2023 Annual Results Presentation

Stephen Billingham, Chairman
Boris Schucht, Chief Executive Officer
Ralf ter Haar, Chief Financial Officer

March 2024

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The Energy to Succeed

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Today’s speakers

Boris Schucht

Chief Executive Officer

- Appointed May 2019.
- 30 years in the energy sector.
- Previously CEO at 50Hertz, one of the German Transmission System Operators.
- More than 20 years in senior executive positions across Europe, including for the Vattenfall Group.
- Director of the World Nuclear Association.
- Member of the Supervisory Board of Flughafen Wien AG (Vienna and Malta Airports).
- Diploma in Mechanical Engineering from the University of Aachen.

Ralf ter Haar

Chief Financial Officer

- Appointed November 2014.
- Previously worked as Senior Vice President and Corporate Controller at NXP Semiconductors and CFO Asia Pacific for Alcatel-Lucent.
- More than 30 years’ experience in the energy sector, high tech industries and banking.
- Holds an MSc in economics and an LLM in business law from the Erasmus University Rotterdam.

Agenda

- Review of Business Highlights
- Review of 2023 Financial Results
- Summary and Outlook
- Q&A

Urenco's 2023 business highlights

- Record volume of new orders increased order book by 36% to €14.7 billion.
- Global nuclear footprint and long term fuel demand increasing due to climate change goals.
- Energy security and diversity of supply concerns driving increase in customer requests.
- Price levels visibly increasing, facilitating investment in our sites.
- Wider capacity programme underway, including extension and refurbishment projects.
- Decisions taken on three extension projects in the USA, Germany and the Netherlands, delivering 1.6 million SWU.

Urenco's 2023 business highlights

- Scope 1 and 2 emissions fell by 30.1% from baseline year of 2019 and are on track to meet 2030 and 2040 targets.
- Focus on procuring low carbon energy supplies, supplemented by solar investments at our sites.
- Strong safety culture lead to a lower injury rate in 2023.
- Strong financial results in 2023.

Market developments - overview

- Three drivers have improved the nuclear landscape:
    1. Security of supply
    2. Climate change and net zero
    3. The momentum for advanced nuclear
- COP28: 25 governments and over 120 companies committed to triple nuclear capacity by 2050 to help achieve climate change goals.
- Reactor lifetime extensions increasing globally to ensure energy security.
- Several countries opting for new nuclear to meet CO_2 targets.
- Next generation of reactors (SMRs/AMRs) moving closer, requiring advanced fuels.

Market developments - USA

- Vogtle 3 started commercial operation, Vogtle 4 to follow soon.
- Strong focus on SMRs/AMRs in the nuclear strategy, despite challenging competition from other energy sources.
- Support from the **US Inflation Reduction Act** making the life-time extension of existing plants and planned investment in capacity more appealing.
- **Nuclear Fuel Security Act** enabling Department of Energy to support LEU and HALEU production.

➤ Market fundamentals continued to improve overall in the US.

Market developments - Europe

The UK

- New government body Great British Nuclear (GBN) launched to support ambition to deliver up to 24GW of nuclear capacity by 2050.
- UK announced intention to invest £300 million in national HALEU programme.

The Netherlands

- Public consultation on extension of existing Borssele reactor beyond 2033.
- Plans for two new nuclear power plants progressing.

Market developments – rest of Europe

- **France**: Government plan to accelerate reactor programme by 2050 from 8 up to 14 reactors.
- **Finland**: Olkiluoto-3, Europe’s largest reactor, began commercial operations.
- **Poland**: Several new nuclear projects received “decisions in principle” from government. Delivery plan agreed with Westinghouse for first plant.
- **Belgium**: Agreement made to extend operation of two reactors by 10 years.
- **Sweden**: Approved Bill removes current limit on number of reactors in operation.

Market developments – rest of world

- **Japan**: Twelve nuclear reactors have restarted since Fukushima. Energy law passed to allow reactors to operate beyond 60-year limit.

- **South Korea**: Preparatory ground work to begin for two new reactors at existing plant, Shin-Hanul (previously suspended).

- **Canada:** Large scale and SMR projects eligible for tax credit under 'clean electricity' scheme. Urenco part of fuel supply chain for SMR project in Ontario.

Market developments - next generation fuels

LEU+ (enriched uranium up to 10%)

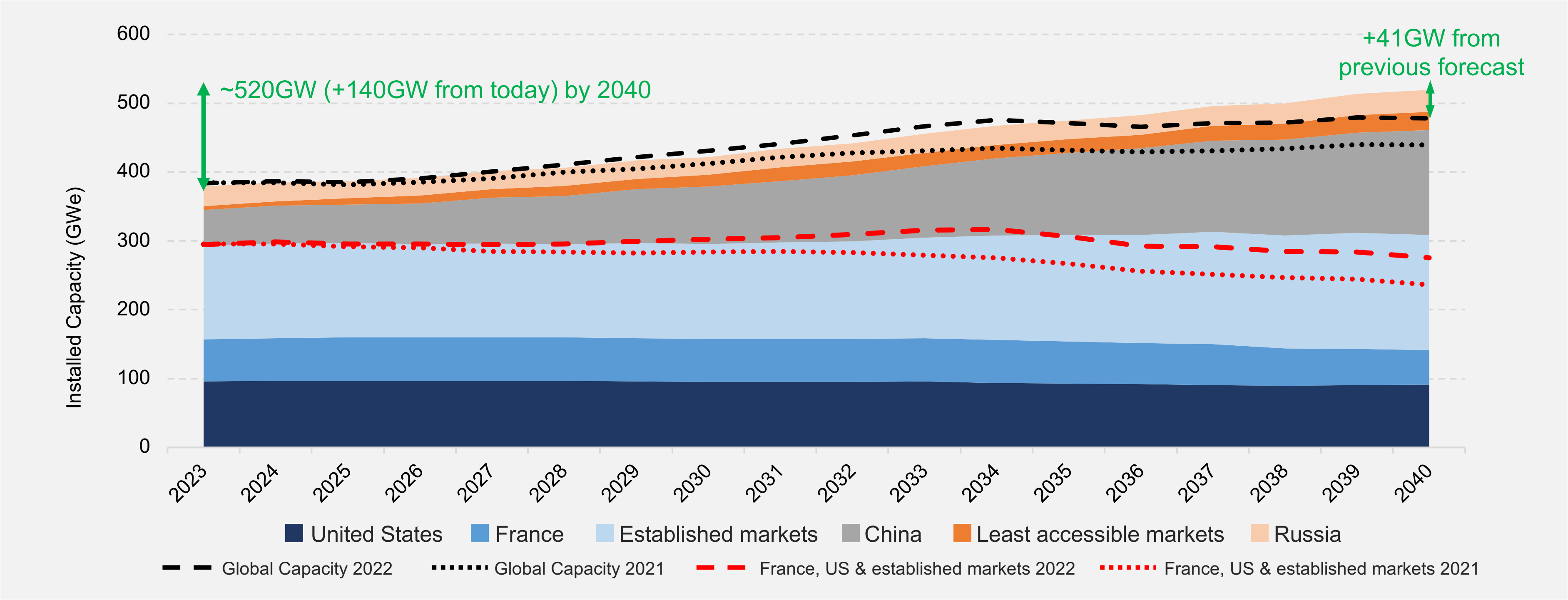
- Today we enrich up to 5%; LEU+ increases this to up to 10%.
- Customers require LEU+ to optimise fuel cycles in existing power plants.
- LEU+ programmes at our US and UK sites; deliveries from 2025.

HALEU (enriched uranium between 10% and 19.75%)

- Projects for next generation nuclear power plants require higher enriched fuel; market is currently not facilitating investment in a HALEU plant.
- UK and US governments have announced programmes to support the development of domestic HALEU facilities.
- Urenco in discussions with both countries to support the development of a HALEU plant.
- Market is evolving and customer relationships growing.

