a	-	-	845,268	-
Kyiv City Department of the Fund for Social Protection of Disabled	b	-	217,548	-	384,281
Central Interregional Directorate of the State Tax Service for Large Taxpayers	c	79,649	-	113,268	-
PrJSC NPC "Ukrenergo"	d	659,056	4,613,387	1,426,735	4,684,521
SE "Guaranteed Buyer"	e	1,769,442	18,814,308	2,267,132	32,476,439
JSC "Ukrenergomashyny"	f	-	264,503	-	668,452
LLC "Kyiv Energy Services"	g	223,671	-	319,304	-
LLC "Kyiv Regional Energy Supply Company"	h	-	-	213,679	-
LLC "Dnipro Energy Services"	i	222,343	-	231,513	-
LLC "Kherson Regional Company"	j	1,174,457	-	1,174,457	-
LLC "Zaporizhya electropostachannya"	k	1,187,612	-	1,319,560	-
LLC "Svitlo Group M"	l	230,094	-	-	-
Other		1,246,940	479,999	1,791,923	865,474

a) A claim to recover from PJSC "Centrenergo" the principal debt, interest costs, fees and inflation costs according to the electricity purchase and sale agreement. As at December 31, 2024, the case was completed.

b) As at December 31, 2024, a number of claims are in various stages of court hearing to impose on JSC "NNEGC "Energoatom" administrative penalties (fines) and interest for failure to meet the required number of jobs for employment of people with disabilities: UAH 213,308 for 2021, UAH 4,240 thousand for 2022.

The expected probable outcome of the cases is making a decision not in favor of JSC "NNEGC "Energoatom" in the amount of UAH 4,240 thousand, in favor of JSC "NNEGC "Energoatom" in the amount of UAH 213,308 thousand.

c) As at September 30, 2024, a number of cases are pending hearing at various stages relating to invalidation of tax notices-decisions totaling UAH 79,649 thousand.

The expected probable outcome of the cases is making a decision in favor of JSC "NNEGC "Energoatom" in the amount of UAH 49,717 thousand and UAH 29,932 thousand against.

d) As at December 31, 2024, a number of cases are pending hearing at various stages relating to imposition of penalties on PrJSC NPC "Ukrenergo" for breach of Agreement on Settlement of Electricity Imbalances and a fine for late payment and breach of the Agreement on Participation in the Balancing Market and about the return of unjustified funds in the total amount of UAH 659,056 thousand and the counterclaims against JSC "NNEGC "Energoatom" in cases of recovery of principal and penalties under the agreement for the provision of dispatch management services for a total amount of UAH 4,613,387 thousand.

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The expected probable outcome of the cases is making a decision in favor of JSC "NNEGC "Energoatom" in the amount of UAH 659,056 thousand, the probability of a decision not in favor of the Company is UAH 4,613,387 thousand.

e) As at December 31, 2024, a number of cases are pending hearing at various stages relating to claim to collect from SE "Guaranteed Buyer" the principal debt, penalty, fine and interest per annum under contracts in the total amount of UAH 1,769,442 thousand and counterclaims to JSC "NNEGC "Energoatom" in the amount of UAH 18,814,308 thousand in the case of collection of principal debt, interest, annual interest and inflation costs for violation of the terms of the contract on the provision of services to ensure the availability of electric energy for household consumers of SE "Guaranteed buyer".

The expected probable outcome of the cases is making a decision in favor of JSC "NNEGC "Energoatom" in the amount of UAH 591,587 thousand, the probability of making a decision in favor of the Company on partial satisfaction of claims in the amount of UAH 1,177,855 thousand (reduction of fines is possible), not in favor of JSC "NNEGC "Energoatom" in the amount UAH 18,814,308 thousand.

f) As at December 31, 2024, a number of cases are pending hearing at various stages relating to claim to recover from JSC "NNEGC "Energoatom" under contracts for the supply of principal debt and arrears in the form of overdue advances, annual interest, inflation losses, court fees in the amount of UAH 264,503 thousand, including arrears in the form of overdue advances in the amount UAH 240,000 thousand.

