URENCO NEDERLAND B.V.

Almelo, the Netherlands

Annual Report
For the financial period ended 31 December 2022

ADDRESS:
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7601 PZ Almelo

Chamber of Commerce
File number 06070616

Deloitte Accountants B.V.
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Related to auditor's report
dated 7 March 2023

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DIRECTORS REPORT

Urenco is an international supplier of uranium enrichment services, fuel cycle products and related solutions with sustainability at the core of our business. Operating in a pivotal area of the nuclear fuel supply chain for over 50 years, we understand the importance of energy security and facilitate the reliable delivery of low carbon electricity generation for consumers around the world. As an engaged and responsive supplier to nuclear power generators, we have taken steps in 2022 to enable us to increase capacity to meet the rising demand.

With our head office near London, UK, our international presence ensures diversity and security of supply for customers through our enrichment facilities in Germany, the USA, the UK and the Netherlands (UNL).

Developments

While we benefitted this year from the steady relaxation of COVID-19 restrictions, we saw the emergence of another crisis with the conflict in Ukraine in February, which has proceeded to change the world as we know it. As a company, we have been deeply concerned with the developments in the country, the home of one of our customers, and our thoughts continue to be with all the people who are suffering there. At the outset of the conflict, we terminated a contract with a Russian counterparty. We continue to offer our support to our customer in Ukraine.

The conflict also brought about an urgent global focus on energy independence and security of supply in our markets, and more countries and energy companies are turning to nuclear or seeking to diversify their existing supply as a result. For us this means a growing demand for our enrichment services worldwide. We have launched a capacity programme to upgrade and enhance the production capacity at our sites, which will enable us to meet growing demand, while positioning ourselves to further expand our enrichment capacity.

With the climate emergency remaining at the forefront of energy challenges worldwide and sustainability being integral to everything we do, we are proud to have accelerated our net zero transition within our business, making the decision to bring our targets forward and making them more ambitious.

We are working towards reaching net zero on our direct and indirect emissions (scope 1 and 2) by 2030. This new target will see us far exceed minimum Science Based Target Initiative (SBTi) standards, but we also fully recognise the importance of reducing our direct supply chain carbon emissions (scope 3) and have committed to a science-based target of 30% reduction by 2030.

Performance in 2022

We have continued our strong financial, operational and sustainability performance, despite the turbulent geopolitical environment. This is thanks to the adaptability and hard work of our employees during 2022. Revenue slightly decreased to €507.8million (2021: €513.4 million). With EBITDA and Net Income performing at €199.2 million and €144,1 million respectively (2021: 205.0 million; €138,7 million). Cash generated from operating activities was strong at €324.0 million (2021:€249.1 million). The Group order book extends into the 2030s with an approximate value of €10.8 billion and continues to provide Urenco with visibility and financial stability of future revenues.

Urenco is committed to maintaining its position as a trusted global industry leader; contributing to a sustainable net zero and secure energy future by operating safely and forming partnerships to deliver measurable positive impacts; being a respected strategic partner and an organisation in which every member of our workforce feels informed, included and inspired.

It is our utmost priority to keep our people, the community and the environment safe and secure from harm and maintain the reputation of our industry, products and services. Strong regulation in the nuclear industry means everything we do is about public safety, and we are proud to maintain a strong record to the highest standards.

Under our refreshed strategy, we have focussed on operational and sustainability enhancements to each of our sites: Almelo (the Netherlands) has been prepared for the capacity programme. In addition, a solar power installation has started at the site, with a capacity of 2.7 MW.

Priorities for 2023

The capacity programme is our key priority for 2023; our other priorities will help to enable this and are closely associated with it.

Given that the demands for nuclear energy are expected to substantially increase in the years to come, it is imperative that the industry retains its talent and nurtures the next generation of scientists and engineers. Urenco is strongly committed to investing in our current workforce, and in reaching out to a diverse range of recruits.

Our stable isotopes facility in the Netherlands has increased its capacity, serving the market and delivering good financial returns. We now have plans to further extend this facility which are progressing well.

Urenco Nuclear Stewardship celebrated 10 years of operation in 2022 and is our centre of excellence for the environmentally responsible management and storage of waste, including recycling and decommissioning services.

We will monitor and respond to the various political uncertainties that could impact us next year. In relation to Ukraine, we will focus on supporting our customer, while at the same time ensuring we can meet increasing requests for our services from other customers as a consequence of the conflict. We are encouraged by the actions of several countries to actively support nuclear.

The European Parliament's decision to support the Taxonomy Complementary Climate Delegated Act (CDA), covering certain gas and nuclear activities, now puts the European nuclear industry on an equal footing with other parts of the world and will encourage investment. We will continue our advocacy efforts in 2023 to help ensure the valuable role that nuclear must play in achieving net zero and energy security is understood and acted upon.

Improving market fundamentals for nuclear

The market fundamentals for nuclear in 2022 have continued to build on the momentum gained from last year. In 2021, the increasing urgency of net zero, as highlighted during COP26, contributed to greater acceptance that nuclear needs to be part of the solution in allowing countries to achieve their climate goals. Following this, an energy crisis, initially precipitated by economies coming out of domestic COVID lockdowns, and then further exacerbated by Russia's invasion of Ukraine in February 2022, refocused attentions towards energy security as a priority.

Nuclear power is firmly back on the agenda as economies seek to decarbonise and boost their energy independence. Several nations, from Japan to South Korea to the United States, have made policy changes on nuclear power over the past year amid soaring energy prices. The policy reversals range from extending the lives of the existing nuclear fleets, to embracing new build projects, both large scale reactors and SMRs.

SWU price: the enrichment spot price was at its lowest point in August 2018 at US$34/SWU. Since then, the spot enrichment price has recovered, as reported by both Tradetech and UxC reaching US$110/SWU and US$125/SWU respectively by the end of December 2022.

Russia's invasion of Ukraine in February 2022 has had a tangible impact across the market, with an evident shift by utilities in countries with nuclear energy looking to diversify their nuclear fuel supply, including in Sweden and Finland. In the enrichment market, the average spot and term enrichment prices (of Tradetech and UxC) increased from US$58.50/SWU and US$64.00/SWU in January 2022 respectively, to US$117/SWU and US$136/SWU respectively in December 2022, reflecting these new market dynamics.

In the Netherlands the Dutch Cabinet has approved the construction of two large reactors, preferably at the existing Borssele nuclear plant. The government hopes to commence construction in 2028, with the units producing electricity in 2035. The government will also pursue talks aimed at extending Borssele's operation beyond its previously agreed 2033 closure date.

Following no objections by the European Parliament or Council, the EU Taxonomy Complementary Climate Delegated Act covering certain nuclear and gas activities came into force on 1 January 2023. It extends the EU Taxonomy Framework to permit certain economic activities involving gas and nuclear energy (not including enrichment) to be classified as "environmentally sustainable". The inclusion of certain gas and nuclear activities will be time-limited and dependent on specific conditions and transparency requirements.

Our strategy

Our strategy is driven by our purpose, vision, mission and values. It was refreshed in 2022 to respond to the changes in the energy market brought about by Russia's invasion of Ukraine. Since the conflict began, we have been focusing on increasing capacity of our operations to meet the significant rise in demand for enrichment services.

Through our enrichment and related services, we also continue to make a valuable contribution to achieving UN Sustainable Development Goals (SDG), in particular SDG 7 – Affordable and Clean Energy, facilitating low carbon nuclear energy production to contribute to meeting the world's net zero goals.

Our strategy sets out what we need to achieve in the long term (five to 15 years) mid-term (three to five years) and short term (12-24 months) under five building blocks, which are:

1. **Creating a winning team** – investing in and supporting our people.
2. **Maintaining our customer base** – continuing to focus on strong existing and new customer relationships.
3. **Defending and innovating our core business** – investing in our core business to maximise capacity and prepare for growth.
4. **Shaping and utilising regulatory frameworks** – actively engaging with stakeholders and decision-making bodies in our target markets and across all aspects of our business.
5. **Promoting growth** – also increasing our capabilities in associated areas such as stable isotopes and nuclear stewardship.

Case study: up to two million patient treatments benefit from Urenco Stable Isotopes

After opening our new Leonardo da Vinci (LDV) cascade in 2021, Urenco Stable Isotopes has expanded its capacity. In 2023 we are planning to increase this further to enhance and diversify the supply for these important products.

Designed for the enrichment of multiple isotopes – including those of Germanium, Xenon, Selenium and Silicon – the facility has enabled Urenco to increase its supply of stable isotopes for medical, industrial and research purposes.
Stable isotopes have been produced for over three decades at Almelo, and hundreds of thousands of patients are treated every year with products that have utilised or contain them. For example, Xenon-129 is used in MRI imaging to detect lung diseases. Xenon-124 is used to produce radioactive Iodine-123. This is then used in hospitals to detect thyroid issues and is also used in the diagnosis of Parkinson's disease.

Other applications are varied and include products for superfast computer processing power. We are looking forward to working with customers on new projects, producing high quality, cost-efficient solutions that will continue to change lives.

Case Study: Stable Isotopes develops new product for disease treatment
Zinc-68 has long been produced at Urenco Stable Isotopes, in the form of zinc oxide. For several decades now, Zinc-68 has been used for the production of radioisotope Gallium-67, which is required in medical diagnostics, such as single-photon emission computed tomography (SPECT) scans and computerised tomography (CT) scans.

Recently Zinc-68 has also been used for the production of the radioisotopes Copper-67 and Gallium-68. Gallium-68 is used in diagnostics while Copper-67 is used in various medical treatments, including targeted radionuclide therapy. This therapy is used to treat various diseases such as prostate cancer, cervical cancer and breast cancer. For these new applications, the Zinc-68 is required in a different physical form: metal powder. The Stable Isotopes team quickly developed a new process that allowed production of the metal powder in line with customer requirements.
This is another example of how Urenco Stable Isotopes supports the development, introduction and application of new medical radio isotopes.

Capacity programme
It is crucial that we maintain our capacity at every one of our sites and review their expansion to meet the world's increased demand for enrichment services. To do this, we are investing in our centrifuges and associated technology through a refurbishment and replacement programme, with corresponding headcount increase, as well as R&D and investment spend. This also enables us to respond to market developments and opportunities.

As a result of the capacity programme, 2022 has seen a shift in gears for our business plan.
We have overseen an increased amount of centrifuge refurbishment campaigns which continue to be accelerated throughout 2023. All the enrichment plants are maintained to a high level of reliability and asset integrity, demonstrated by their online performance and the achievement of production, delivery and sustainability goals.

Risks and opportunities posed by climate change
Climate change is the defining issue of our time and directly affects society's ability to achieve sustainable development goals. In recognition of this, Urenco signed The Climate Pledge in 2021 to demonstrate our commitment to achieve net zero carbon emissions in advance of 2040. In July 2022 our CEO, Boris Schucht, signed a Science Based Target initiative commitment letter in which Urenco agreed to achieving net zero and a 100% reduction in scope 1 and 2 emissions by 2030 and a 30% reduction in scope 3 emissions by 2030. Urenco recognises the importance of a science based approach to reducing the impact of human induced climate change and we have aligned our approach to target a 1.5°C future.

One of the key opportunities for our business is to position Urenco as a reliable, responsible and sustainable company in the world and to support the energy transition. Net zero is one of the most important drivers for the future of our business, and by delivering on our net zero aspirations Urenco will further contribute to reducing the carbon intensity of the wider nuclear fuel cycle, offering an enriched uranium product with a significantly reduced carbon intensity.

Urenco recognises that climate change represents a multitude of risks, both physical and chronic as well as transitional risks as the world moves to a low-carbon future. We are committed to working towards incorporating the recommendations laid out by the Task Force on Climate-Related Financial Disclosures (TCFD) in full, and will be fully aligned by 2023. A TCFD gap analysis has highlighted areas of improvement and we plan to implement these during the course of 2023. In 2022, there were Executive and Sustainability Committee discussions on understanding the TCFD gap analysis and for giving approval to progress with the 2023 work programme.