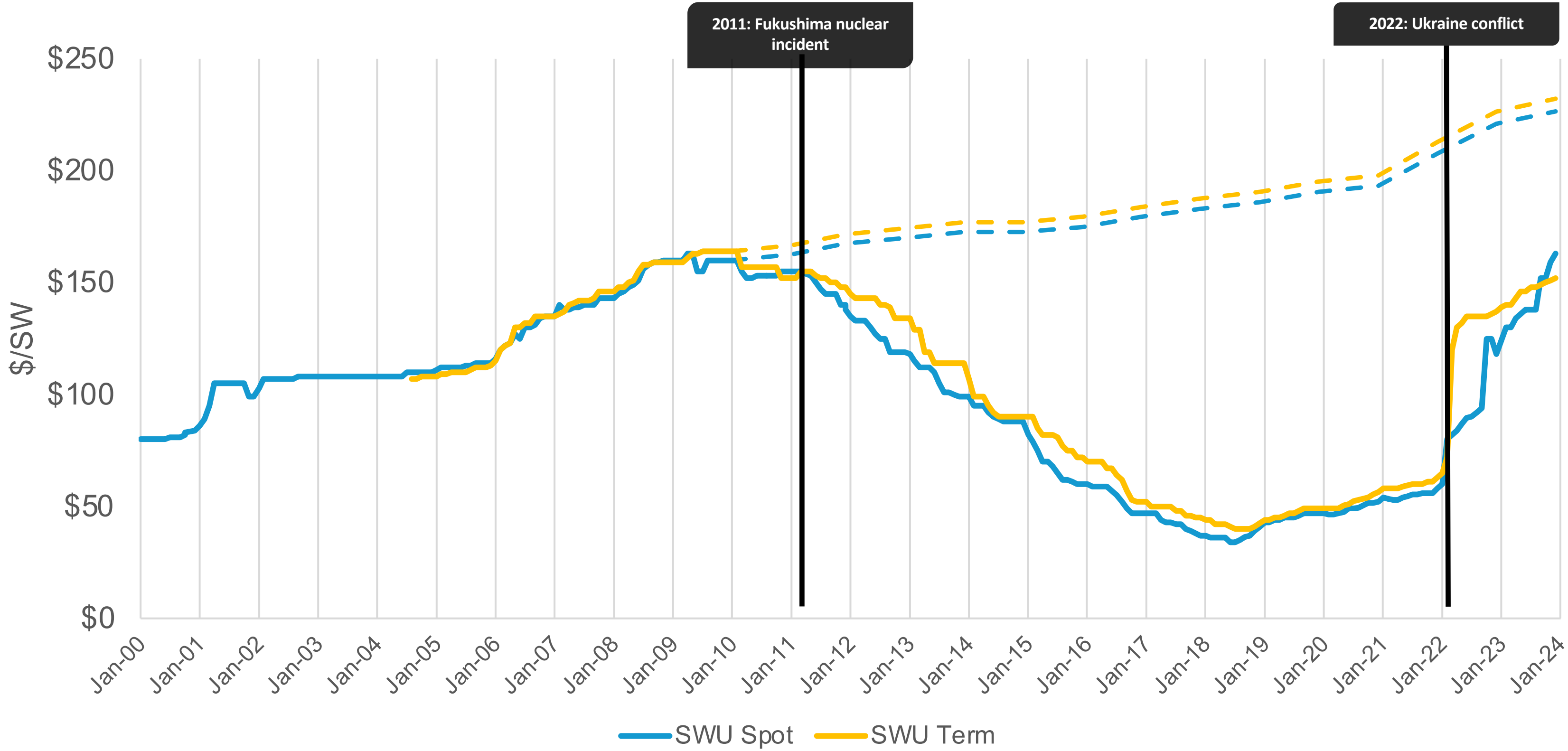
The Urenco market forecast

Base case projections, GWe installed nuclear capacity*



- Climate change and security of supply are driving an increasing nuclear capacity.
- Demands of next generation nuclear power plants not included (Gen IV and HALEU reactor demand).

Enrichment Price History



Source:

2010 prices today[1]
$227/SWU

Market today Jan 24
Spot: $163/SWU
Term: $152/SWU

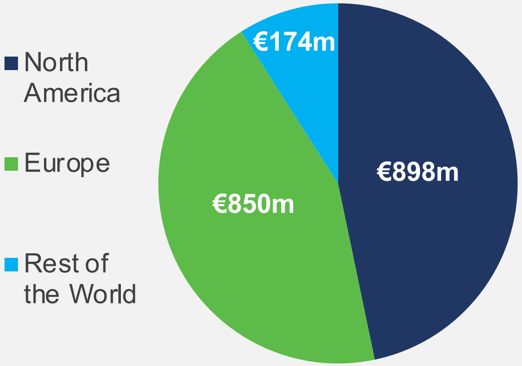
[1] *US Consumer Price Index*, Bureau of Labor Statistics

Customers

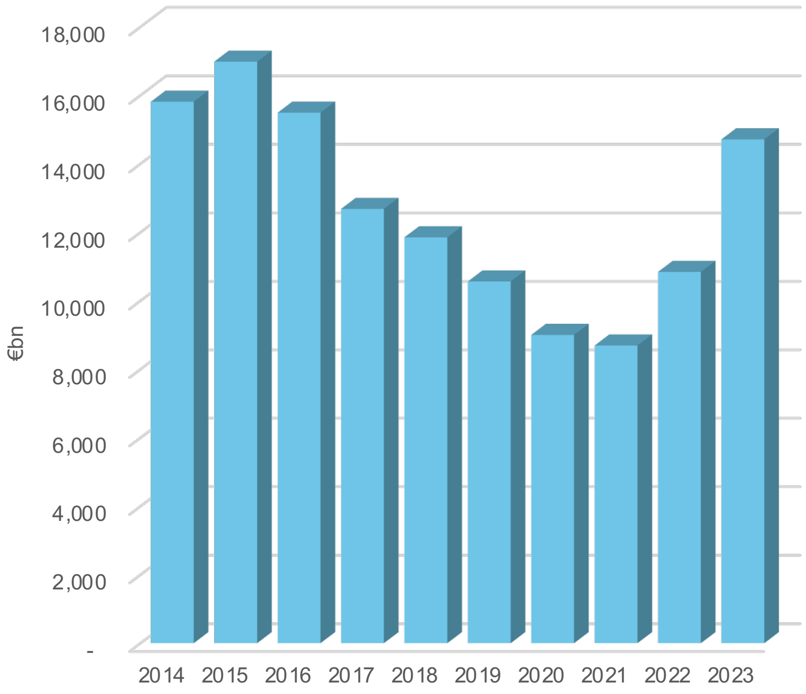
- More than 50 customers in 19 countries.
- New customer countries – Bulgaria and Canada.
- Long term order book at end of 2023: €14.7 billion, stretching into 2040s.
- Our product offering:
  - Enrichment services
  - Natural uranium
  - Conversion
  - U_3O_8