The expected probable outcome of the cases is making a decision in favor of JSC "Ukrenergomashyny" in the amount of UAH 264,503 thousand.

g) As at 31.12.2024, the Resolution of the Northern Commercial Court of Appeal dated 16.12.2024 in the case of recovery of principal from LLC "Kyiv Energy Services" under the electricity purchase and sale agreement for the principal debt, annual interest, inflationary losses in the amount of UAH 223,671 thousand.

The expected probable outcome of the cases is making a decision in favor of JSC "NNEGC "Energoatom" in the amount of UAH 223,671 thousand.

h) The case on recovery of the principal debt, annual interest, inflationary losses in the amount of UAH 213,679 thousand from LLC "Kyiv Regional Energy Supply Company" under the electricity purchase and sale agreement. As at 31.12.2024, the case was completed.

i) As at December 31, 2024, the Company is in the process of appealing the Decision of the Commercial Court of Dnipropetrovsk region dated April 09, 2024 in the case of recovery of annual interest from LLC "Dnipro Energy Services" under the contract of sale of electricity annual interest and inflationary losses in the amount of UAH 222,343 thousand.

The expected probable outcome of the cases is making a decision in favor of JSC "NNEGC "Energoatom".

j) As at December 31, 2024, the court of first instance is considering the case of recognition of creditor claims in the case of bankruptcy of LLC "Kherson Regional Company" under the electricity purchase and sale agreement in the amount of UAH 1,174,453 thousand (principal debt, annual interest, inflation losses).

The expected probable outcome of the cases is making a decision in favor of JSC "NNEGC "Energoatom".

k) As at December 31, 2024, the court of first instance is considering the case of collection from LLC "Zaporizhyaelectropostachannya" under the electricity purchase and sale agreement of principal debt, annual interest, and inflation losses in the amount of UAH 1,187,612 thousand.

The expected probable outcome of the cases is making a decision in favor of JSC "NNEGC "Energoatom".

l) As at December 31, 2024, the court of first instance is considering a case on recovery of the principal from LLC "Svitlo Group M" under the contract for the sale of electricity of the principal debt, annual interest, inflationary losses in the amount of UAH 230,094 thousand.

The expected probable outcome of the cases is making a decision in favors of JSC "NNEGC "Energoatom".

### **Insurance**

The Company does not have full coverage for its equipment, business interruption, or third-party liability in respect of property or environmental damage arising from accidents of Company property or relating to Company operations. Until the Company obtains adequate insurance coverage, there is a risk that the loss or damage of certain assets could have a material adverse effect on the Company's operations and financial position.

In accordance with Ukrainian legislation in respect of nuclear power electricity generation, the Company is obliged to insure risks of nuclear damage with a determined limit of SDR (Special Drawing Rights) 112,611,417, which is the equivalent of UAH 6,185,306 as at December 31, 2024 for each nuclear incident (2023: UAH 5,704,117 thousand). As at December 31, 2024 and 2023, the Company meets these requirements.

### **Social programme commitments**

The Company makes contributions to mandatory and voluntary social programs. During 2024, as required by Ukrainian legislation, the Company paid the average salaries to employees called for military duty or involved in territorial defense forces as volunteers, which are non-refundable from the State budget. The total amount of related costs during 2024 is UAH 4,387 thousand (2023: UAH 8,380 thousand).

In addition, starting from August 2022, in accordance with the joint decisions of the Company and the trade union committee of the Air Defense of JSC "NNEGC "Energoatom", employees called up for military service are accrued cash payments. In 2024, cash payments totaling UAH 373,481 thousand were accrued (in 2023 - UAH 344,652 thousand).

In 2024, the Collective Agreement of JSC "NNEGC "Energoatom" for 2025-2026 was approved by the resolution of the conference of the labor collective of JSC "NNEGC "Energoatom" dated 19.12.2024 No. 21.