A key portion of work for 2023 is to explore in greater depth the specific risks that may affect our business and how best to mitigate them. Building on this, to better understand the financial impact of our climate risks and opportunities, climate scenario analyses will be performed across a range of selected warming scenarios. The output of this work will inform Urenco's planning and prioritisation of future business strategies and investments, therefore improving our business's future resilience. We are working on the implementation of the new reporting requirements of the Corporate Sustainability Reporting Directive as from 2025 with first reporting in 2026.

Our newly created Site Net Zero Task Force promotes the reduction of carbon emissions across all of our sites, and includes a focus on electricity usage, which accounts for almost half of our total scope 1, 2 and 3 emissions. The Task Force consists of all recently recruited site net zero leads, the net zero programme manager and technical experts.

Case Study: Scope 1 and 2 initiatives snap shot
Urenco's net zero leads are developing action plans to drive down our scope 1 and 2 emissions.

We have been identifying opportunities to reduce our scope 1 emissions including looking to introduce alternative refrigerants and eliminate hydrocarbon based systems reliant on natural gas, propane and diesel.

At Almelo (the Netherlands) optimisation of a building humidification system has reduced consumption of natural gas by using the waste heat from other plant areas. This will reduce carbon emissions by around 170 tCO2e per year.

Replacement of hot air blowers that form part of the plant process at Almelo for more efficient designs will lead to a 300 tCO2e reduction per year.

A major focus for Urenco will be further implementing our plans for reducing scope 2 emissions and boosting our sustainable electricity supply. At Almelo, we installed almost 7,500 solar panels in 2022, to provide the equivalent of 2% of our annual electricity needs.

Case study: Site electrification of vehicles
We installed 36 new charge points at Almelo employee and visitor parking areas, and 20 more are to be added in 2023.

Social impact
Beyond environmental sustainability, we continue our efforts with social sustainability. To further help deliver change and impact, we have multi-year partnerships with charitable organisations. This is in addition to the donations we make to charitable organisations local to our operating sites and our volunteering initiatives. We have also enhanced alignment of our internship, educational and other social programmes with our wider sustainability priorities.

Our STEM (Science, Technology, Engineering and Maths) education initiative, the Richie programme, continues as part of our commitment to nurture the next generation of scientists and engineers, providing workshops and digital resources for schools and students. In 2022, we engaged globally with almost 9,000 pupils in person through our Richie education programme of workshops and events and over 38,000 through online STEM resources . We have undertaken an audit of the impact of the Richie Programme, to ensure future best practice, and to maximise the number of children we can reach by modernising our channel strategy and usage.

An example of our social impact partnerships is: The Weekend school, the Netherlands. Founded in 2008, the school gives children in Twente (aged 10 to 14) from underprivileged backgrounds the opportunity to broaden their horizons educationally, socio-culturally and socially to positively influence their prospects. Urenco's funding will enable the school to increase its current offering of 12 groups in the Almelo region covering about 250 young people per school year, who attend weekend meetings covering various fields of expertise.

Governance and ethics
We have a strong focus on governance and ethics – ensuring we are fully compliant with regulatory frameworks, preserving the security of the civil nuclear industry, operating in an open and accountable manner, and ensuring Urenco remains a trustworthy and valuable contributor to society.

We continuously improve our security, anti-fraud and compliance measures to ensure we stay ahead of any threats and keep our assets and the environment safe.

We use threat information provided by the intelligent services from the countries in which we operate as well as advice from industry organisations and the International Atomic Energy Agency (IAEA) on good practice in implementing security measures, plus thinking from commercial security providers on innovations in the security field.

The effectiveness of Urenco's security is tested and checked in periodic inspections by nuclear regulators and by security exercises with internal and external stakeholders. This provides a solid basis for verification that we continue to meet all regulatory requirements and ensure our processes are robust and fit for purpose.
Additionally, we preserve the privacy of personal data, and continue to ensure strict adherence to all relevant regulatory, fraud, compliance and industry standards.

In 2023 we will continue to invest in further improved technical security measures, effective organisational security procedures and in maintaining a high level of security awareness among our workforce.
In relation to safety, there has been an increase in incidents compared to last year, none of which were nuclear-related. Despite this, we take slips, trips and falls very seriously in addition to all other risks.
Our aim is to achieve the 'interdependent' stage of the DuPont Bradley Curve, taking personal accountability for our safety and the safety of others, and we will strive to improve our performance in 2023.

In 2022 we refreshed our Code of Conduct, which contains ethical standards to serve the needs of our workforce, customers, suppliers, communities and other key stakeholders. It further bolsters human rights and sets out the expected standards, providing a range of resources and practical, relevant guidance. There is a complementary Code of Conduct for our suppliers.
It is fundamentally important Urenco has a strong speak-out culture to address any actions which may be in breach of regulations or the Code of Conduct. Our Speak-Out procedure, available to staff, customers, suppliers, the public and other stakeholders, has been designed to ensure concerns are dealt with in a timely, sympathetic, fair and effective manner; anonymity is maintained and those who speak-out are fully protected against any form of negative consequences; and there is a fair process for all parties involved.

Culture
One of the ways we are delivering on our strategy is through our culture initiatives.

We see culture as critical in creating a flourishing organisation which is both supportive and challenging, where the best ideas are listened to and acted on, and where our people's contributions underpin our business priorities.

Feedback from our people informs our decision making, and over the past year we have taken further steps to maximise the voices of everyone within Urenco. The priority areas where we continue to champion improvement are: **leadership; empowerment, accountability, transparency and collaboration.**

This includes furthering the understanding and implementation of our Urenco behaviours, which link to our Code of Conduct and values.

In 2022, we held three dedicated behaviour days, to enable discussion and engagement.

The Urenco behaviours are:

- **One Urenco** – actively collaborating to form winning teams and embodying transparency, respect and inclusivity.
- **Acting today for tomorrow** – embracing continuous improvement and innovation and acting consciously with a broader and longer term perspective in mind.
- **Own our results** – ensuring physical and psychological safety and maintaining integrity and empowering by holding self and others accountable.

We have also ramped up our global leadership programme, focusing on change management to better equip our leaders with the skills they need to drive our strategy. This programme includes bespoke modules tailored to our sites. This year there were four cohorts of classes which included offering 360-degree feedback to help colleagues track their progress. To date, worldwide 70 Urenco employees have been enrolled in the programme with plans to further expand it in 2023. This is one of the ways in which we continue to invest in our people.

To assist with the monitoring and development of our culture programme, we have introduced a new tool called 'Your Voice'. This provides managers with a platform to receive and respond to regular feedback from employees. It has already been introduced in our head office and local leadership teams with plans for a complete rollout in 2023.

Inclusion and diversity (I&D)
Inclusion and diversity (I&D) remains a core element of our culture programme. In 2021 we introduced a demographic and inclusion survey, which we ran again this year with increased participation across the organisation. We have renewed executive targets to promote more inclusivity for underrepresented groups and chaired two inclusion and diversity conferences to help embed change.
This has gone hand-in-hand with an awards ceremony to champion the work of our people in this field. Crucially, we now have six global employee networks and have developed ally ship training, to ensure the voices of our people are heard and our people feel they can bring their whole selves to work.

Creating more two-way dialogue across Urenco will continue to be a principal part of our business strategy in 2023 and beyond.

Stakeholder engagement
Throughout 2022, Urenco continued with its stakeholder engagement, speaking with the right people in all our relevant geographies to advocate for the important role which nuclear, and Urenco, is undertaking in achieving climate change goals, energy independence and security.

Urenco proactively advocates the role of nuclear energy in achieving a sustainable and low-carbon energy future and recognises the importance of the use of a science-based external approach – the 1.5℃ goal of the Paris Agreement – to provide a stable framework aimed at reducing the impact of human induced climate change.

In order to support making this vision and the Paris Agreement a reality, Urenco engages in dialogue with policymakers, regulators, business associations, like-minded business partners, NGOs, as well as a range of climate-focused membership bodies, coalitions, and stakeholder initiatives.

In line with our commitment to tackle climate change and accelerate the transition to a net zero economy, Urenco is committed to conducting all its direct and indirect public policy engagement and advocacy work to align with and advance the Paris Agreement goals and accelerate the transition to a 1.5℃ future.

Case study: Almelo reopens its gates to tours
In May, our Dutch site opened its gates to the general public for its first Open Day since 2019 (before the pandemic). Around 850 people visited the site and there were over 30 guided tours through the uranium enrichment plant. Other visitors boarded an electrical mini train that took them to the logistics department, and tours of the Urenco Stable Isotopes facility were also held for the first time ever. Elsewhere, there were STEM activities for children and a presentation from the net zero working group explaining how Almelo contributes to a low carbon society.

Principal risks and uncertainties
Risk management and mitigation is a key area of focus for UNL. Across all areas, UNL works hard to raise risk awareness and has developed a range of measures to help identify, manage and mitigate potential risks and threats which could impact the business. Operating in a heavily regulated industry, the primary focus is managing and mitigating risks through a continuous cycle of identification, analysis, evaluation and response.
We need to ensure that we operate to the highest safety standards to maintain a safe environment for our colleagues and stakeholders. Therefore, we have implemented safety management systems, designed to minimise our risks, whilst regular monitoring ensures compliance with safety standards. We focus on continuous improvement and the detection and remediation of potential hazards before incidents have a chance to occur.
We work closely with our government and regulator in the field of creation of and compliance to safeguard regimes and we continually maintain and review our uranium tracking methods on site.
A common set of safeguards' standards is applied across the organization to ensure non-proliferation and to prevent the misappropriation of uranic materials. Our safeguard programs are also supported by a rigorous accounting and audit approach to the uranic materials we keep on site, in order to ensure that we consistently meet the stringent inspection criteria set by ANVS, IAEA and EURATOM.
We need to ensure the security of fissile material and of our classified technology and assets, particularly with regard to the increasing threat that cybercrime poses to the energy sector. We ensure that we comply with all applicable national and international security requirements and we make sure that we comprehend the nature of new and emerging physical and cyber security threats. The ongoing monitoring of the effectiveness of security policies and arrangements, as well as risk assessment takes place on an ongoing basis.

UNL operates under an infinite nuclear licence.

Statement
The Managing Director hereby declares that, to the best of his knowledge:

- the financial statements for the year ended 31 December 2022 give a true and fair view of the assets, liabilities, financial position and profits or losses of the Company; and
- the director's report gives a true and fair view of the position as per the balance sheet date, and of the development and performance during the 2022 financial year of the Company, and the principal risks facing the Company have been described herein.

There is no policy with regard to male/female seats in board of directors or supervisory board as there is only one director and the members of the supervisory board are the directors from the parent Company.

Almelo, 7 March 2023

Urenco Nederland B.V.

