



Romania: A dynamic European economy

The Bucharest Stock Exchange offers foreign investors opportunities to diversify and penetrate Eastern European markets.

Nuclearelectrica is driving sustainable energy initiatives in Romania, a regional hub for nuclear expertise and production.

Transgaz, advancing Romania's energy sector and strengthening the country's status as a European energy leader.

Last year Japanese Prime Minister Fumio Kishida and Romanian President Klaus-Werner Iohannis issued a joint statement on establishing a strategic partnership between Japan and Romania that aims to further elevate bilateral relations to a strategic partnership level.



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Nuclearelectrica, Romania's sole producer of nuclear energy, is setting the stage for a transformative era in clean energy with ambitious investment projects.

This strategic expansion highlights Romania's commitment to sustainable energy and its role as a regional hub for nuclear expertise and production.

A key project is the refurbishment of Unit 1 at the Cernavoda Nuclear Power Plant, which will extend its operational life by 30 years beyond 2029. It will support Romania's decarbonization goals by avoiding an additional 5 million tons of carbon dioxide emissions annually.

A cornerstone of Nuclearelectrica's investment portfolio is the development of Units 3 and 4 at Cernavoda. These units will add approximately 1,448 megawatts electric to the national grid by the end of the decade, generating over 10 million megawatt-hours of clean energy annually and preventing 10 million tons of carbon dioxide emissions each year.

Nuclearelectrica is also leading the deployment of small modular reactors in Romania, thus in Europe. These reactors offer a scalable option for energy production. The SMR project at Doicești, for example, with a capacity of 462 MWe,



Teodor Chirica, President of the Board of Nuclearelectrica



Cosmin Ghita, CEO of Nuclearelectrica

Nuclearelectrica's clean energy investment in Romania

will replace a former thermal power plant. The project will create over 1,500 jobs during construction and 200 permanent jobs, while avoiding 4 million tons of carbon dioxide emissions annually.

This entire expansion brings Romania's installed nuclear capacity to 3,262 MW, marking a significant milestone in the country's energy landscape.

Nuclearelectrica is also advancing Romania's capabilities in nuclear technology through the development of the Tritium Removal Facility at

Cernavoda. This facility, the first of its kind in Europe, will enhance environmental protection by safely managing and reducing the amount of this byproduct in the plant's heavy water.

Additionally, the company is exploring the production of medical isotopes, which are critical for medical imaging and cancer treatment. These initiatives contribute to both the clean energy mission and to global health and safety through innovative nuclear applications.

Nuclearelectrica's President of the Board Teodor Chirica emphasized

the importance of a sustainable local supply chain in achieving these ambitious goals.

"Building a sustainable local supply chain is not just about meeting our current project needs, it's about creating a robust ecosystem that can support the long-term development of the nuclear industry in Romania and the region. This approach ensures that the benefits of these projects extend beyond energy production to include economic and social advancements. All of this can be done only with a strong regulatory framework and Romania has that."

Cosmin Ghita, CEO of Nuclearelectrica, underlines the significance of nuclear energy in achieving clean energy goals.

"Nuclear energy is a critical component of Romania's energy strategy, offering a reliable, low-carbon source of power that complements our renewable energy initiatives. With our experience and expertise, Romania is well-positioned to become a regional hub for nuclear energy production and know-how, contributing to the global push for decarbonization."

By securing Romania's energy needs while setting a benchmark for clean, sustainable energy in Europe, Nuclearelectrica's projects are investments in the future. Nuclearelectrica's efforts in nuclear energy position Romania as a leader in the global transition to a low-carbon economy. ■

www.nuclearelectrica.ro



Ion Sterian, Director General of Transgaz

Transgaz alliances: Driving growth to energize a region

With an abundance of natural resources, Romania is an attractive hub for regional and global energy stakeholders.

Transgaz, the National Natural Gas Transmission Co. S.A. established in 2000, serves as the licensed technical operator of Romania's natural gas transmission system, both domestic and international.

Publicly listed on the Bucharest Stock Exchange and with over 4,500 employees, Transgaz is advancing Romania's energy sector and establishing its role as a European energy powerhouse.

The company manages domestic gas transmission with tariffs regulated by the National Energy Regulatory Authority, while international transmission is facilitated through interconnected pipelines governed by commercial agreements.

The success of Transgaz is attributed not only to strategic investments and robust technical and economic performance, but also to its visionary and transformative leadership.