The Company's social facilities, and local social programs bring public benefits in a broad sense and are generally not limited to the Company's employees.

### **Environmental issues**

The Company and business entities that existed before its establishment have been operating in the nuclear energy sector of Ukraine for many years. As a result of the Company's activities, the environment could be damaged. Environmental protection, reduction of environmental impact is a priority task of the Company as an operator of existing Ukrainian NPPs. Environmental practice is implemented at all facilities: protection of atmospheric air, protection of water and land resources, ensuring safety during waste operations.

Ukraine continues to develop environmental legislation and the Government's position on compliance with this legislation is being reviewed. The Company periodically evaluates its environmental legislation obligations. They are recognized as occurred. If no current or future benefits are expected, the costs associated with the environmental obligations are included in expenses. Expenses aimed at extending the useful life of the respective property or at reducing or preventing future environmental pollution are capitalized.

Contingent liabilities that may arise as a result of the approval of stricter legal requirements, resulted from civil litigation or changes in legislation, cannot be currently assessed. In recent years, in connection with the implementation of European environmental legislation in Ukraine, new regulations are being revised or introduced, which require the Company to adjust existing/introduce new approaches to the environmental activities. As a result, there is a risk of non-receiving new/adjusting existing permit documents in a timely manner, which entails the imposition of penalties by the state supervision bodies or claims for damages related to non-receipt of such documents in due time.

During 2024, as a result of hostilities and occupation of Zaporizhzhia NPP, there were instances of environmental contamination, lethalties among certain animal species and damage to plants both on the NPP industrial site and in the surrounding buffer area and radiation control area.

The extent of contamination and environmental damage will be assessed in the course of the environmental safety audit after Zaporizhzhia NPP has been reoccupied. The related monetary loss will be quantified based on the findings of such environmental safety audit.

Currently, the Company generally complies with environmental legislation, and the law requirements in respect of the environmental tax payment, rent for special water use and has no financial obligations related to compensation for damage from environmental pollution.

### **Contingent assets and liabilities**

The table below presents significant contingent assets and liabilities as at December 31, the majority of which may originate as a result of court decisions on claims or in accordance with contractual terms,

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disclosed in this note:

	<i>thousands UAH</i>	
	<b>December 31, 2024</b>	<b>December 31, 2023</b>
<b>Contingent assets</b>		
SE "Guaranteed Buyer" to impose penalties due to the breach of contracts through overdue monetary obligation	196,319	196,319
LLC "Dnipro Energy Services" regarding recovery of penalties for breach of contractual terms and conditions for overdue monetary obligations	222,343	-
LLC "Lvivenergozbut" regarding the recovery of penalties for breach of contractual terms and conditions for overdue monetary obligations	113,122	-
PrJSC "NPC "Ukrenergo" regarding recovery of penalties for breach of contractual terms and conditions for overdue monetary obligations	108,975	-
Share in the charter capital of LLC "Khmelnyskenergozbut"	69,787	69,787
Share in the charter capital of LLC "Mykolaiv Electricity Supply Company"	105,167	105,167
<b>Contingent liabilities</b>		
Financial reserve for decommissioning (charge for 2007-2009 and for 2020-2024)	(4,587,532)	(3,802,132)
Income tax, VAT, PIT, STR, customs payment and penalties challenged in court	-	(23,319)
Membership fees (WANO London) for 2023	-	(11,342)
Claims by the Kyiv City Department of the Fund for Social Protection of Disabled to impose administrative penalties (fines) and interest for failure to meet the required number of jobs for employment of people with disabilities	(213,308)	(213,308)
Claim of the Mykolaiv Regional Branch of the Social Protection Fund for Persons with Disabilities regarding the recovery of penalties and fines for failure to create jobs in 2023	(74,816)	-
Commitment to pay for the share in the issued capital of LLC "Khmelnyskenergozbut"	(69,787)	(69,787)
Commitment to pay for the share in the issued capital of LLC "Mykolaiv Electricity Supply Company"	(105,167)	(105,167)

\*detailed information is described in Note 1.1.