Total revenue split by region – 2023

Total €1,922m



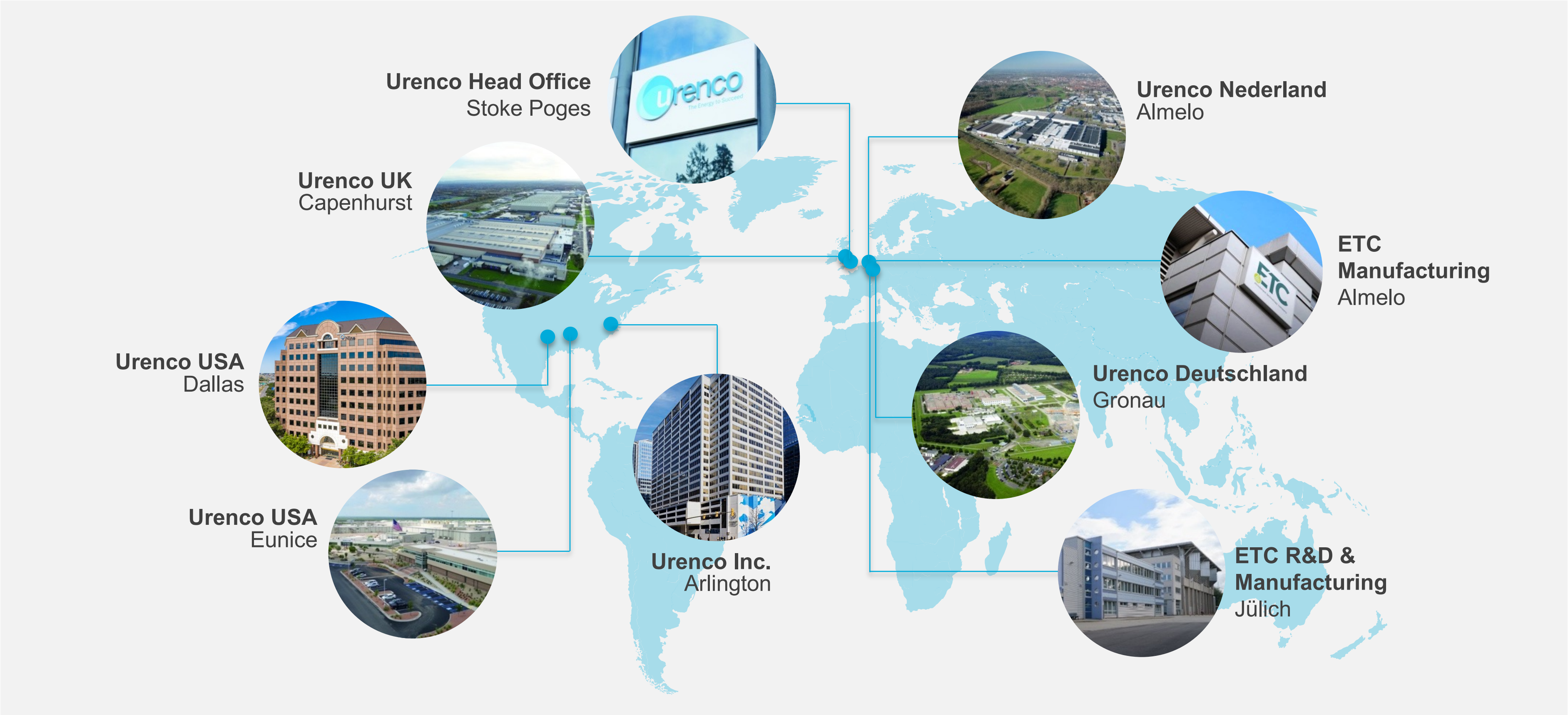
Order Book - 10 year profile



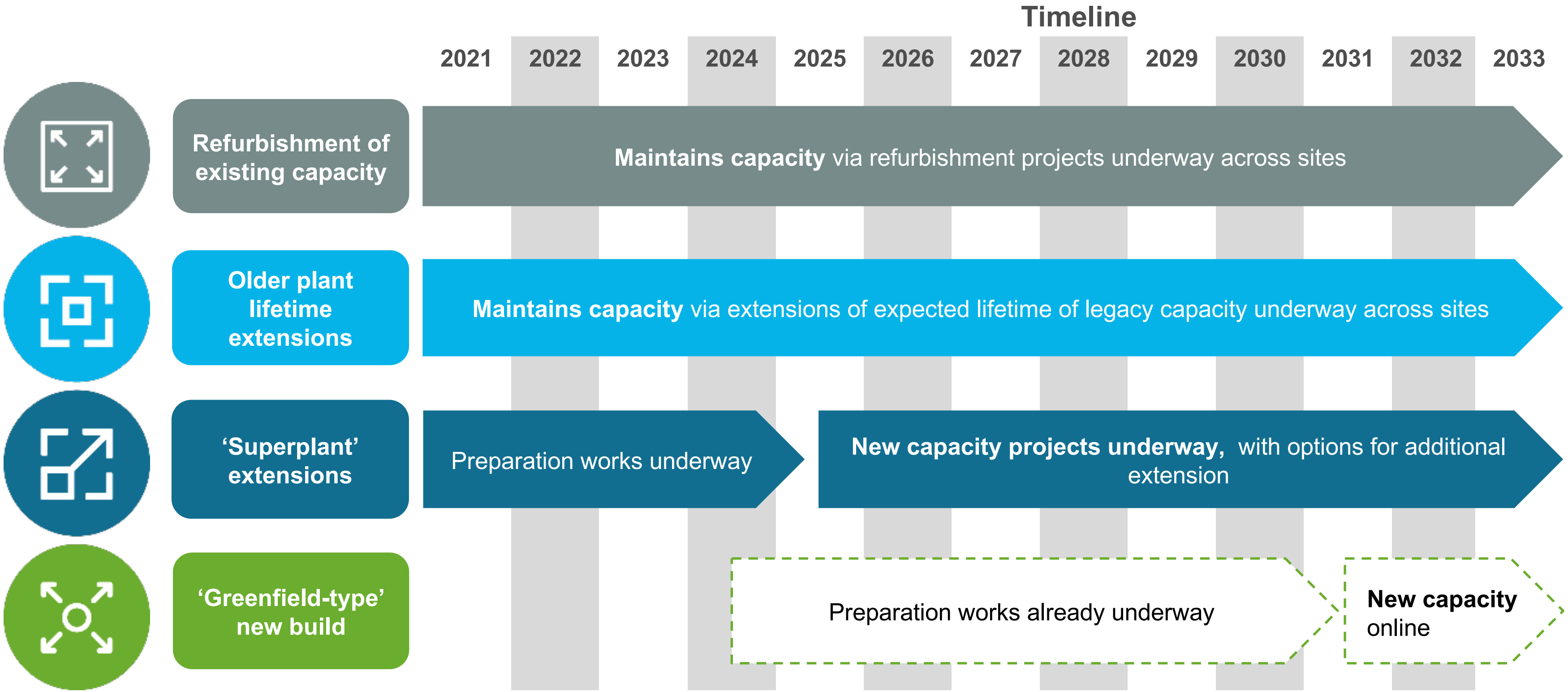
Our global production

Total capacity: 17.6 million SWU/year

Our global footprint



Capacity options near and long-term



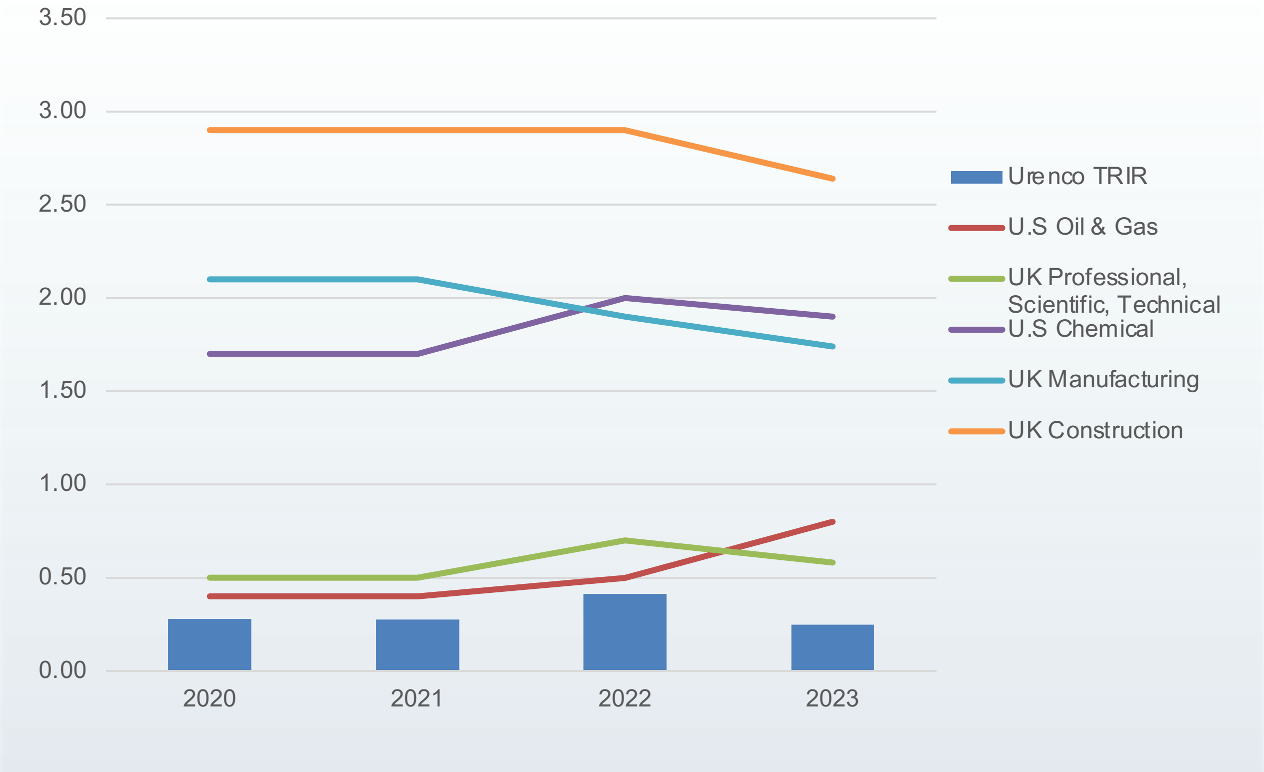
Sustainability highlights

- Strong safety performance
- Net Zero Transition Plan published
- Carbon Disclosure Project score of “B” maintained
- MSCI ESG rating up to A, from BBB
- Total social investment spend €1.86 million (2023)
- Disclosed our climate risks and opportunities following the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD)

Sustainability: safety

Total Reportable Injury Rate reduction to 0.248
(TRIR: LTIs/MTIs per 200,000 hours worked)

- Improved performance since 2022
- Compares well to external peers
- Ten year compliance plan being formulated to improve performance even further



Sustainability: carbon emissions by 2030

2030

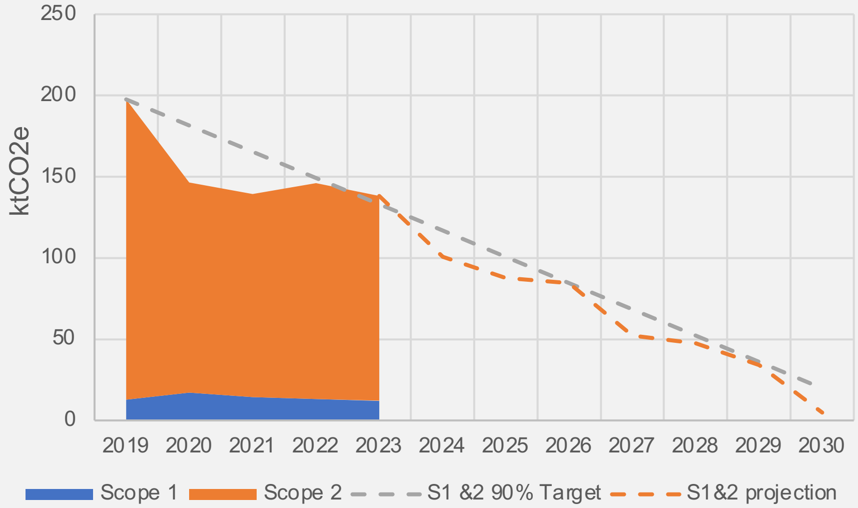
Scope 1 and 2 emissions
90%* absolute reduction by 2030
(2019 baseline)
*Exceeds minimum SBTi standards for 1.5°C pathway