A.S. Louter	A.J.G. Broenink
Managing Director	Head of Finance

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER

	Notes	**2022** **Results for the year** **€ 000**	2021 Results for the year € 000
Revenue from sales of goods and services	3	**507,782**	513,388
Changes to inventories of finished goods and work in progress	14	**(47,748)**	(64,500)
Raw materials and consumables used	14	**(3,061)**	(2,858)
Tails provisions created	24	**(50,758)**	(38,620)
Employee benefits expense	5	**(31,332)**	(29,095)
Depreciation and amortisation	10/11/12	**(60,564)**	(63,270)
Group overhead expense	29	**(36,525)**	(32,118)
Other expenses		**(78,552)**	(77,910)
Income from operating activities		**199,242**	205,017
Finance income	6	**3,593**	243
Finance costs	7	**(16,023)**	(19,618)
Income before tax		**186,812**	185,642
Income tax expense	8	**(42,735)**	(46,945)
Profit for the year		**144,077**	138,697

STATEMENT OF COMPREHENSIVE INCOME

	Notes	**2022** €000	2021 €000
Profit for the year		**144,077**	138,697
Other comprehensive income			
Items that may be reclassified subsequently to the income statement			
Cash flow hedges – transfers to revenue	23	**27,226**	5,294
Cash flow hedges – mark to market	23	**(25,056)**	(44,222)
Current tax charge on cash flow hedges	8	**-**	-
Deferred tax charge on cash flow hedges	8	**(560)**	9,867
		1,610	(29,061)
Total comprehensive income, net of tax		**145,687**	109,636

STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER

Assets	Notes	2022 €000	2021 €000
Non-current assets			
Property, plant and equipment	10	**466,781**	475,828
Investment property	11	**1,500**	1,609
Intangible assets	12	**190**	255
Investments	13	**1,549**	1,494
Derivative financial instruments	23	**12,622**	4,057
Deferred tax asset	8	**13,203**	108
Contract assets	16	**6,522**	5,197
		502,367	488,548
Current assets			
Inventories	14	**119,272**	39,403
SWU assets	15	**7,088**	594
Trade and other receivables	17	**65,524**	89,049
Income tax receivable	8	**19,510**	44,062
Interest bearing receivable	18	**610,547**	495,015
Derivative financial instruments	23	**6,356**	855
		828,298	668,978
Total assets		**1,330,666**	1,157,526
Equity and liabilities			
Equity attributable to equity holders of the parent			
Share capital	19	**69,161**	69,161
Share premium	20	**17,243**	17,243
Retained earnings	21	**343,045**	348,968
Hedging reserve	23	**(10,917)**	(12,527)
Total equity		**418,532**	422,845
Non-current liabilities			
Provisions > 1 year	24	**681,803**	601,449
Derivative financial instruments	23	**10,280**	14,191
Contract liabilities > 1 year	22	**32,285**	26,863
Other payables	26	**41,291**	-
Lease liabilities	10	**94**	169
		765,753	642,672
Current liabilities			
Provisions < 1 year	24	**52,980**	28,548
Contract liabilities < 1 year	22	**33,209**	23,810
Trade and other payables	26	**35,540**	30,187
Lease liabilities	10	**138**	143
Derivative financial instruments	23	**24,514**	9,321
		146,381	92,009
Total liabilities		**912,134**	734,681
Total equity and liabilities		**1,330,666**	1,157,526

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STATEMENT OF CHANGES IN EQUITY

	Notes	Issued capital €000	Share premium €000	Retained earnings €000	Hedging reserve €000	Total equity €000
As at 1 January 2022		**69,161**	**17,243**	**348,968**	**(12,527)**	**422,845**
Income from the period	21	**-**	**-**	**144,077**	**-**	**144,077**
Other comprehensive income	8/23	**-**	**-**	**-**	**1,610**	**1,610**
Total comprehensive income		**-**	**-**	**144,077**	**1,610**	**145,687**
Interim dividend distributed to parent company	9	**-**	**-**	**(150,000)**	**-**	**(150,000)**
As at 31 December 2022		**69,161**	**17,243**	**343,045**	**(10,917)**	**418,532**

	Notes	Issued capital €000	Share premium €000	Retained earnings €000	Hedging reserve €000	Total equity €000
As at 1 January 2021		69,161	17,243	340,271	16,534	443,209
Income from the period	21	-	-	138,697	-	138,697
Other comprehensive income	8/23	-	-	-	(29,061)	(29,061)
Total comprehensive income		-	-	138,697	(29,061)	109,636
Interim dividend distributed to parent company	9	-	-	(130,000)	-	(130,000)
As at 31 December 2021		69,161	17,243	348,968	(12,527)	422,845

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER

	Notes	**2022 €000**	2021 €000
Income before tax		**186,812**	185,642
Adjustments to reconcile Group income before tax to net cash inflows from operating activities:			
Depreciation and amortisation	10/11/12	**60,564**	63,270
Finance income	6	**(3,593)**	(243)
Finance cost	7	**16,023**	19,618
Non-cash reclassification of revenue hedges	23	**-**	1,243
Non-cash reclassification of expected credit loss		**680**	(288)
Unrealised foreign exchange		**1,669**	(905)
Increase in contract assets	16	**(1,016)**	(2,548)
Increase in provisions	24	**89,805**	43,788
Increase in contract liabilities	22	**4,771**	9,962
Increase in other payables	26	**41,291**	-
Operating cash flows before movements in working capital		**397,006**	319,539
Increase in inventories	14	**(79,869)**	(9,024)
(Increase) / decrease in SWU assets	15	**(6,493)**	14,621
Decrease in contract assets	16	**-**	2,587
Increase in contract liabilities	22	**9,361**	411
Decrease / (increase) in receivables	17	**21,639**	(16,294)
Increase in payables	26	**819**	2,246
Cash generated from operating activities		**342,463**	314,086
Income taxes paid	8	**(31,838)**	(64,859)
Net cash flow from operating activities		**310,625**	249,227
Investing activities			
Interest received	6	**2,980**	243
Purchases of property, plant and equipment	10	**(46,802)**	(20,442)
Increase investment	13	**(55)**	(33)
Net cash flow from investing activities		**(43,877)**	(20,232)
Financing activities			
Interest paid	7	**(1,042)**	(1,420)
Dividends paid to equity holders	9	**(150,000)**	(130,000)
Movement in interest bearing receivable	18	**(115,623)**	(97,454
Repayment of lease liabilities	10	**(83)**	(121)
Net cash flow from financing activities		**(266,748)**	(228,995)
Net increase in cash and cash equivalents		**-**	-
Cash and cash equivalents at 1 January		**-**	-
Cash and cash equivalents at 31 December		**-**	-

1. Authorisation of financial statements & compliance with IFRS

The IFRS financial statements of Urenco Nederland BV ("UNL" or "the Company") for the year ended 31 December 2022 were authorised for issue by the Board of Directors on 7 March 2023 and were signed on the Board's behalf by A.S. Louter.

The shares of UNL are held 100% by Urenco Enrichment Company Limited ("UEC"), domiciled in the United Kingdom, incorporated in England & Wales. The ultimate parent company of UNL, Urenco Limited is domiciled in the United Kingdom, incorporated in England & Wales. UNL is a company domiciled and incorporated in the Netherlands under the Netherlands Civil Code 06070616. The address of the registered office is Drienemansweg 1, 7601 PZ Almelo, The Netherlands. The nature of the Company's operations are the enrichment of uranium and the enrichment/depletion of and trade in stable isotopes.

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (hereinafter: IFRS) and also comply with the financial reporting requirements included in section 9 of Book 2 of the Dutch Civil Code, as far as applicable.

2. Significant accounting policies

Basis of preparation and presentation

UNL is part of the Urenco group ("the group"). Urenco Limited, the parent company of the group is registered in the United Kingdom. UNL financial statements are fully incorporated in the consolidated accounts of the parent company. The group has two main activities, the enriching of uranium and development of plant and equipment for enrichment. UNL is part of the enrichment activity, which is led by UEC. UNL is a 100% subsidiary of UEC. The UNL IFRS financial statements have been prepared under the historical cost convention, except for those financial instruments that have been measured at fair value. The carrying values of recognised financial assets and liabilities are carried at amortised cost or are adjusted to record changes in the fair values.

The UNL IFRS financial statements are presented in Euros and all values are rounded to the nearest thousand (€000) except where otherwise indicated. The functional currency of the Company is Euro.

Going concern

In the coming years the business expects to expanse, following increasing worldwide demand for nuclear energy and isotopes. During 2023 investments will grow to a higher level as part of our expansion program. Headcount is anticipated to increase accordingly over the next years.

The Director has assessed the latest forecast future cash flows, including appropriate sensitivities, which indicate that available cash and committed financing facilities in place are sufficient to cover the entity's cash needs for at least twelve months after the date of approval of these financial statements. He is satisfied that the entity has adequate resources to continue in operational existence for the foreseeable future, and thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

As a result, we have adopted the going concern principle with regards to our accounting principles.

Adoption of new and amended accounting standards that are mandatorily effective for the current year

The accounting policies adopted in the preparation of the Company's annual financial statements for the year ended
31 December 2022 are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2021, except as follows:

In the current year, the Company has applied a number of new accounting standards and amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2022. The impact of their adoption on the disclosures or on the amounts reported in these financial statements is assessed below.

2. Significant accounting policies – continued

International Accounting Standards (IFRS / IAS)	IASB Effective Date - periods commencing on or after	EU-endorsed effective Date - periods commencing on or after
Reference to the Conceptual Framework (Amendments to IFRS 3)	1 January 2022	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022	1 January 2022
Onerous Contracts—Cost of Fulfilling a Contract (Amendments to IAS 37)	1 January 2022	1 January 2022
Annual Improvements to IFRS 2018– 2020:	1 January 2022	1 January 2022
• Amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards - Subsidiary as a First-time Adopter. • Amendment to IFRS 9 Financial Instruments - Fees in the ‘10 per cent’ Test for Derecognition of Financial Liabilities. • Amendment to IFRS 16 Leases – removal of the illustration of the reimbursement of leasehold improvements. • Amendment to IAS 41 Agriculture - Taxation in Fair Value Measurements.		

The Director has reviewed the changes to accounting standards as listed in the table above and has assessed that these changes have not had any impact on the financial statements of the Company.

New and revised accounting standards and interpretations in issue but not yet effective
At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been endorsed):

International Accounting Standards (IFRS / IAS)	IASB Effective Date - periods commencing on or after	EU-endorsed effective Date - periods commencing on or after
New standards		
IFRS 17 Insurance contracts (issued on 18 May 2017); including amendments to IFRS17 (issued on 25 June 2020)	1 January 2023	1 January 2023
Amendments		
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1); and Deferral of Effective Date Amendment (issued on 15 July 2020)	1 January 2024*	Not yet endorsed
Definition of Accounting Estimates (Amendments to IAS 8) (issued on 12 February 2021)	1 January 2023	1 January 2023
Disclosure of Accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2) (Issued on 12 February 2021)	1 January 2023	1 January 2023
Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (Amendments to IAS 12) (issued on 7 May 2021)	1 January 2023	1 January 2023

*Deferred until not earlier than 1 January 2024

The Director does not expect that the adoption of the standards listed above will have a material impact on the financial statements of the Company in future periods.

2. Significant accounting policies – continued

Significant estimates and assumptions

In the process of applying UNL's accounting policies, management estimates and assumptions were made. As cashflows will unwind in far future years, there is an inherent high risk that the carrying values of UNL's assets and liabilities could change should these assumptions be different. Company management has prepared their best estimate in preparing the provisions. The main areas of risk are discussed below:

- Provisions are made on a discounted basis to meet future obligations. The discounting is unwound annually to recognise progression towards the full escalated cost estimate for eventual safe disposal or decommissioning. The final amounts of these provisions are uncertain but are evaluated based upon the planned operational activity and final capital investment costs involved in successfully achieving safe disposal or decommissioning of centrifuges as well as third party pricing assumptions where available/applicable and the internal cost of deconversion services using TMF. The timing of significant capital projects can change by a number of years, which can significantly change the quantum of the related decommissioning provisions.

The provision for tails is broadly calculated as a rate applicable to the quantity of tails held at the balance sheet date. Consequently, a movement in the rate of tails held would result in a similar movement in the provision. Decommissioning costs are also inflated and discounted based upon current operational expectations. These include all costs associated with returning the site to 'brownfield' status, in line with our site permit. Movements in both provisions, other than capitalised decommissioning costs, are taken directly to the income statement. Capitalised decommissioning costs are included in plant and machinery and are depreciated over the useful life of the underlying plant and machinery. Details of the provisions are given in note 24. The observable input parameters, like inflation and discount rates, are calculated based on the compounded weighted method, or IRR, (ie. Rothschild method) using external sources in obtaining such parameters. For FY 2023 onwards macroeconomic markets are expected to be impacted largely by high inflation and interest rates. These are reflected within our model and after several years are expected to head into the ECB policy plan. The IRR of the company is calculated taking into account the expected timing of the cash flows.