### **Taxation contingencies**

The Company performs most of its operations in Ukraine and is subject to the Ukrainian tax laws. The Ukrainian tax system can be characterized by numerous taxes and frequently changing legislation which may be applied retrospectively, open to wide interpretation and in some cases are conflicting. Instances of inconsistent opinions between local, regional, and national tax authorities and between the Ministry of Finance and other state authorities are not unusual. Tax declarations are subject to review and investigation by a number of authorities that are enacted by law to impose severe fines, penalties and interest charges. A tax year remains open for review by the tax authorities during the three subsequent calendar years, however under certain circumstances a tax year may remain open longer.

These facts create tax risks substantially more significant than those typically found in more developed tax systems.

The management, based on the interpretation of tax legislation, official explanations and court decisions, believes that tax liabilities have been properly declared and recorded. However, the relevant authorities may interpret the aforementioned provisions differently, and if the management fails to defend its position, the execution of their decisions may have a material effect on these financial statements.

The Company must comply with the requirements of the Fund for Social Protection of Disabled. The majority of separate divisions of the Company operate under hazardous conditions and the creation of jobs for disabled persons in such circumstances is prohibited by other regulatory acts of Ukraine.

On a regular basis the Company creates jobs for disabled persons in divisions where the working conditions are not hazardous. However, the number of disabled persons employed is not enough due to low unemployment rate among disabled people in the places, where such divisions are located. Accordingly, management believes that the Company complies with the requirements of legislation in force on the social security of disabled people.

Total contingent liabilities related to the respective charges amounted to UAH 288,124 thousand as at December 31, 2024 (2023: UAH 213,308 thousand) as stated above. No provision for such contingencies is made in these financial statements as management believes that it is not probable that there will be a significant outflow of economic benefits related thereto.

#### **Past due liabilities**

Some of the Company's liabilities are past due. For some of them, the terms of the relevant agreements provide for the imposition of penalties. Provisions for potential penalties are created and reflected in the financial statements as the potential amount of penalties for overdue liabilities is significant.

#### **Written off accounts payable**

The Company writes off accounts payable for which the limitation period expired as determined by the legislation of Ukraine, and in respect of which the counterparties have not filed lawsuits.

The total amount of accounts payable written off in 2024 is UAH 17,921 thousand (2023: UAH 590,289). In addition, according to the decisions of the courts of various instances, the payables were restored in the amount of UAH 9,307 thousand, which in 2022 was written-off as required by the CMU Resolution No 187 "On Protection of National Interests Regarding Future Claims by the State of Ukraine in Connection with the Russian Federation's Military Invasion" dated March 03, 2022.

## **22. Events after the reporting period**

After the balance sheet date and before the date of authorization of these financial statements for issue, the President of Ukraine signed a law on 13.03.2025 on the purchase of equipment necessary for the completion of KhNPP Units 3 and 4. The law establishes the legal framework and authorizes the purchase of equipment from the Bulgarian Belene NPP. The Law of Ukraine "On the Purchase of Equipment Necessary for the Construction of Units 3 and 4 of the Khmelnytsky Nuclear Power Plant" was published in the official parliamentary newspaper Holos Ukrainy on March 15, 2025. It is planned that the purchase of equipment for the construction of KhNPP Units 3 and 4 will be carried out at the expense of borrowed funds (both in the domestic market of Ukraine and in the foreign market).

The completion of Khmelnytsky NPP Units 3 and 4 will partially compensate for the energy capacity lost as a result of hostile attacks on the energy infrastructure and strengthen Ukraine's energy security and independence.

No significant events have occurred subsequent to the balance sheet date and up to the date of authorization of the financial statements for issue that require or may require adjustments to these financial statements prepared in accordance with IFRS.

Acting Chairman of the Board

Chief Accountant



Petro KOTIN

Nataliia VASHETINA