Scope 3 emissions
30% reduction by 2030
(2019 baseline)

2040

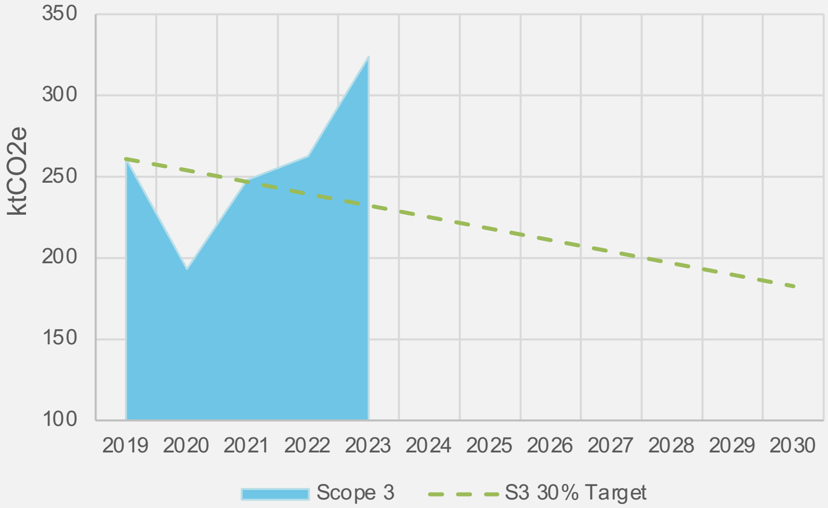
Net zero
By 2040

Reducing scope 1 and 2 emissions



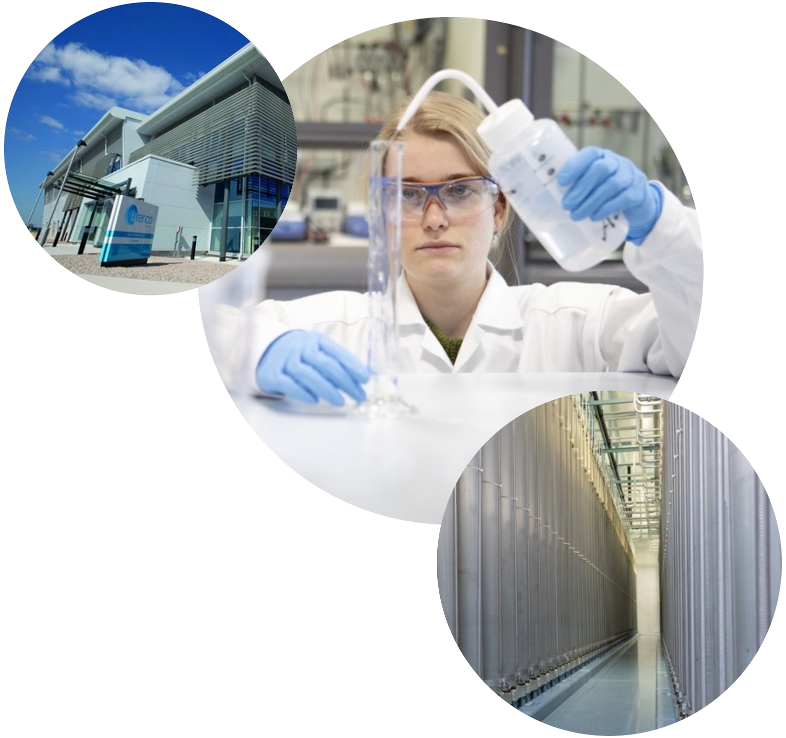
In 2023 we undertook a re-baseline of our 2019 carbon footprint to align with the change in business strategy.

Reducing scope 3 emissions



Our scope 3 emissions have increased, largely due to a greater proportion of purchased goods and services to support our enrichment business than before.

Other business development



Urenco Stable and Medical Isotopes

- Second multi-purpose cascade “Blaise Pascal” progressed well.
- Equivalent of around two million patient treatments in medical sector.

Decommissioning and nuclear stewardship

- Urenco Nuclear Stewardship delivered £200 million of decommissioning activities.
- Tails Management Facility ramp up continued with two kilns in operation.

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Financial summary 2023 vs. 2022

(€ million)

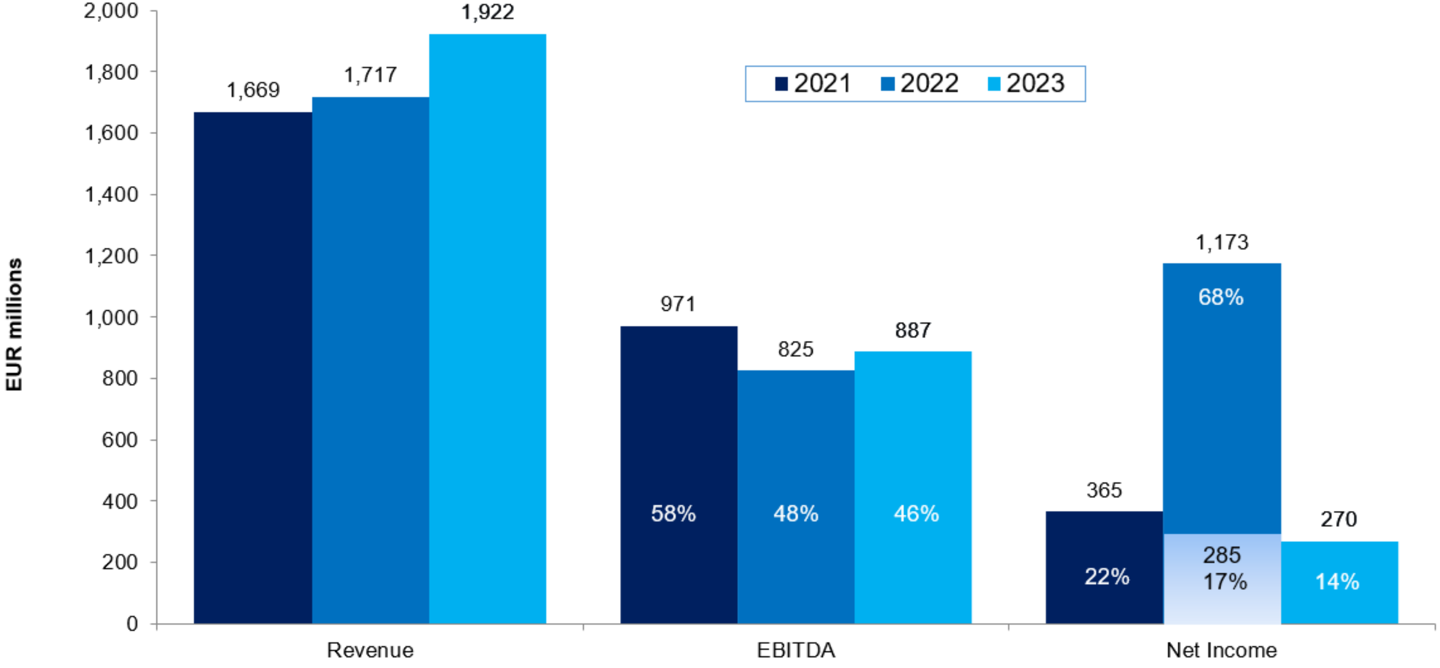
Year ended 31 December	2023	2022
Revenue	1,922	1,717
EBITDA	887	825
EBITDA margin %	46%	48%
Income from operating activities – pre exceptional items	442	444
Exceptional items[1]	0	921
Net income – pre exceptional items	270	285
Net income margin – pre exceptional items	14%	17%
Net Income – post exceptional items	270	1,173
Capital expenditure[2]	282	184
Cash generated from operating activities	1,049	1,134
Net Cash	1,032	627

Note

1. No exceptional items in 2023. Exceptional items in 2022 comprise a €921m pre tax reversal of impairment charges relating to the USA cash generating unit; €888m on a post-tax basis.