Ion Sterian, director general of Transgaz, is highly respected in Romania's energy sector, across the European Union and internationally.

A magnetic, dedicated and positive leader, Sterian has received numerous awards, diplomas and distinctions in energy, international relations and corporate governance.

"We hold a responsibility to strengthen the Romanian economy," Sterian said.



"With prospects in both domestic and regional energy sectors, Transgaz is committed to delivering economic growth through our collaborations with cross-border partners and our globally driven alliances."

Growth and innovation

Transgaz is dedicated to efficiency, transparency, safety, nondiscriminatory access, research, design and competitiveness.

Every area of the business adheres to national and European laws and standards related to quality, performance, environmental sustainability and development.

The company's exemplary corporate governance practices are driving growth and positioning Transgaz as a cornerstone of the national economy.

"Transgaz is committed to delivering economic growth through our collaborations with cross-border partners and our globally driven alliances."

Strengthening partnerships

"Fortifying our international partnerships is essential, and we welcome collaborations with leading industry leaders," Sterian said.

"Our partnership with Itochu Corporation exemplifies the strong ties we maintain with Japan and we anticipate more alliances with Japanese counterparts as they explore opportunities in Romania and the region."

"Together with our partners, we aim to upgrade infrastructure and launch pioneering regional energy projects, ensuring industry-wide security and efficiency."

Transgaz's adherence to the principles of the Malcolm Baldrige National Quality Award recently earned it recognition from the Romanian Performance Excellence Program for its remarkable standards in defining, developing and promoting excellence.

Transgaz's new 10-year development plan (TYNDP 2024-2033) for the gas transmission system reinforces its strategic position as a vital link in the Romanian and European energy networks. With Sterian's leadership, Transgaz will continue its journey as a forward-thinking, responsible energy leader. ■

www.transgaz.ro/en

Building competitive capital markets in Central-Eastern Europe

"Romania is a dynamic Eastern European economy and collaborations between local and international stakeholders continue to present new opportunities," according to Adrian Tanase, chief executive officer of the Bucharest Stock Exchange (BVB).

Indeed, the Romanian economy presents a compelling investment opportunity. Romania's accession to the European Union in 2007 has ensured a stable regulatory environment with established legal frameworks. The economy is on an upward growth trajectory, offering investors access to promising companies. Romanian companies offer attractive valuations for early investors and international interest in Romania's potential is growing.

BVB is in the process of transforming Romania's capital markets. With new infrastructure, education and good

governance, BVB is on an ambitious journey.

"With increased international visibility and more companies and investors coming to the market, we are moving in the right direction," Tanase said. "We have an invigorated capital market and a dynamic local institutional investment community. Government strategies are aligning to build capacity in the financial sector and this will undoubtedly lead to a healthier investment climate."

BVB offers a unique opportunity for foreign investors seeking diversification and access to a promising Eastern European market. Foreign investors currently account for about 26% of trading activity and BVB continues to prioritize investor confidence by adhering to strict regulations and transparency.

To support the growth of local entrepreneurial businesses, in 2017 BVB created



Adrian Tanase, CEO of the Bucharest Stock Exchange

the BVB Arena program as an ecosystem for financing, training and cooperation. Over 20 companies have already engaged

with the program and financing rounds have amounted to almost €240 million.

More environmental, social and governance bonds are being issued by Romanian banks, companies and municipalities. Since 2011, the 12 bond issues containing an ESG component amount to more than €1.7 billion.

BVB has established partnerships with Sustainalytics, now part of the Morningstar Group, one of the global leaders in the ESG research and rating segment, and IFC, a leader in the ESG space.

"Thanks to the country's economic growth and political stability, Romania continues to be viewed in a positive light by the international community," Tanase said. "In line with confidence in the economy and trends in external markets, BVB will continue to contribute to Romania and provide returns for investors."

Last summer's public offering by

Hidroelectrică was worth almost €1.9 billion and proved to be the largest in Europe in 2023. The event had a noteworthy impact on BVB's international reputation as it was set during a complicated period of high inflation, high-cost money and geopolitical tensions.

"Increasing liquidity is at the epicenter of our strategy and we continue to innovate while reaching out to new issuers and local and international investors. Romania has a robust framework for growth and we are eager to engage with international investors, enhance our market visibility and strengthen ties with our friends in Japan, Asia and the rest of the world," Tanase concluded. ■

www.bvb.ro
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