UNL has entered into contracts with embedded derivatives, many of which are designated as accounting hedges (further references are made on page 19). Judgement is applied in management's assessment of the effectiveness of these hedges in particular where the probability and timing of the cash revenues or expenditures (the hedged items) is concerned to which the hedging instruments are related.

Critical accounting judgements

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Timing of SWU revenue recognition

SWU revenue is recognised at a point in time, not over a period of time. Judgment is required in reaching this conclusion, including an assessment as to whether Urenco is enhancing any specific customer's asset as described in IFRS 15. Management has assessed that enrichment activity does not meet the definition of enhancing a customer's asset and that therefore control of SWU passes to the customer at a point in time on delivery. This is supported by the facts that the customer continues to have legal title to the uranium and retains the associated residual risks and rewards of ownership until the point control of SWU transfers to the customer. Further, as uranium is fungible the customer of any enrichment activity can only be identified just prior to the point of time that control of SWU transfers to the customer.

Management has applied judgement in concluding that each SWU delivery under an enrichment contract is a separate performance obligation and therefore each contract is a series of performance obligations rather than a single overall service. The overall transaction price under an enrichment contract is allocated to each discrete SWU delivery in accordance with the relative stand-alone selling price. Any amount invoiced to the customer in excess of the revenue recognised is recorded as a contract liability and any amount invoiced to the customer below the revenue recognised is recorded as a contract asset.

Over the life of an enrichment contract the total revenue recognised will equal the overall transaction price, it is only the timing of revenue recognition that may be deferred or accrued.

Judgement is required when enrichment contracts are modified, to assess whether or not treatment as a separate contract is necessary. If the contract modification results in an addition of promised SWU deliveries and an increase of the transaction price by an amount that reflects the stand-alone selling prices of the additional SWU deliveries, then this is treated as a separate contract.

2. Significant accounting policies – continued

Otherwise the remaining deliveries under the existing contract and the additional deliveries under the new contract are combined and the allocation of the revenue under this combined contract is determined based on the relative stand-alone selling price applicable at the date of contract modification.
Assessing whether the change in contract meets these criteria requires significant judgement, particularly where the changes will affect deliveries not yet performed under the original contract.

Determination of stand-alone selling price
The stand-alone selling price is the price at which the Group would sell a promised good or service to a customer. Management judge that this price varies over time and therefore separate deliveries will have different stand-alone selling prices at the contract inception. Due to the absence of a liquid market for sales of enrichment services or uranium related goods, there is no observable price available when the Group sells such services or goods. Hence judgement is required to determine the appropriate method to calculate the stand-alone selling prices over time for each type of performance obligation. Management assessed that the most appropriate method to determine this stand-alone selling price is an adjusted market assessment approach, whereby management evaluates the enrichment market and estimates a narrow range of prices for each point in time that a customer in that market would be willing to pay, supported by information on observable inputs and including previous contract prices. The array of stand-alone selling prices, including their range, for each type of performance obligation over time, is reviewed on a periodic basis for application to new contracts or contract modifications.

Revenue recognition
The Company principally operates as a supplier of uranium enrichment services. Customers usually provide UF6 to the Company as part of their contract for enrichment with Urenco. Customers are billed for the enrichment services, expressed as SWU deemed to be contained in the EUP delivered. SWU is a standard unit of measurement that represents the effort required to separate a given amount of uranium into two streams: EUP having a higher percentage of U235 than natural uranium and depleted uranium having a lower percentage of U235 than natural uranium. The SWU contained in EUP is calculated using an industry standard formula based on the physics of enrichment.

Revenue is recognised when the Company transfers control of a product or service to a customer. Revenue is measured based on a judgement of the comparative value of each delivery based on an allocation of the total consideration received or receivable during the life of the contract and represents amounts receivable for services and goods provided in the normal course of business, excluding VAT and other sales related taxes.

Customers may make advance payments to be applied against future orders or deliveries. Advances are accounted for as a contract liability and revenue is recognised on provision of the service or transfer of legal title to the goods.

The Company also generates revenue from the sale of Urenco owned uranium to customers. Contracts with customers are usually for the long-term supply of enrichment services or uranium related goods and normal payment terms are 30 days from the invoice date. Generally, the date of invoicing is the date that control of the SWU or uranium transfers to the customer. Contracts will typically comprise elements of fixed and variable consideration, the latter of which may include, but not be limited to indexation. Contracts may also include volume flexibilities for the customer to take off additional quantities of enrichment services or uranium over and above contractual minimums.

Sale of services
An enrichment contract usually has a series of distinct performance obligations, each one relating to the enrichment of uranium as provided by the customer. The timing of passing of control of the enriched uranium to the customer occurs at the same time when the Company acquires title to the uranium provided by the customer and the point in time when the Company acquires title to the tails generated by the associated enrichment activity. Revenue is derived from the sales of the SWU component of EUP arising from the enrichment service provided. Revenue is recognised at the point in time control of the service transfers to the customer, which is at the point the underlying SWU is transferred to the customer. This is the earlier of allocation of the enrichment activity (SWU) to the customer’s book account (either held at a third party or with Urenco) or physical delivery by Urenco of the SWU component of EUP.

2. Significant accounting policies – continued

The overall contract price is determined based on the contractual terms agreed with the customer, combined with management's forecast of future customer deliveries and inflation assumptions where appropriate. If the transaction price includes variable consideration, then this amount is constrained to the extent that it is highly probable that a significant reversal of the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Variable consideration that is promised in a contract may be attributable to the entire contract or to a specific delivery.

The Company allocates a variable amount entirely to a single delivery if the terms of a variable payment relate specifically to the Company's efforts to satisfy that delivery and this allocation method is consistent with the objective to allocate the transaction price to each delivery in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for transferring the promised goods or services to the customer.

In typical contracts, price indexation adjustments are allocated to the specific delivery to which they relate. The transaction price excludes any incremental amounts that become payable only if the customer chooses to exercise an option to purchase additional goods or services.

Where that option includes a discount giving rise to a material right, an element of the transaction price is allocated to that material right and deferred accordingly. This overall transaction price is allocated to the discrete performance obligations based on an assessment of the standalone selling price for each performance obligation. The determination of the standalone selling price requires judgement, as explained in this note under Critical accounting judgements.

Revenue from sales of SWU is recorded at the point in time when control of the underlying SWU passes to the customer and therefore there are no contract assets relating to partially completed performance obligations. Any direct costs incurred to fulfil enrichment contracts prior to transfer of control of the SWU to the customer are capitalised and classified as SWU assets on the statement of financial position.

Where contracts are modified, an assessment is made on a contract-by-contract basis as to whether the effective price of any additional quantities is equal to the standalone selling price for those quantities. If additional quantities are assessed to be at the standalone selling price, then the additional quantities are treated as a new contract with the revenues under the existing deliveries being recognised in accordance with the pre-modified contract.

If the additional quantities are assessed to be at a price which is not the standalone selling price, then this is treated as a contract modification to be applied prospectively, resulting in an allocation of revenues to the sum of remaining deliveries under the pre-modified contract and additional deliveries under the modified contract that does not necessarily accord with the amounts invoiced or cash received. Any such differences will be recognised as contract assets if the amounts invoiced for deliveries are lower than revenue recognised or as contract liabilities, if the amounts invoiced are higher than revenue recognised. As set out in this note under Critical accounting judgements the treatment of a contract modification as a separate contract or not may require judgement.

Additionally, revenue is derived from the sales of services for handling uranic materials and from rental income on investment property, which is recognised over the period of time the service is provided.

Sale of goods

Revenue is derived from the sale of uranium in the form of UF_6 or U_3O_8 that is owned by Urenco and occasionally from the sale of the uranium component of EUP. Revenue from the sale of goods is recognised for each delivery when the Company has transferred control of goods to the buyer. Measurement is based on a judgment of the comparative value of each delivery based on an allocation of the overall value of the contract.

This requires judgment of the stand-alone selling price (SSP) for UF_6 and for U_3O_8. The standalone selling price for each type of good is determined based on observable inputs, including spot prices, estimated forward prices and management's ongoing assessments. The overall contract price for the sale of these goods is allocated to each delivery on a relative standalone selling price basis, based on the same methodology as adopted for sale of services.

2. Significant accounting policies – continued

Application of the Company's revenue recognition policy

Judgement is required in determining the amount and timing of recognition of revenue for enrichment services and uranium related sales due to the complex nature of certain enrichment contracts and contractual delivery terms. See also this note under Critical accounting judgements. This is particularly relevant at period ends where a large volume of sales is made to customers, often for individually high values. This judgement includes an assessment of whether revenues are recognised in accordance with the Company's revenue recognition policy and updating of this policy for any new types of transactions. Details of revenues are given in note 3.

Interest Income

Interest income is accrued on a time basis by reference to the principal outstanding using the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Foreign currencies

The Company's functional currency, that is the currency in the main environment in which it operates, is Euro. Transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the statement of financial position date.

Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Gains and losses arising on retranslation are included in the income statement.
In order to hedge its exposure to certain foreign exchange risks, the Company enters into forward contracts (see below for details of the Company's accounting policies in respect of such derivative financial instruments).

Retirement benefit costs

All rights have been handed over to a multi-employer defined contribution scheme.

For defined contribution schemes the cost paid are immediately recognised in cost.

Taxation

The tax expense represents the sum of the tax currently payable on UNL's taxable income for the year and attributable deferred tax. Further details are contained in note 8.

Current income tax

The tax currently payable is based on taxable income for the year. Taxable income differs from net income as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

UNL's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Current income tax relating to items recognised directly in equity is also recognised in equity and not in the income statement.

Deferred income tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable income will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax income nor the accounting income.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates and interests in joint ventures, except where UNL is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

2. Significant accounting policies – continued

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated on an undiscounted basis, at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

UNL's deferred tax position is calculated using tax rates enacted or substantively enacted by the statement of financial position date.

Property, plant and equipment

Plant and equipment are stated at cost, excluding the costs of day to day servicing, less accumulated depreciation and impairment losses (if any). Such cost includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria are met. Further details are contained in note 10. Decommissioning assets are also reported under plant and machinery and are measured at net present value of future decommissioning costs and revised for changes. Decommissioning assets are depreciated over 2 – 20 years using the straight-line-method.

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the statement of financial position at their cost less accumulated depreciation and impairment losses.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss. Cost includes professional fees. Depreciation of these assets commences when the assets are commissioned for use.

Office fixtures and fittings and computer equipment are stated at cost less accumulated depreciation and any recognised impairment.

Depreciation is charged so as to write off the cost of assets, other than freehold land and properties under construction, over their estimated useful lives, using the straight-line method, on the following bases:

Buildings	15 - 40 years
Plant and machinery	2 – 20 years
Office fixtures and fittings	12 years
Motor vehicles	4 years
Computer equipment	4 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.
The carrying amount of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate the carrying amount may not be recoverable.

Investment property

UNL has elected the cost model to measure investment property, whilst information about the fair value is disclosed in note 11 about investment property.

Investment property, which is property held to earn rentals, is stated at cost, less accumulated depreciation and impairment losses (if any). Cost includes the purchase price and directly attributable costs of bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, excluding the costs of day-to-day servicing.

Depreciation is charged so as to write off the cost of the assets, other than the land element, over its estimated useful life of 10 years, using the straight-line method.

2. Significant accounting policies – continued

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the income statement.

The carrying amount of the investment property is reviewed for impairment when there is any indication that the carrying amount may not be recoverable.

Intangible assets

Software, is externally developed for company use for future benefit, is stated at cost less accumulated amortization and any recognised impairment.

Amortization is charged so as to write off the cost of assets over their estimated useful lives, using the straight-line method, on the following basis:

Software	5 years

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the income statement.

The carrying amount of software is reviewed for impairment when events or changes in circumstances indicate the carrying amount may not be recoverable. Further details are contained in note 12.

Investments

Investments are valued at the lower of costs or market value as long as the company has no significant influence.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the income statement.

The carrying amount of the investment is reviewed for impairment when there is any indication that the carrying amount may not be recoverable. Further details are contained in note 13.