2. Capital expenditure reflects investment in property, plant and equipment and intangibles, plus prepayments in respect of fixed asset purchases for the period and includes capital accruals reported in working capital payables

Financial summary 2021 – 2023
(€ million)

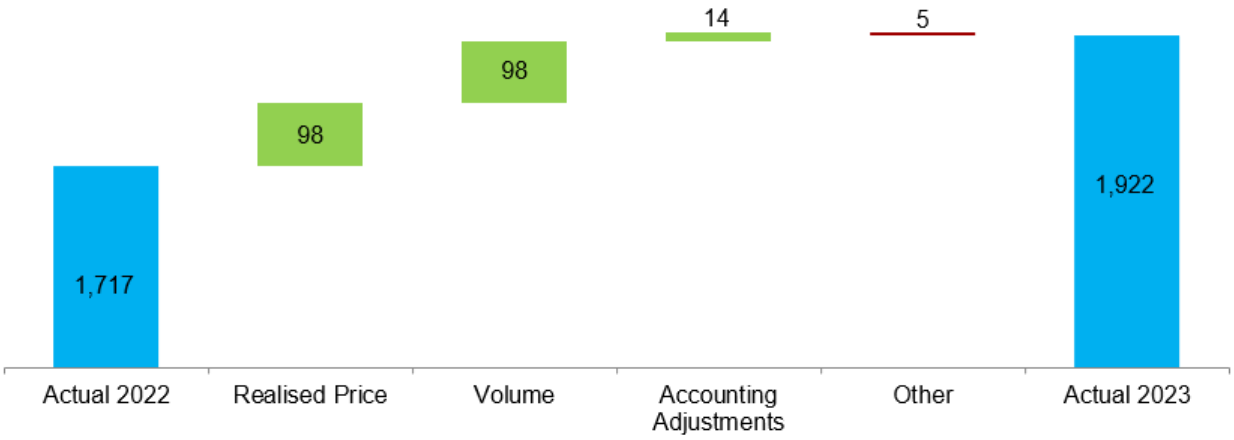


* 2022 Net Income of €1,173 million is shown after exceptional items comprising a reversal of impairment on USA operations (€888 million post tax). Before exceptional items, Net Income was €285 million. There were no exceptional items in 2021 or 2023.

Revenue

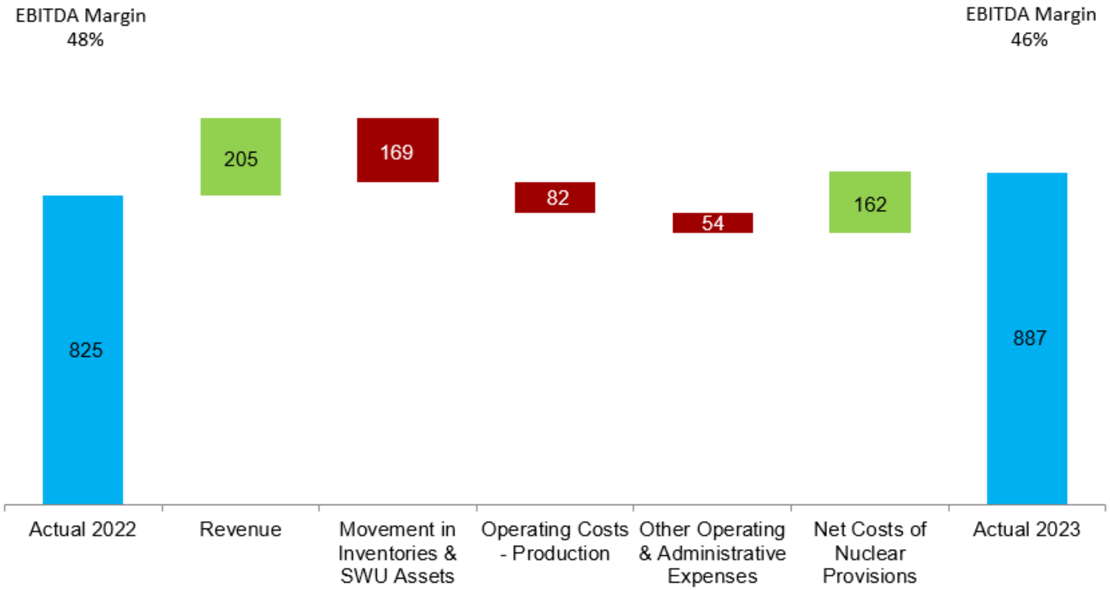
(€ million)

- Revenue impacted by:
  - Higher realised prices for both SWU and Uranium.
  - Higher Uranium volumes partially offset by lower SWU volumes.
  - Lower deferred revenue associated with IFRS15.
  - Lower Stable Isotopes and other non-enrichment revenue.



EBITDA
(€ million)

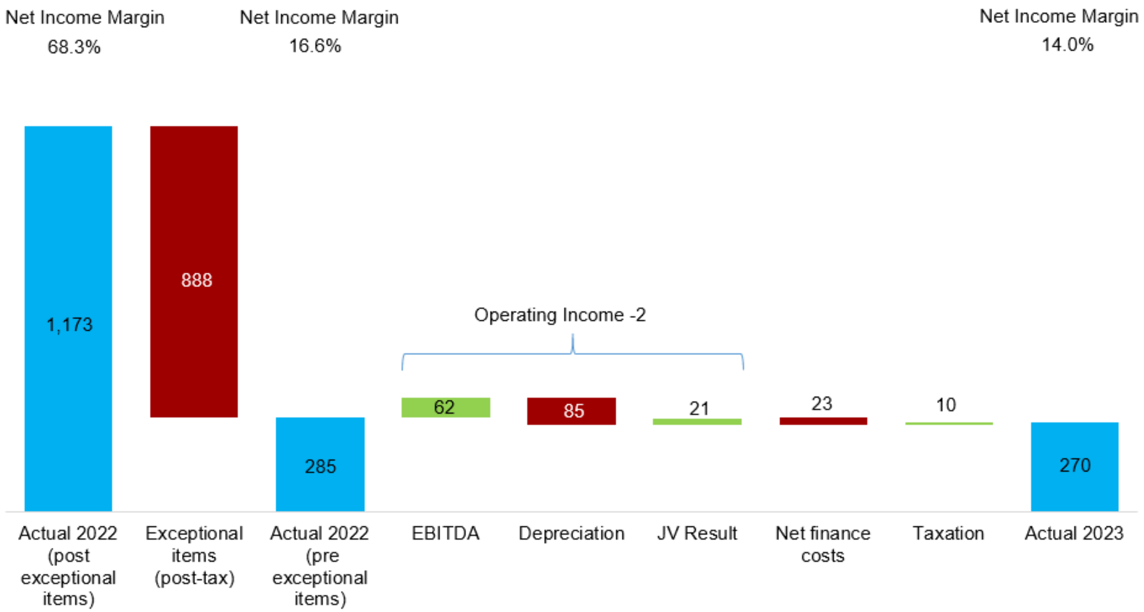
- EBITDA trajectory driven by:
  - Higher revenues partially offset by increased costs of production and inventory.
  - Increased operating costs driven by higher inflation and headcount growth, as well as increased maintenance, transport and third party activity.
  - Lower net costs of nuclear provisions.



Net Income

(€ million)

- Decrease in Net Income reflects:
  - Prior Year Net Income post exceptional items positively impacted by non-cash impairment reversal against our US assets.
  - Decline in Net Income (pre-exceptional items) stemming from lower operating income (higher EBITDA and income from the ETC joint venture, offset by higher depreciation charge following reversal of impairment in 2022), and higher net finance costs, partially offset by lower tax expenses.



Taxation

(€ million)

- Tax charge in 2023 was €79m (2022: €89m pre-exceptional items). The decrease is mainly due to lower accounting profits in 2023, and favourable year on year movement in the FX excluded from tax under the UK disregard regulations, partially offset by changes in jurisdictional profit split (which includes changes in tax rates in the jurisdictions in which Urenco operates).
- Tax paid in 2023 was €82m (2022: €80m) due to the timing and phasing of cash payments which can often span multiple years.

Tax charge – year on year movement

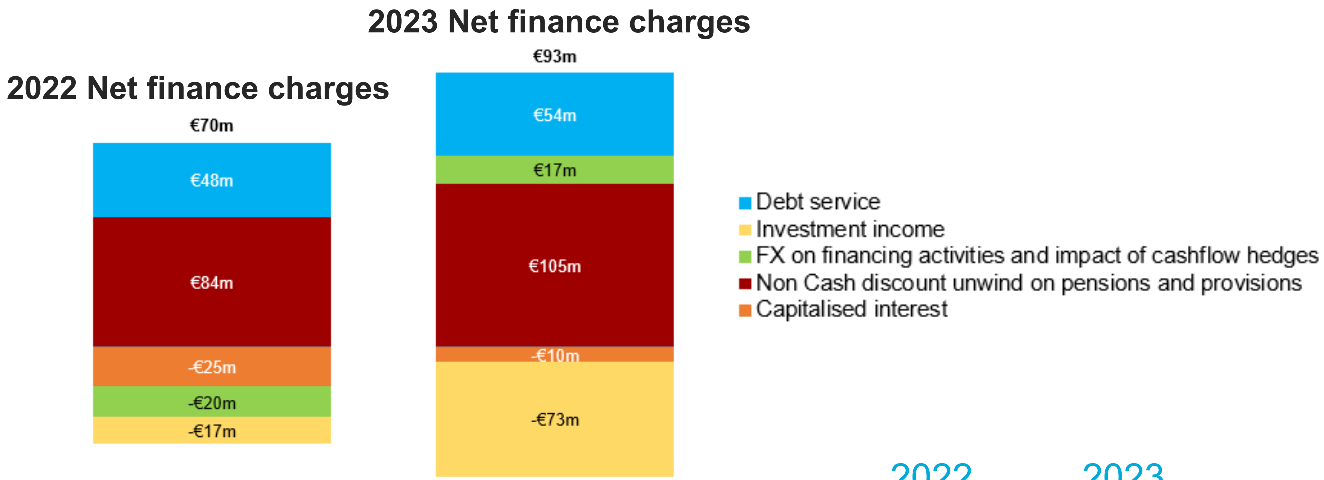
Note

1. €123m post-exceptional items

Net finance charges

(€ million)

- Higher unwinding of discount on provisions primarily due to the increase in nuclear provisions.
- Higher interest rates and more cash increased investment income; whilst debt service cost slightly higher.
- Reduction in capitalised interest due to TMF commencement of active commissioning in 2022.

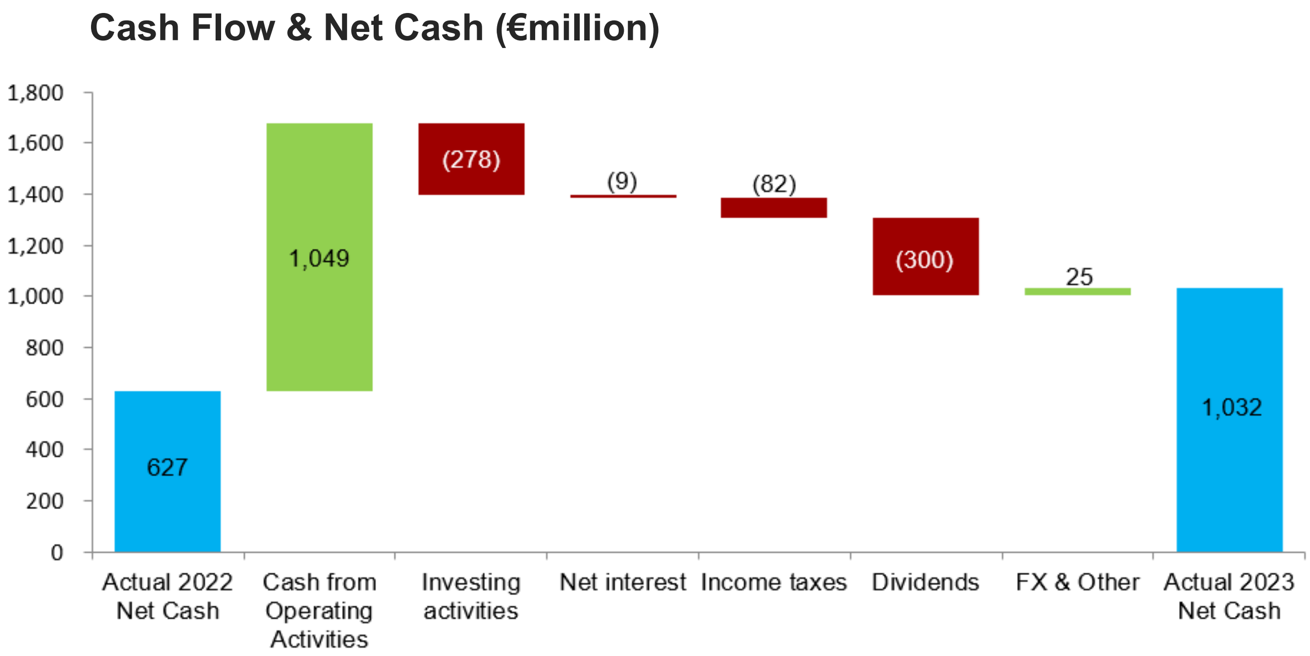


Key credit ratios:	2022	2023
• Funds Flow from Operations / Total Adjusted Debt (FFO/TAD)	32.8%	43.7%
• EBITDA / Interest cover	7.2x	10.4x

Cash flow & Net Cash and investments

(€ million)

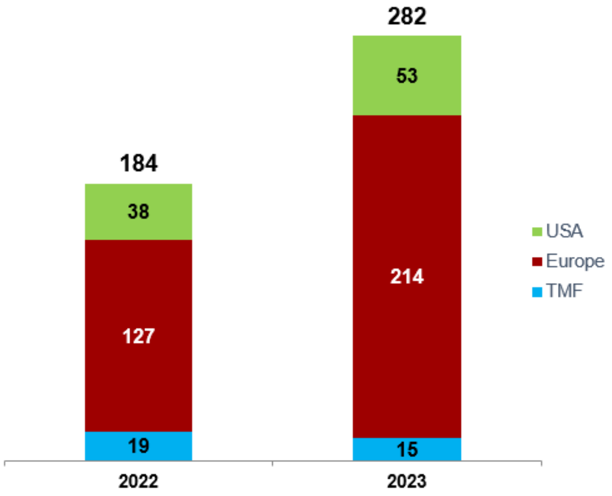
- Cash generated from operating activities remains strong at €1,049 million.
- Cash dividends paid in the year of €300 million (2022: €300 million).
- Net cash increased from €627m in 2022 to €1,032m in 2023.



Capital expenditure
(€ million)

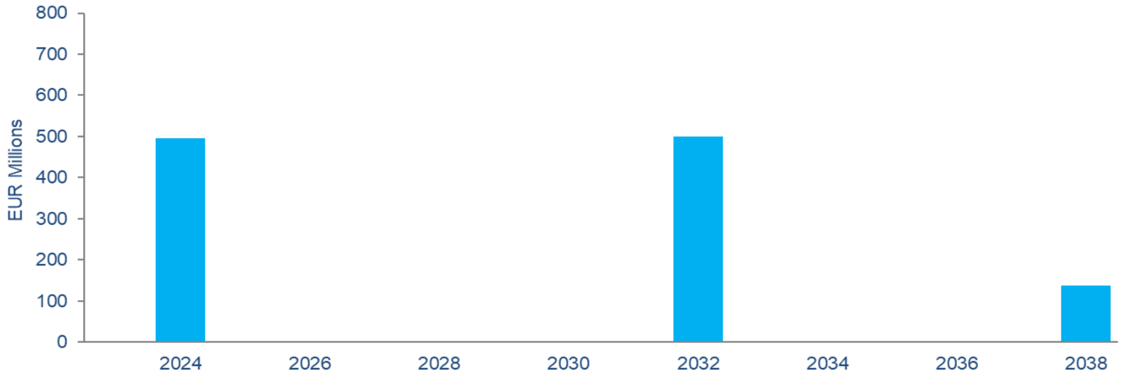
- Capital expenditure increased to €282 million in 2023.
- Approval of new investments relating to the extension of capacity at our sites in the US and the Netherlands, alongside ongoing investments to maintain capacity at our sites in the UK and Germany.
- Expenditure on maintenance of enrichment assets remains at a sustainable level.

Capital expenditure by region – € million

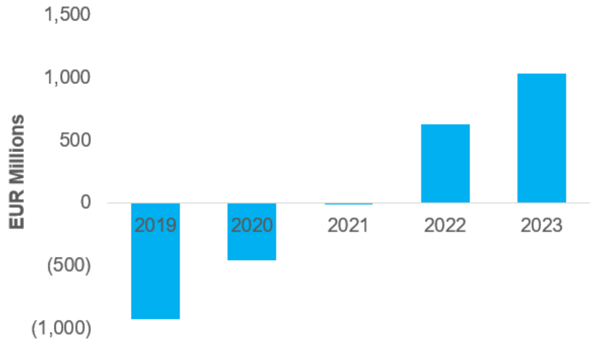


Debt structure – 31 December 2023

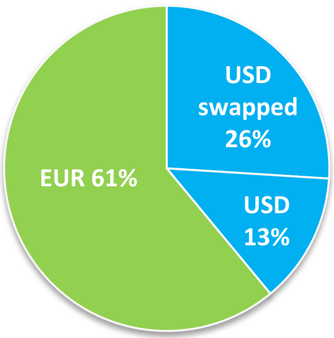
Debt maturity profile – Gross debt €1.1 billion



(Net debt) / Net Cash € million



Currency mix



Liquidity and Financial policy– 31 December 2023

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Liquidity

- Cash and short term investments €2,186 million at 31 December 2023.
- Includes €491 million in US decommissioning trust.
- €500 million sustainability–linked committed revolving credit facility (RCF), maturing 2028, undrawn.
- Funds available to repay Eurobond in December 2024 - €500 million.

Credit Rating

- Maintain strong investment-grade credit rating and healthy capital ratios in order to support long term business success:
  - Moody's Baa1 (stable)
  - S&P A- (stable)

Financial Policy

- Dividend payments should not normally exceed earnings and be set to protect BBB+ / Baa1 credit rating and only higher if ratings headroom exists.