Impairment of property, plant and equipment, investments, investment property and intangible assets and SWU assets and prepayments

At each statement of financial position date, UNL reviews the carrying amounts of its property, plant and equipment, investments, investment property and its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, UNL estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less selling costs and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

Inventories

Inventories are stated at the lower of cost and net realisable value. For raw materials costs comprise direct material costs; for work-in-progress and finished goods costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Deloitte Accountants B.V.
For identification purposes only.
Related to auditor's report
dated 7 March 2023

2. Significant accounting policies – continued

SWU assets
SWU assets are the costs incurred to date in enriching UF6 to fulfil customer SWU contracts. These costs are capitalised in accordance with IFRS 15 as costs incurred to fulfil a contract with a customer. The costs are charged to the income statement at the point in time the revenue associated with these assets is recognised.

Contract assets
Contract assets relate to balances due from customers under enrichment contracts that arise when the revenue recognised for a delivery exceeds the amount of consideration received or for which a receivable has been recognised.

Contract liabilities
Contract liabilities relate to balances due to customers under enrichment contracts or storage service agreements for which the Company has received consideration from the customer prior to transferring control of the underlying good or service. These balances also arise when the revenue recognised for a delivery is lower than the amount of consideration received or that has been recognised as a receivable.

Inventory borrowings
UNL periodically borrows SWU or feed from third parties in order to optimise its operational efficiency and inventory position. During the term of the agreement UNL recognises both an asset and liability on its statement of financial position, valued at the weighted average cost of SWU or feed, unless sales have been made from borrowings, in which case the liability is measured at market price. Any movements in UNL's weighted average cost would lead to revaluation of both asset and liability. At the end of the loan period UNL returns the SWU or feed to the lender and UNL has the intention to source this from its own production.

Cash and cash equivalents
Cash and cash equivalents in the statement of financial position and cash flow statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. Currently the ultimate parent company executes the cash payments or receipts on behalf of the Company. The associated amounts are debited or credited via the intercompany account, which is separately reported as interest bearing receivable.

Trade receivables
Trade receivables can carry interest in accordance with the contract conditions. Trade receivables are stated at amortised cost less any expected credit losses.

Financial assets
Financial assets are measured in their entirety at either amortised cost or fair value, depending on the classification of the financial asset.

Classification of financial assets

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all legal fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit impaired (see below).

2. Significant accounting policies – continued

For financial assets that have subsequently become credit impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit impaired, interest income is recognised by applying the effective rate to the gross carrying amount of the financial asset.

Interest income is recognised in the consolidated income statement and is included in the "finance income" line item.

(ii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in the income statement to the extent they are not part of a designated hedging relationship (see hedge accounting policy under "Derivative financial instruments and hedging").

Impairment of financial assets
The Company recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost and trade receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

The Company always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since credit recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to the 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Measurement and recognition of expected credit losses (ECLs)
The measurement of ECLs is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12 month ECL at the current reporting date, except for assets for which the simplified approach was used.

Derecognition of financial assets

The entity derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the entity recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the entity continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2. Significant accounting policies – continued

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in the consolidated income statement.

Financial liabilities
Financial liabilities are classified according to the substance of the contractual arrangements entered into, either at amortised cost of at fair value through profit and loss.

Interest-bearing loans and borrowings
Obligations for loans and borrowings are recognised when UNL becomes party to the related contracts and are measured initially at fair value less directly attributable transaction costs.
After initial recognition, interest-bearing loans and borrowings are subsequently re-measured at amortised cost using the effective interest method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance income and finance cost.

Trade payables
Trade payables are usually not interest bearing and are stated at amortised cost.

Derivative financial instruments and hedging
The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The Company uses foreign exchange forward contracts to hedge these exposures.

The Company does not use derivative financial instruments for trading purposes. All derivative instruments that are not designated in a hedge relationship, or do not qualify for hedge accounting purposes, are economic hedges for existing exposures.

Derivative financial instruments are initially recognised and subsequently re-measured at fair value. The fair value on initial recognition is the transaction price unless part of the consideration given or received is for something other than the instrument itself. The fair value of derivative financial instruments is subsequently calculated using discounted cash flow techniques or other appropriate pricing models. The chosen method is used consistently for similar types of instruments. All valuation techniques take into account assumptions based upon market data.

The fair value of forward contracts is the present value of the expected settlement amount, which is the present value of the difference between the contract rate and the current forward rate multiplied by the notional foreign currency amount.
Any gains or losses arising from changes in the fair value of derivatives that do not qualify for hedge accounting are taken to the income statement. Such gains or losses are recorded in finance income or finance costs.

Financial assets and financial liabilities are disclosed on a gross basis. UNL settles all financial assets and liabilities on a gross basis and intends to continue to do so.

The treatment of gains and losses arising from revaluing derivatives designated as hedging instruments depends on the nature of the hedging relationship as follows:

Cash flow hedges
Changes in the fair value of derivative financial instruments that are designated and are effective as hedges of highly probable future cash flows are recognised directly in other comprehensive income and any ineffective portion is recognised immediately in the income statement. The ineffective portion is recorded in finance income or finance costs.

Amounts deferred in other comprehensive income are recognised in the income statement in the same period in which the hedged item affects net income or loss. These amounts are recorded in the same line of the income statement as the hedged item.

2. Significant accounting policies – continued

Provisions

Provisions are recognised when UNL has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle that obligation which can be assessed with reasonable certainty. Where the time value of money is material, provisions are discounted using pre-tax rates applicable to the risks specific to the liability and to its geographic location. Where discounting is used, the increase in the provision due to the passage of time is recognised within finance costs.

The enrichment process generates depleted uranium (“tails”). Provisions are made for all estimated costs and for the eventual disposal of tails and are discounted to reflect the expected timing of expenditure in the future. The costs take account of conversion to a different chemical state, intermediate storage, transport and safe disposal.

The Company intends to decommission a plant (or parts of it) after its useful life. To meet these possible decommissioning costs, provisions are charged in the accounts for all contaminated assets in operation, at a rate considered to be adequate for the purpose. Once a plant has been commissioned, the full discounted cost of decommissioning plant is recognised in the accounts as a provision. This is matched by capitalised decommissioning costs which are included in property, plant and equipment, under plant and machinery.

For the production process the Company uses cylinders. These cylinders are required to be scrapped at the end of their useful life. The Company provides for this cost.

The Company recognises overfeeding provisions. These arise when low assay feed is generated with the aim of converting that into natural feed. The overfeeding provision is comprised of a SWU liability, representing the enrichment activity for the re-feeding process and a tails liability representing the tails generated after completion of the re-feeding process.

Cash Flow statement

The cash flow statement is prepared according to the indirect method.

The funds in the cash flow statement consist of cash and cash equivalents. Cash equivalents can be considered to be highly liquid investments. Currently the ultimate parent company executes the cash payments or receipts on behalf of the Company. The associated amounts are debited or credited via the intercompany account, which is reported under cash equivalents. Cash flows in foreign currencies are translated at an estimated average rate. Corporate income taxes are presented under cash flow from operating activities. Interest received and dividends received are presented under the cash flow from investing activities. Interest paid and dividends paid are presented under the cash flow from financing activities.

NOTES TO THE ACCOUNTS

3. Revenue

	Year ended 31/12/2022	Year ended 31/12/2021
An analysis of the Company's revenue is as follows:	**€000**	€000
Sales of goods and services - enrichment	**489,451**	503,171
Sales of goods and services - Stable Isotopes	**18,331**	10,217
	507,782	513,388

In 2022, €27,226 of net losses (2021: €5,294 of net losses) relating to foreign currency hedging activities have been included in sales revenue.

4. Income from operating activities before tax and net finance costs

Income from operating activities before tax and net finance costs has been arrived at after charging:

	Year ended 31/12/2022 €000	Year ended 31/12/2021 €000
Net foreign exchange (gains)/losses	**745**	(881)
Depreciation of property, plant and equipment and investment property (note 10 and 11)	**60,498**	63,199
Amortisation of intangible assets (note 12)	**65**	71
Employee benefits expense (note 5)	**31,332**	29,095

An analysis of auditors' (Deloitte Accountants B.V.) remuneration for UNL is provided below:

	Year ended 31/12/2022 €000	%	Year ended 31/12/2021 €000	%
Audit services:				
Fees payable to the company's auditor for the audit of the company's annual accounts	**112**	**100**	103	100
Fees payable to Deloitte Accountants B.V. other services:				
Other services	**-**	**-**	-	-
Total	**112**	**100**	103	100

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dated 7 March 2023

5. Employee benefits expense

The average number of UNL employees (including the Managing Director) was:

	Year ended 31/12/2022 Number	Year ended 31/12/2021 Number
Technical	**237**	234
Commercial	**3**	3
Administration	**54**	48
	294	285

	Year ended 31/12/2022 €000	Year ended 31/12/2021 €000
Wages and salaries	**23,117**	20,955
Social security costs	**3,650**	3,357
Other pension costs	**4,565**	4,783
	31,332	29,095

None of the employees are employed outside the Netherlands.

6. Finance income

	Year ended 31/12/2022 €000	Year ended 31/12/2021 €000
Interest income other	**2,980**	243
Credits to income statement from non-designated derivatives	**613**	-
	3,593	243

7. Finance costs

	Year ended 31/12/2022 €000	Year ended 31/12/2021 €000
Interest payable other	**12**	14
Related parties interest payable	**1,030**	1,405
Debits to income statement from non-designated derivatives	**-**	4,759
Unwinding of discount on provisions	**14,981**	13,440
	16,023	19,618

8. Income tax

The major components of income tax expense are:

	Year ended 31/12/2022 €000	Year ended 31/12/2021 €000
Current income tax		
Dutch corporation tax	**63,320**	52,292
Adjustments in respect of current income tax of prior periods	**(6,930)**	(1,203)
Current income tax charge / (credit)	**56,390**	51,089
Deferred income tax (see Deferred income tax analysis below)		
Accelerated depreciation facility	**(3,589)**	(2,448)
Depreciation investment property	**(28)**	(30)
Movement in deco / tails / cylinder / overfeeding provisions	**(9,863)**	(1,727)
Expected credit loss	**(175)**	61
Deferred income tax charge / (credit)	**(13,655)**	(4,144)
Income tax expense reported in the income statement	**42,735**	46,945

Income tax related to items charged or credited directly to other comprehensive income

	Year ended 31/12/2022 €000	Year ended 31/12/2021 €000
Deferred tax relating to effective cash flow hedging	**560**	(9,867)
Income tax charge / (credit) reported in equity	**560**	(9,867)

The charge for the year can be reconciled to the income per the income statement as follows:

	Year ended 31/12/2022 €000	**%**	Year ended 31/12/2021 €000	%
Income before tax	**186,812**		185,642	
Weighted at the Dutch statutory income tax rate of 25.8% (2021: 25%)	**48,198**	**25.8**	46,411	25.0
Adjustments in respect of income tax of previous years	**(6,930)**	**(3.7)**	(1,203)	(0.7)
Tax effect of rate change in deferred tax	**-**	**-**	132	0.1
Tax effect of non-deductible expenses	**1,467**	**0.8**	1,605	0.9
Income tax expense reported in income statement	**42,735**	**22.9**	46,945	25.3

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8. Income tax - continued

Deferred income tax

Deferred income tax at 31 December relates to the following:

	Statement of financial position		**Income statement**	
			Year ended	Year ended
	31/12/2022	31/12/2021	**31/12/2022**	31/12/2021
	€000	€000	**€000**	€000
Deferred tax assets				
Other temporary differences	**39,021**	28,955	**(10,066)**	(1,696)
Unrealised effective cash flow hedging	**3,796**	4,356	**-**	-
Deferred tax assets	**42,817**	33,311		
Deferred tax liabilities				
Fixed assets (accelerated depreciation facility)	**(29,614)**	(33,203)	**(3,589)**	(2,448)
Deferred tax liabilities	**(29,614)**	(33,203)	**(13,655)**	(4,144)
Net deferred tax asset/(liability)	**13,203**	108		

Other temporary differences contains a.o. cylinder provision (€12,866), decommissioning provision (€11,034) and tails provision (€13,752).