Agenda

- Review of Business Highlights
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Strategic directions

Our purpose
Enriching the future with carbon free energy

Our vision
A sustainable net zero world

Our mission
Delivering trusted and innovative nuclear services and solutions

- Trusted global partner
- Safe and reliable operator
- Engaged and accountable teams
- Expanded and sustainable assets
- Industry leading innovation

Summary and outlook

Climate change
Secure supply
Momentum

Growing
order book

Investing in
capacity

Committed to
net zero

Related areas
with deep
expertise

Resulting in growing demand, supporting strong financial and operational performance.

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Questions & Answers

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Appendix

Urenco Group

Regulatory

March '70
Treaty of Almelo

July '92
Treaty of Washington

July '05
Treaty of Cardiff

Operational

1971
Urenco incorporated, Capenhurst (UUK) and Almelo (UNL) sites opened

1985
Gronau (UD) site opened

1991
Urenco Stable Isotopes production started

1997
First production of E23 enrichment plant, Capenhurst

2000
First production of SP5 enrichment plant, Almelo

2010
Eunice, USA (UUSA) site is opened with first production from SPM plant

2019
Opening of Tails Management Facility (TMF)

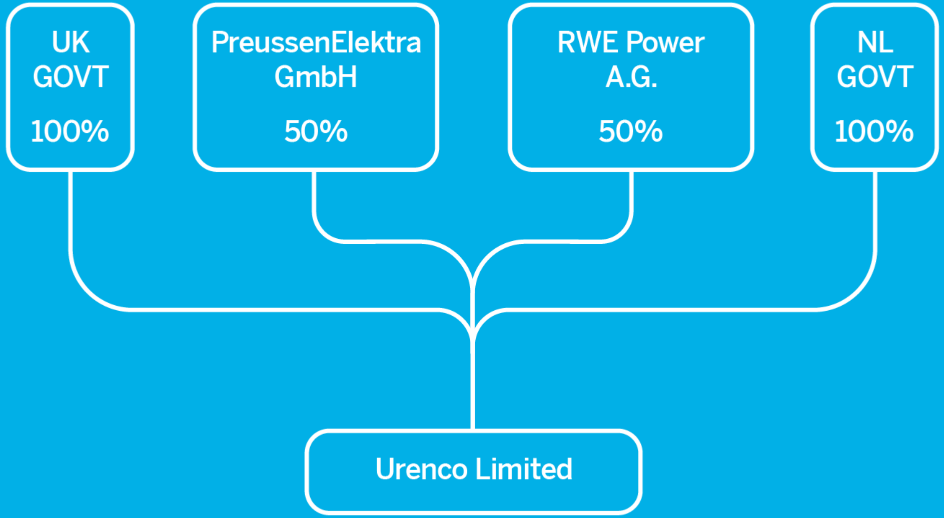
2023
First capacity programme investments and TMF expansion announced

Our centrifuge technology

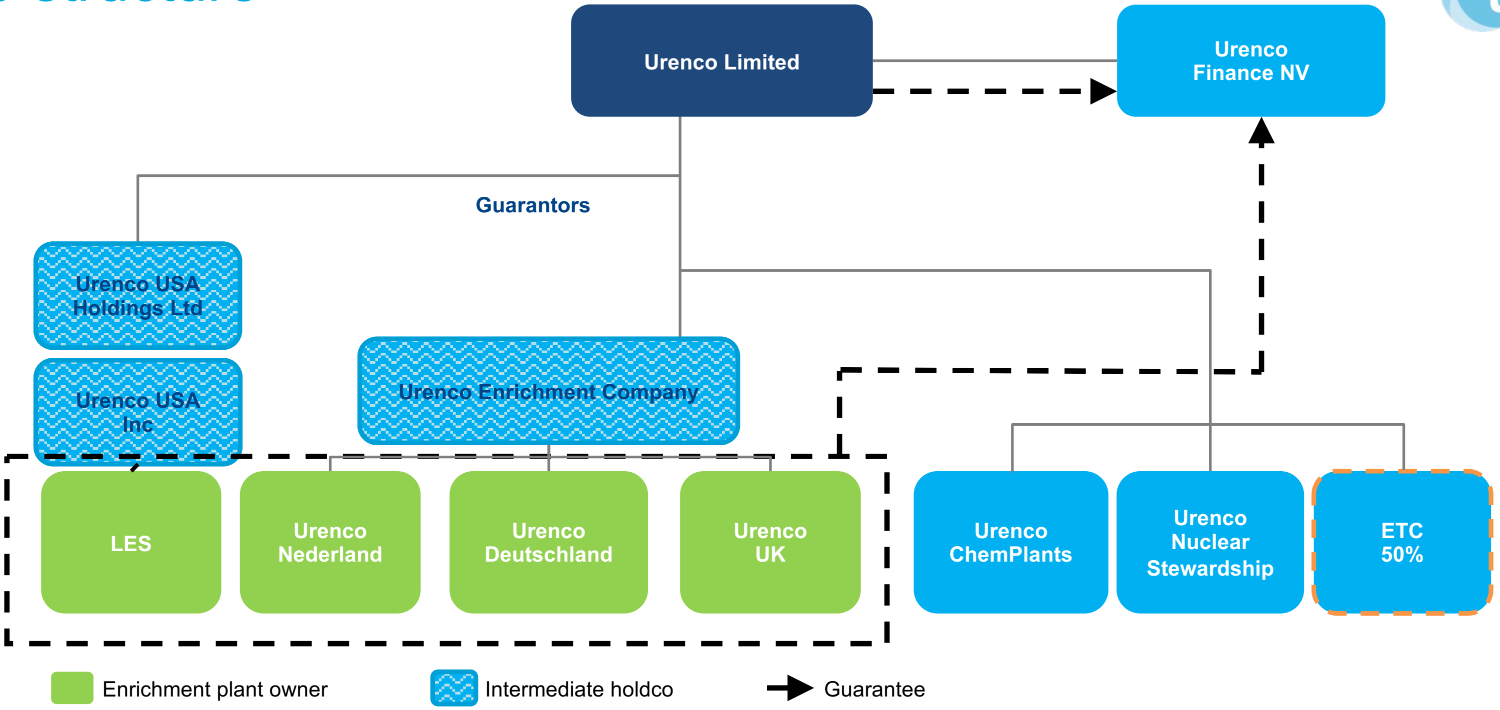
- An explanation of our uranium enrichment process: https://triad.wistia.com/medias/7k6lcos9pm

Ownership and oversight

- Treaties of Almelo, Washington and Cardiff
- Government representatives, named the ‘Joint committee’ provide oversight of Urenco’s security and safeguards
- Urenco’s shareholders and Board are responsible for the corporate governance of the company and approving commercial decisions