In 2021, an increase in the Netherlands mainstream corporate tax rate from 25.0% to 25.8%, effective 1 January 2022, was enacted. As a result, the company's Dutch deferred tax assets and liabilities have been valued using a 25.8% future tax rate. This change in rate resulted in an additional €132 expense to the income statement and a €135 credit to other comprehensive income. For 2022 the set rate of 25.8% was used for deferred tax calculations.
The Netherlands corporate tax rate for the year ended 31 December 2022 was set at 25.8% (2021: 25.0%) which has been used for current tax calculations.

9. Dividends paid and proposed

	Year ended 31/12/2022 €000	Year ended 31/12/2021 €000
Declared and paid during the year		
Amounts recognised as distribution to equity holders in the period:		
Interim dividend for the year ended 31 December 2022 of 986.83 Euro per ordinary share. (2021: Interim dividend of 855.25 Euro per ordinary share)	**150,000**	130,000
	150,000	130,000
Proposed for approval at the Annual General Meeting		
Proposed final dividend for the year ended 31 December	**-**	-

The resolution of shareholders for the 2022 interim dividend was signed on October 18th 2022 and payment was done on the same date. For the 2021 interim dividend the dates were both October 19th 2021.

The final dividend is subject to approval by shareholders at the Annual General Meeting and has not been presented as a liability in these financial statements.

10. Property, plant and equipment

2022	Freehold land & buildings €000	Plant & machinery €000	Fixtures & fittings €000	Motor vehicles €000	Assets under construction €000	Total €000
Cost as at 1 January 2022	216,481	1,647,024	70,826	15,901	43,326	1,993,558
Additions	783	22,255	7,500	80	20,728	51,346
Transfers	1,615	9,999	558	36	(12,208)	-
Disposals	-	-	-	(221)	-	(221)
Cost as at 31 December 2022	**218,879**	**1,679,278**	**78,884**	**15,796**	**51,846**	**2,044,683**
Accumulated depreciation as at 1 January 2022	154,194	1,288,314	59,812	15,410	-	1,517,730
Charge for the year	7,885	48,061	4,229	215	-	60,390
Disposals	-	-	-	(218)	-	(218)
Accumulated depreciation as at 31 December 2021	**162,079**	**1,336,375**	**64,041**	**15,407**	**-**	**1,577,902**
Carrying amount as at 1 January 2022	62,287	358,710	11,014	491	43,326	475,828
Carrying amount as at 31 December 2022	**56,800**	**342,903**	**14,843**	**389**	**51,846**	**466,781**

All land, buildings and other tangible fixed assets are carried at historic cost less accumulated depreciation and impairment losses (if any). The category of fixtures and fittings comprises office fixtures and fittings and computer equipment. Assets under construction comprise of cost which will subsequently be capitalised as property, plant, equipment, investment property or intangible assets.

2021	Freehold land & buildings €000	Plant & machinery €000	Fixtures & fittings €000	Motor vehicles €000	Assets under construction €000	Total €000
Cost as at 1 January 2021	208,922	1,614,239	66,962	15,850	64,919	1,970,892
Additions	2,250	(2,946)	3,447	35	20,034	22.820
Transfers	5,462	35,731	417	16	(41,627)	(1)
Disposals	(153)		-	-	-	(153)
Cost as at 31 December 2021	216,481	1,647,024	70,826	15,901	43,326	1,993,558
Accumulated depreciation as at 1 January 2021	146,210	1,237,742	55,685	15,156	-	1,454,793
Charge for the year	8,137	50,572	4,127	254	-	63,090
Disposals	(153)		-	-	-	(153)
Accumulated depreciation as at 31 December 2021	154,194	1,288,314	59,812	15,410	-	1,517,730
Carrying amount as at 1 January 2021	62,712	376,497	11,277	694	64,919	516,099
Carrying amount as at 31 December 2021	62,287	358,710	11,014	491	43,326	475,828

10. Property, plant and equipment - continued

Included in plant and machinery are the following amounts relating to capitalised decommissioning costs:

	2022	2021
	€000	€000
Cost as at 1 January 2022	**122,235**	127,435
Additions	**21,231**	(5,200)
Cost as at 31 December 2022	**143,466**	122,235
Depreciation as at 1 January 2022	**75,071**	65,380
Charge for the year	**2,920**	9,691
Depreciation as at 31 December 2022	**77,991**	75,071
Carrying amount as at 1 January 2022	**47,164**	62,055
Carrying amount as at 31 December 2022	**65,475**	47,164

Included in motor vehicles are the following amounts relating to right of use leased vehicles:

2022	**2022**	2021
	€000	€000
Cost as at 1 January 2022	**820**	785
Additions	**79**	35
Disposals	**(221)**	-
Cost as at 31 December 2022	**678**	820
Depreciation as at 1 January 2022	**508**	353
Charge for the year	**156**	155
Disposals	**(218)**	-
Depreciation as at 31 December 2022	**446**	508
Carrying amount as at 1 January 2022	**312**	432
Carrying amount as at 31 December 2022	**232**	312

11. Investment property

2022	**Land**	**Building**	**Total**
	€000	**€000**	**€000**
Cost as at 1 January 2022	**733**	**1,917**	**2,650**
Additions	**-**	**-**	**-**
Cost as at 31 December 2022	**733**	**1,917**	**2,650**
Depreciation as at 1 January 2022	**-**	**1,041**	**1,041**
Charge for the year	**-**	**109**	**109**
Depreciation as at 31 December 2022	**-**	**1,150**	**1,150**
Carrying amount as at 1 January 2022	**733**	**876**	**1,609**
Carrying amount as at 31 December 2022	**733**	**767**	**1,500**

The investment property relates to land and buildings acquired by UNL in 2005. The cost includes the purchase price of €2,650. An independent valuation of the investment property was undertaken in 2019. The fair value has been assessed by the Director using a discounted cash flow valuation method. The fair value, determined based on internal validation, at 31 December 2022 was €1,500. No formal valuation has been conducted this year on the investment property held by the Company.

The property rental income earned by UNL from its investment property, all of which is leased out under operating leases, amounted to €133 (2021: €127). Direct operating expenses arising on the investment property amounted to €10 (2021: €10). Rental income is recognised within revenue.

11. Investment property - continued

2021	Land €000	Building €000	Total €000
Cost as at 1 January 2021	733	1,917	2,650
Additions	-	-	-
Cost as at 31 December 2021	733	1,917	2,650
Depreciation as at 1 January 2021	-	932	932
Charge for the year	-	109	109
Depreciation as at 31 December 2021	-	1,041	1,041
Carrying amount as at 1 January 2021	733	985	1,718
Carrying amount as at 31 December 2021	733	876	1,609

12. Intangible assets

	31/12/2022 Customer contracts €000	31/12/2021 Customer contracts €000	**31/12/2022 Software €000**	31/12/2021 Software €000	**31/12/2022 Total €000**	31/12/2021 Total €000
Cost as at 1 January	**2,996**	2,996	**12,591**	12,570	**15,587**	15,566
Additions	**-**	-	**-**	20	**-**	20
Transfers	**-**	-	**-**	1	**-**	1
Cost as at 31 December	**2,996**	2,996	**12,591**	12,591	**15,587**	15,587
Amortisation as at 1 January	**2,996**	2,996	**12,336**	12,265	**15,332**	15,261
Charge for the year	**-**	-	**65**	71	**65**	71
Amortisation as at 31 December	**2,996**	2,996	**12,401**	12,336	**15,397**	15,332
Carrying amount as at 1 January	**-**	-	**255**	305	**255**	305
Carrying amount as at 31 December	**-**	-	**190**	255	**190**	255

13. Investments

UNL has a 9.9% share in Twente Technology Fund (TTF). TTF is an innovative venture capital fund. The fund invests in promising young and starting high tech corporations in the Twente area. UNL committed to limited capital of
€ 1.5 million in TTF. Up to the end of 2022 €1.5m was called up (2021: €1.5m).

14. Inventories

	31/12/2022 €000	31/12/2021 €000
Raw materials	**91,334**	22,001
Work-in-progress	**15,296**	915
Finished goods	**12,642**	16,487
	105,762	39,403

No provision has been taken into account.

15. SWU assets

	31/12/2022 €000	31/12/2021 €000
SWU assets	**7,088**	594
	7,088	594

SWU assets are the costs incurred to date in enriching UF6 to fulfil enrichment contracts with customers.

16. Contract assets

	31/12/2022 €000	31/12/2021 €000
As at 1 January	**5,197**	2,446
Revaluation within the Group	**310**	203
Revenue recognised during the year	**1,015**	2,548
Reversal of accrued revenue	**-**	-
As at 31 December	**6,522**	5,197
Included in current assets	**-**	-
Included in non-current assets	**6,522**	5,197

Contract assets relate to balances due from customers under enrichment contracts that arise when the revenue recognised for a delivery exceeds the amount of consideration received.

17. Trade and other receivables (current)

	31/12/2022 €000	31/12/2021 €000
Trade receivables	**54,722**	86,334
Other receivables	**291**	20
Taxation (VAT)	**5,990**	970
Other accrued income	**4,521**	1,725
	65,524	89,049

The average credit period taken on sales of goods and services is 30 days (2021: 30 days). Trade receivables can carry interest in accordance with contract conditions. Trade receivables are stated at amortised cost less a loss allowance for expected credit losses. Trade receivables comprises an expected credit loss of €889 (2021: €366). For trade receivables, the Company has applied the simplified approach in IFRS 9 to measure the loss allowance at lifetime expected credit loss. The
Company determines the expected credit losses on these items by using a provision matrix, estimated based on historic credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. All trade and other receivables are expected to be received within 2023.

For terms and conditions relating to related party receivables, refer to note 29.

The Company considers that the carrying amount of trade and other receivables approximates their fair value.

18. Cash equivalents

This is the internal account with Urenco Ltd, UNL's ultimate parent company. The average interest rate for 2022 was 0.2% (2021: -0.3%). This is calculated using a floating rate of one month €STR plus a margin of 0.15%.

19. Share capital

	31/12/2022 €000	31/12/2021 €000
Authorised:		
510,000 ordinary shares of € 455 each	**232,050**	232,050
Issued and fully paid:		
152,002 ordinary shares of € 455 each	**69,161**	69,161

There were no movements in share capital or the number of shares during the years 2022 and 2021.

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20. Share premium

	31/12/2022	31/12/2021
	€000	€000
Share premium	**17,243**	17,243

There were no movements in share premium during the years 2022 and 2021.

The share premium reserve is fully exempt from distribution under Dutch tax legislation.

21. Retained earnings

	€000
As at 1 January 2021	**340,271**
Profit for the year	138,697
Dividends paid	(130,000)
As at 1 January 2022	**348,968**
Profit for the year	144,077
Dividends paid	(150,000)
As at 31 December 2022	**343,045**

22. Contract liabilities

Contract liabilities relate to the Company's obligations to transfer enrichment services to a customer for which the Company has received consideration or recognised a receivable prior to transferring control to the underlying good or service.

	31/12/2022	31/12/2021
	€000	€000
As at 1 January	**50,673**	40,030
Revaluation within the Group	**625**	504
Delivered during the year	**1,864**	(20,797)
Payments received in year	**12,332**	30,936
As at 31 December	**65,494**	50,673
Included in current liabilities	**33,209**	23,810
Included in non-current liabilities	**32,285**	26,863

Revenue recognised during the year mainly related to deliveries made in the year for which the customer made payments in advance in 2022. The current contract liabilities balance at year-end relates to deferred income for SWU deliveries to be recognised as revenue in 2023. The non-current contract liabilities balance at year-end relates to deferred income for SWU deliveries to be recognised as revenue during the period from 2024 to 2032.

23. Financial risk management objectives and policies

UNL's principal financial liabilities comprise related parties financing and trade payables. The main purpose of these financial instruments is to raise finance for UNL's operations. UNL also has various financial assets such as trade receivables and cash, which arise directly from its operations. All financial instruments are unsecured. No collateral is pledged or received in respect of UNL's financial instruments.

It is, and has been throughout 2022 and 2021, UNL's policy that no speculative trading in financial instruments shall be undertaken.

The main risks arising from UNL's financial instruments are credit risk, interest rate risk, foreign currency risk and liquidity risk. The management reviews and agrees policies for managing each of these risks and they are summarised below.

Credit risk

UNL's principal financial assets are trade and other receivables, cash equivalents and derivative financial instruments, which represent UNL's maximum exposure totalling €681,784k (2021: €584,919k).

The Urenco Group trades on behalf of UNL only with creditworthy third parties, who are mainly other participants in the nuclear fuel supply chain. It is Urenco Group's policy that all customers wishing to trade on credit are subject to an internal approval process based on a system of credit scoring similar to that used by external rating agencies. Customers are assigned credit limits based on this credit score and their credit balances are monitored and managed against these limits on a monthly basis. Historically, there has been no payment default by any counterparty trading with the Urenco Group under this procedure.

With respect to credit risk arising from other financial assets of UNL, comprising cash and cash equivalents and derivative financial instruments, UNL's credit risk is the risk of default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The counterparty for all derivative financial instruments is Urenco Limited, the ultimate parent company of Urenco Group. Counterparties for cash and cash equivalents are banks with investment-grade credit ratings assigned by international credit-rating agencies.

Interest rate risk

All financing agreements are entered through the Urenco Group. Of the loans on the UNL balance sheet 0% have a fixed rate of interest (2021: 0%).
The entity's exposure to interest rates on financial assets and liabilities are detailed in the section about liquidity risk management of this note.

Interest rate sensitivity analysis

Changes in the market interest rates of non-derivative financial instruments with fixed interest rates only affect income if these are measured at their fair value. As such, all financial instruments with fixed interest rates that are carried at amortised cost are not subject to interest rate risk as defined in IFRS 7.

Changes in the market interest rates affect the interest income or expense of non-derivative variable-interest financial instruments, the interest payments of which are not designated as hedged items of cash flow hedges against interest rate risks. As a consequence, they are included in the calculation of income-related sensitivities.

The following demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of UNL's income before tax (through the impact on floating rate borrowings).

If market interest rates had been 100 basis points higher/(lower) at 31 December 2022, interest expense would not change as the interest rate on all debt is fixed. (2020: fixed rates). Interest income varies and therefore would change by €0m.

23. Financial risk management objectives and policies - continued

Foreign currency risk

Foreign currency risks as defined by IFRS 7 arise on account of financial instruments being denominated in a currency that is not the functional currency and being of a monetary value.

UNL has transactional currency exposures as a result of approximately 60% (2021: 56%) of its revenues being denominated in US dollars, whilst currently a minimal amount of its costs are US dollar-based.

In order to mitigate these exposures, from 1 January 2015, UNL's policy has been to hedge its net contracted US dollar exposure (i.e. cash revenues less cash costs) with forward currency contracts. All hedging contracts are taken out with Urenco Limited.

UNL receives their part of both realised and unrealised hedging gains and losses, based on the sharing ratio for the year. The sharing ratio is the UNL part of the total production of Urenco' s European enrichment sites.

The following table demonstrates the sensitivity to changes in euro against the dollar:

	Change in €/ US$ rate	Effect on income before tax €m	Effect on equity €m
2022	+10%	**10.9**	**94.8**
	-10%	**(12.5)**	**(106.7)**
2021	+10%	3.6	45.2
	-10%	(4.4)	(55.3)

Liquidity risk

UNL, as part of the Urenco Group, plans its funding operations and monitors the risk of a shortage of funds on a monthly basis, using a forward planning model that considers the maturity of existing borrowings, projected capital expenditure and projected cash flows from operations.

At 31 December 2022, no company's interest bearing loans and borrowings have matured (2021: 0%). The related parties current account will be part of the financing structure of the company and could be repaid within the year.

The table below summarises the maturity profile of the company's financial liabilities at 31 December based on contractual undiscounted payments:

2022	On demand	Less than 3 months	3 – 12 months	1 – 5 years	> 5 years	Total
	€000	€000	€000	€000	€000	€000
Interest bearing loans and borrowings [1]	-	-	-	-	-	-
Interest bearing cashpool [1]	-	-	-	-	-	-
Interest payments on interest bearing loans	-	-	-	-	-	-
Foreign exchange contracts	-	**5,731**	**16,828**	**15,797**	-	**38,356**
Trade and other payables	-	**9,787**	**24,006**	**1,104**	-	**34,897**
	-	**15,518**	**40,834**	**16,901**	-	**73,253**

[1] Excludes actual interest payments.

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23. Financial risk management objectives and policies - continued

2021	On demand	Less than 3 months	3 – 12 months	1 – 5 years	> 5 years	Total
	€000	€000	€000	€000	€000	€000
Interest bearing loans and borrowings [1]	-	-	-	-	-	-
Interest bearing current account [1]	-	-	-	-	-	-
Interest payments on interest bearing loans	-	-	-	-	-	-
Foreign exchange contracts	-	3,141	6,958	19,356	-	29,455
Trade and other payables	-	3,789	25,920	478	-	30,187
	-	6,930	32,878	19,834	-	59,642

[1] Excludes actual interest payments.

Capital Management

The primary objective of the Group’s capital management is to ensure that it maintains a strong investment-grade credit rating and healthy capital ratios in order to support the long-term success of the business and to maintain an appropriate level of shareholder returns.

Cash flow hedges

The Company maintains a rolling portfolio of forward foreign exchange contracts (FFECs) designated as cash flow hedges against forecast revenue receipted in US Dollars.

As at 31 December 2022, the net liability of these hedges is € 15.8 million, disclosed in the fair value table below.

During the period, € 27.2 million of hedging losses (year ending 31 December 2021: losses of €5.3 million) were recycled to revenue due to the maturing of contracts in effective hedging relationships.

The following table details the effectiveness of the hedging relationships of currency hedges and the amounts reclassified from hedging reserve to profit and loss.

	2022 Revenue related hedges €000	2021 Revenue related hedges €000
Change in fair value of hedging instrument recognised in OCI	**(25,056)**	(44,222)
Amount reclassified from cash flow hedge reserve due to hedged item affecting profit or loss	**27,226**	5,294
Line item in profit or loss affected by the reclassification	**Revenue**	Revenue

The critical terms of the hedge instruments are considered 100% matched with those of the hedged item.

Fair values

The company makes yearly a comparison by class of the carrying amounts and fair values of the Company’s financial instruments that are carried in the financial statements.
The fair values of all items have been calculated by discounting the future cash flows at prevailing interest rates. At the end of 2022 there is no difference between the fair value and the book value.
The recognised financial instruments are not subject to an enforceable master netting arrangement or similar agreement.

23. Financial risk management objectives and policies - continued

Fair value disclosures

As at 31 December, the Company held the following instruments measured at fair value, all at Level 2 hierarchy:

Assets and liabilities measured at fair value

	2022	2021
	Level 2 **€000**	Level 2 €000
Financial assets at fair value through profit and loss		
Forward foreign exchange contracts – hedged	**18,978**	4,912
Total assets measured at fair value	**18,978**	4,912
Financial liabilities at fair value through profit and loss		
Forward foreign exchange contracts – hedged	**34,794**	23,512
Total liabilities measured at fair value	**34,794**	23,512

Derivative financial instruments are initially recognised, categorised as level 2 and are subsequently re-measured at fair value. The fair value on initial recognition is the transaction price unless part of the consideration given or received is for something other than the instrument itself. The fair value of derivative financial instruments is subsequently calculated using discounted cash flow techniques or other appropriate pricing models. The chosen method is used consistently for similar types of instruments. All valuation techniques take into account assumptions based upon market data. The fair value of forward contracts is the present value of the expected settlement amount, which is the present value of the difference between the contract rate and the current forward rate multiplied by the notional foreign currency amount.

Total liabilities from financing activities

As at 31 December, the Company held the following liabilities from financing activities, measured at book value:

	2021 €'000s	Cash flows €'000s	Other movements €'000s	**2022** **€'000s**
Non-current borrowings	-	-	-	**-**
Non-current lease liabilities	169		(75)	**94**
Current lease liabilities	144	(172)	166	**138**
Total liabilities from financing activities	313	(172)	91	**232**

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24. Provisions

	Tails €000	Decommissioning of plant and machinery €000	Cylinder €000	Overfeeding & Other €000	Total €000
At 1 January 2022	**366,053**	**169,334**	**75,590**	**19,020**	**629,997**
Additional provision in the year	**50,758**	**15,384**	**10,675**	**38,660**	**115,477**
Release of provision in year	**-**	**(22)**	**(1,732)**	**(84)**	**(1,838)**
Revaluation of provision in year	**2,346**	**-**	**-**	**-**	**2,346**
Unwinding of discount	**8,819**	**3,810**	**2,078**	**274**	**14,981**
Utilisation of prepayments	**608**	**-**	**-**	**-**	**608**
Utilisation of provision	**(924)**	**(2,064)**	**(130)**	**(23,670)**	**(26,788)**
At 31 December 2022	**427,660**	**186,442**	**86,481**	**34,200**	**734,783**
Included in current liabilities	**16,829**	**3**	**2,438**	**33,710**	**52,980**
Included in non-current liabilities	**410,831**	**186,439**	**84,043**	**490**	**681,803**

	Tails €000	Decommissioning of plant and machinery €000	Cylinder €000	Overfeeding & Other €000	Total €000
At 1 January 2021	315,161	167,147	69,394	21,067	572,769
Additional provision in the year	53,327	4,518	6,686	9,475	74,006
Release of provision in year	-	(4,517)	(1,807)	-	(6,324)
Revaluation of provision in year	6,059	(665)	-	-	5,394
Unwinding of discount	7,475	3,761	1,908	296	13,440
Utilisation of prepayments	(15,711)	-	-	-	(15,711)
Utilisation of provision	(258)	(910)	(591)	(11,818)	(13,577)
At 31 December 2021	366,053	169,334	75,590	19,020	629,997
Included in current liabilities	8,178	1	1,856	18,513	28,548
Included in non-current liabilities	375,875	169,333	73,734	507	601,449

Provision for tails

The enrichment process generates depleted uranium ("tails"). Provision has been made on a discounted cash flow basis for all estimated future costs for the eventual safe disposal of the tails. The costs take account of conversion to a different chemical state, intermediate storage, transport and safe disposal.

The final amount of the provision is currently uncertain (as detailed in note 2 within the critical accounting judgements and key sources of estimation uncertainty) but is evaluated based upon the planned operational activity involved in successfully achieving safe disposal in accordance with regulatory requirements. The planned costs are based on historic experience, operational assumptions, internal cost forecasts and third-party contract prices for the relevant parts of the disposal cycle. A key area of uncertainty remains the unit cost of deconversion which will remain until such time that the Tails Management Facility project has been completed and the deconversion plant has been commissioned.

These costs are escalated where appropriate based on current expectations of inflation and discounted to provide a present value cost per unit, or tails rate, which is applied to the quantity of tails held at the statement of financial position date.

Management has considered the applicable inflation rate of 2.20% per annum (2021: 1.75% per annum) and the risk-free discount rate of 3.10% per annum (2021: 2.25% per annum). Rates have been adjusted to reflect market developments. The real discount rate is 0.88% (2021: 0.49%).

Sensitivity analysis:

	Change in TMF deconversion price	Effect on provision €m	Change in inflation rate	Effect on provision €m	Change in discount rate	Effect on provision €m
2022	+10%	**18.1**	+0.25%	6.7	+0.25%	**(6.6)**
	-10%	**(18.1)**	-0.25%	(6.5)	-0.25%	**6.8**
2021	+10%	28.2	+0.25%	5.5	+0.25%	(5.3)
	-10%	(28.0)	-0.25%	(5.4)	-0.25%	5.4

24. Provisions - continued

The provision for tails disposal is dependent on certain assumptions and estimates, such as timing of disposal and the applicable discount and inflation rates.

Provision for decommissioning of plant and machinery

The Directors intend to decommission the plant as soon as practicably possible after it is taken out of use. The enrichment plants will be disassembled, declassified, decommissioned and the site returned to 'brownfield' status. To meet these eventual costs of decommissioning, provision is recognised in the financial statements, for all plant and machinery in operation, at amounts considered to be adequate for the purpose.

The final amount of the provision is currently uncertain but is evaluated based upon the planned operational activity involved in successfully achieving full decommissioning of any plant or equipment used in enrichment activities, in accordance with the Directors' intention and regulatory requirements. The planned costs are based on historic experience and price estimates for the relevant activities and processes of the decommissioning cycle, which include deconstruction, decontamination and disposal of all materials involved in the enrichment process. A key area of uncertainty remains the cost for disposal of waste streams arising from the decommissioning process. These costs are escalated based on current expectations of inflation and discounted to provide a present value cost based on the expected useful life of the asset in use and timing of subsequent decommissioning activity. Further description of the estimates and assumptions applied are given in note 2.

These costs are inflated based on current expectations of inflation and discounted to provide a present value cost based on the expected useful life of the asset in use and timing subsequent decommissioning activity.

Management has considered the applicable inflation rate of 2.20% per annum (2021: 1.75% per annum) and the risk-free discount rate of 3.10% per annum (2021: 2.25% per annum). %). Rates have been adjusted to reflect market developments. The real discount rate is 0.88 % (2021: 0.49). It is expected that this provision will be used over the next 30 years.

The provision for decommissioning plant and machinery is dependent on certain assumptions and estimates, such as timing of decommissioning and the applicable discount and inflation rates, for which Rothschild is used as a base.

Sensitivity analysis:

	Change in volume or cost of waste to be disposed of	Effect on provision €m	Change in inflation rate	Effect on provision €m	Change in discount rate	Effect on provision €m	Delay of decommissioning activities in years	Effect on provision €m
2022	+10%	**4.4**	+0.25%	6,0	+0.25%	**(6.3)**	**+2**	**(3.5)**
	-10%	**(4.4)**	-0.25%	(5.8)	-0.25%	**6.7**		
2021	+10%	4.2	+0.25%	6.1	+0.25%	(6.3)	+2	(2.3)
	-10%	(4.2)	-0.25%	(5.9)	-0.25%	6.7		

In 2022 a regular review has taken place. Both the timing of the decommissioning and the technical execution have been updated. Also, the input parameters have been adjusted based upon latest technical knowhow. Aligning to the definition more radioactive contaminated areas have been brought in scope of this provision.

Cylinder

Uranium cylinders will be cleaned, dismantled and scrapped. To meet these eventual costs a provision has been recognised in the financial statements at amounts considered to be adequate for the purpose. The planned costs are based on historic experience and price estimates for the relevant activities. These costs are escalated based on current expectations of inflation and discounted to provide a present value cost based on the expected useful life of the asset in use and timing of subsequent decommissioning activity.

Management has considered the applicable inflation rate of 2.18% per annum (2021: 1.75% per annum) and the risk-free discount rate of 3.26% per annum (2021: 2.75% per annum). Rates have been adjusted to reflect market developments. The real discount rate is 1.06% (2021: 0.98%).

24. Provisions - continued

Overfeeding & other provisions

UNL has entered into the process of generating increased EUP quantities by setting the plants to operate at "high tails" mode. In this mode the plants consume more feed for a given quantity of SWU and the resulting tails material is less depleted than would usually occur, containing quantities of U^{235} that would be economically viable to re-enrich at a point in the future. As feed material is generally owned by the customer, a provision is required to "unlock" the U^{235} in this high tails/poor feed. The provision is released if the depleted feed is re-enriched or disposed.
Other provisions contain personnel provisions.

25. Retirement benefit obligations

In the first half of 2019 the assets and liabilities of the Dutch defined benefit pension scheme were transferred to Pensioenfonds Grafische Bedrijven ("PGB"), a multi-employer defined benefit pension scheme. The PGB has all the features of a defined contribution pension scheme and therefore accounting for this scheme following the transfer has been done on that basis.

The agreement between UNL and PGB has an end date of 31 December 2027. If the agreement will not be terminated by one of the parties at least six months before the termination date, then it will be automatically extended for another five years. Under this agreement PGB will administer the pension rights of the employees of UNL and pay benefits to pensioners. UNL is required to contribute premiums to PGB, which are now set on a scale based on age from 19.08-32.49%. In 2021 UNL was required to contribute on an annual basis as a percentage of the pensionable salary being 32.45%. UNL is solely responsible for contributions for its own employees and cannot be held liable for the obligations of other entities' obligations under the terms and conditions of the multi-employer plan. In the event of termination of the agreement with PGB, then this should not result in any deficit or surplus for UNL, assuming that they have paid the appropriate contributions. This risk has been transferred to PGB, in accordance with the nature of this insured arrangement.

The coverage ratio of PGB was 118.7% at 31 December 2022.

26. Trade and other payables

Current

	31/12/2022 **€000**	31/12/2021 €000
Trade payables	**23,709**	12,838
Other payables	**5,079**	8,192
Accruals	**6,752**	9,157
	35,540	30,187

Trade and other payables principally comprise amounts outstanding for trade purchases and on-going costs. The average credit period taken for trade purchases is 24 days (2021: 19 days).

The Director considers that the carrying amount of trade payables approximates to their fair value.

Non-current

	31/12/2022 **€000**	31/12/2021 €000
Other payables	**41,291**	-
	41,291	-

Non-current other payables comprised SWU inventory borrowed from third parties and Feed liabilities to third parties for the purpose of optimising Urenco' s production flexibility. The SWU borrowings and Feed liabilities as at 31 December 2022 have been classified as non-current payables because they are expected to be returned after 2023.

UNL has already entered into commitments relating to trade and other payables amounting to € 199.1 million (2021: €39.2 million) at balance sheet date.

27. Lease arrangements

UNL as lessee

In compliance to IFRS 16 commercial leases on certain motor vehicles and items of machinery has been transferred to the balance sheet as 2019.

In accordance with IFRS 16 we have identified any lease over short life and low value assets. The expenses recognised in the income statement for these leases amount to €249k in 2022 (€129k in 2021).

28. Contingent liabilities

The Company is party to composite guarantees of borrowings of the group from various private placements which, at the statement of financial position date, amounted to € 1.6 billion (2021 €1.5 billion). The directors do not expect any liability to arise under these guarantees.

At 31 December 2022, UNL had entered into contractual commitments for the investment in property, plant and equipment amounting to €34,657k (2021: €9,897k).

29. Related party transactions

Trading transactions

During the year, UNL entered into the following transactions with the following related parties:

	Sales of good & services		Purchases of goods, services & interest		Amounts owed by related parties		Amounts owed to related parties	
	Year ended 31/12/2022 €000	Year ended 31/12/2021 €000	**Year ended 31/12/2022 €000**	Year ended 31/12/2021 €000	**Year ended 31/12/2022 €000**	Year ended 31/12/2021 €000	**Year ended 31/12/2022 €000**	Year ended 31/12/2021 €000
UEC	**-**	-	**18,510**	19,072	**-**	-	**-**	-
ULTD	**3,579**	1,537	**16,764**	15,291	**613,681**	495,539	**-**	-
UD	**17,251**	19,796	**-**	33,783	**21**	-	**-**	-
UUK	**93**	-	**-**		**-**		**-**	
LES	**40,815**	23,258	**-**	-	**-**	-	**-**	-
USI	**-**	-	**173**	223	**-**	-	**-**	-
UCP	**-**		**2**		**-**		**-**	
ETC	**-**	-	**42,817**	21,728	**-**	-	**6,577**	1,620
RWE	**-**	-	**449**	322	**-**	-	**-**	-

Besides the transactions mentioned above also a dividend of € 150 million (2021: €130m) was paid to the shareholder.

UEC Ltd (Urenco Enrichment Company Limited) is the parent company of the enrichment division of the Urenco Group, of which UNL is part.
ULtd (Urenco Limited) is the ultimate parent company of the Urenco Group.
UD (Urenco Deutschland GmbH) is part of the enrichment division to which UNL belongs and is a sister company of UNL.
UUK (Urenco UK Ltd) is part of the enrichment division to which UNL belongs and is a sister company of UNL.
LES (Louisiana Energy Services LLC) is part of the enrichment division to which UNL belongs and is a sister company of UNL.
USI (Urenco Stable Isotopes NA) is part of the enrichment division to which UNL belongs and is a sister company of UNL.
UCP (Urenco ChemPlants Limited) is part of the enrichment division to which UNL belongs and is a sister company of UNL.
ETC (Enrichment Technology Company Ltd) is the technology division of the Urenco Group and a joint venture with a third party .
RWE is one of the shareholders of Urenco Limited.

Sales of goods, services and interest charges to related parties and purchases of goods, services and interest charged by them were made under normal trading terms.

In 2016, a related party agreement relating to services provided by UEC was executed. The agreement calculates charges for services as a percentage of UNL turnover, instead of cost and reflects the increased activities and value created by UEC. Included in sales to LES is €2.78m (2021: €3.33m) for licensing of intellectual property resulting from a related party agreement.

It is a valuation of the knowledge brought to the USA on how to run an enrichment plant.

The amounts outstanding are unsecured and will be settled through related parties account with ULTD. No guarantees have been given or received.

30. Remuneration board of directors

The remuneration of the board of directors:

	31/12/2022	31/12/2021
	€000	€000
Key management		
Short-term employee benefits	**608**	580
Aggregate pension contributions	**28**	27
	636	607
Other management		
Short-term employee benefits	**1,921**	1,670
Aggregate pension contributions	**229**	233
	2,150	1,903
other		
Short-term employee benefits	**723**	660
Aggregate pension contributions	**112**	127
	835	787
	3,621	3,297

Key management consists of the managing director, other management are the other members of the lead team. Other consists of all other employees registered at the Chamber of Commerce (KvK). Of the short-term employee benefits €119k (2021: €117k) in key management and €98k (2021: €97k) in other management are charged into the accounts of other Group companies.

The remuneration of the Supervisory Board:
The members of the Supervisory Board have not received any remuneration from the Company. Their remuneration was paid by and charged in the accounts of other Group companies.

31. Appropriation of result

Appropriation of net profit

It is proposed to add the net profit of €144.1m to retained earnings.

Interim dividends of €150 million have been paid out in 2022. The dividend has been charged to retained earnings.

Appropriation of result for the financial year 2021

The annual report 2021 is determined in the general meeting of shareholders held on 4 March 2022. The general meeting of shareholders has determined the appropriation of result in accordance with the proposal being made to that end.

33. Events after balance sheet date

No further subsequent events have occurred, which should have been accounted for or disclosed in the 2022 annual report of Urenco Nederland B.V.

Almelo, 7 March 2023
Urenco NEDERLAND B.V.

A.S. Louter
Managing Director

C.R. Chater
Member of the Supervisory Board

B. Schucht
Member of the Supervisory Board

R. ter Haar
Member of the Supervisory Board

Other information

Independent auditor's report
Reference is made to the auditor's report as included hereinafter.

Statutory rules concerning appropriation of result
In Article 23 of the company statutory regulations the following has been presented concerning the appropriation of the result:

1. The profit is at disposal of the general meeting of shareholders.
2. The company is only allowed to pay out profit if the equity is more than the authorized share capital and the reserves which are statutory required.
3. Pay out of profit occurs after signing of the financial statements which shows that the pay-out is permitted.
4. The general meeting of shareholders can decide to pay out interim dividend if this complies with sub 2.
5. The general meeting of shareholders can decide to pay out on shares if this complies with sub 2.
6. Dividend not claimed after five years will expire and fall to the company.

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Independent auditor's report