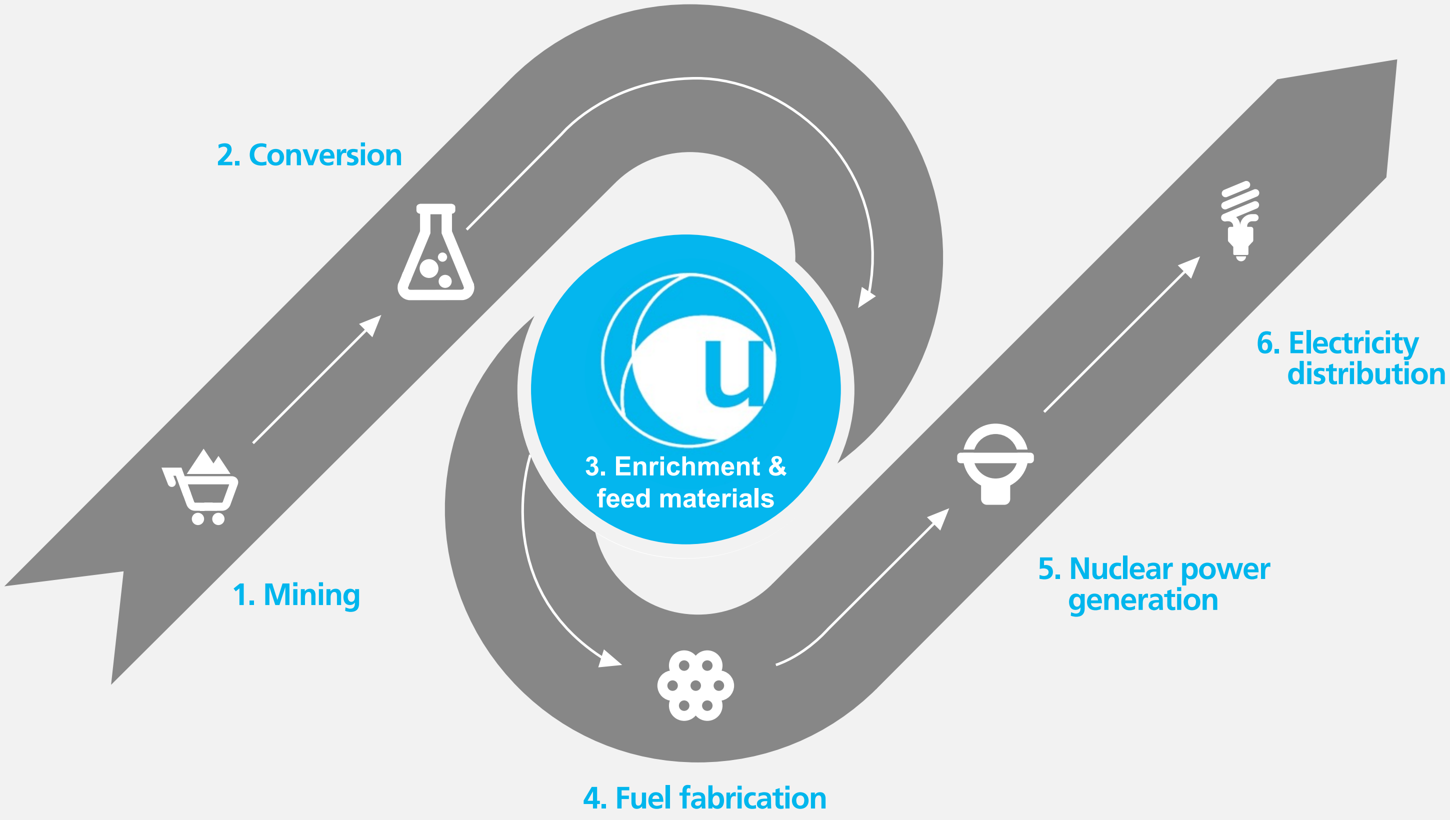
Group structure



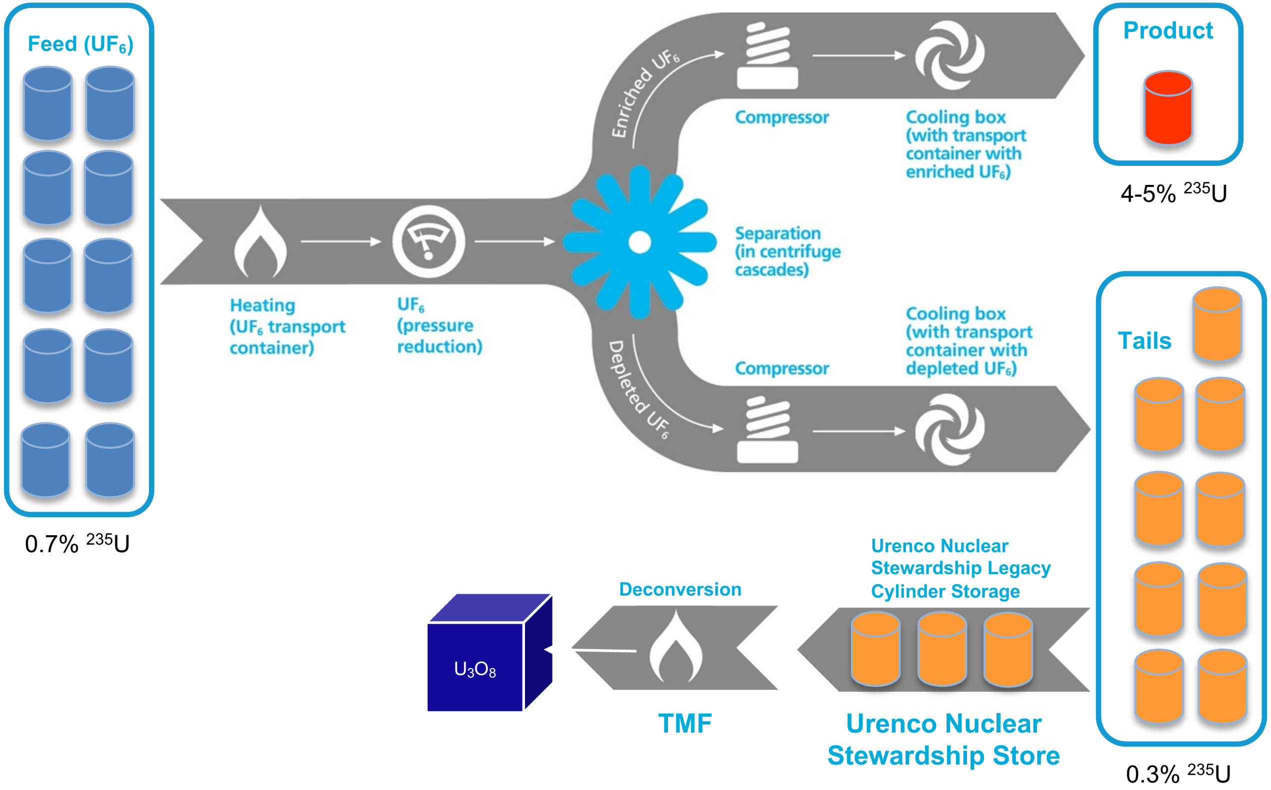
- All borrowing for the Group is undertaken by Urenco Limited and Urenco Finance NV
- Repayment of the EMTN programme is guaranteed by Urenco Limited and certain key subsidiaries[1]

Note Major entities only. Simplified structure. ETC is held 22% by Urenco Limited, 28% by Urenco Deutschland
1. Subject to the terms and conditions of the notes. Refer to the Base Prospectus for further information

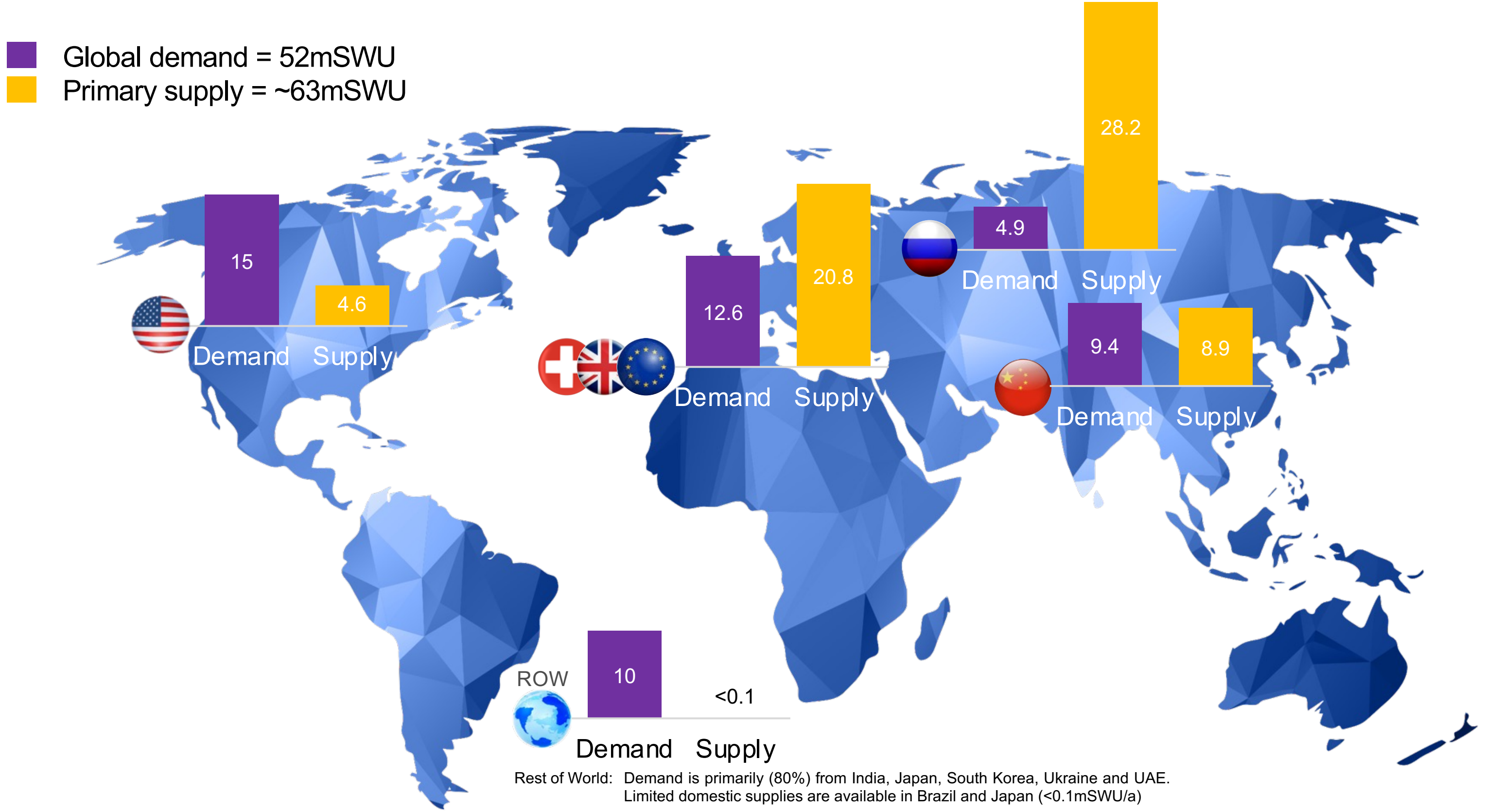
The nuclear fuel cycle



Enrichment · Tails · Deconversion



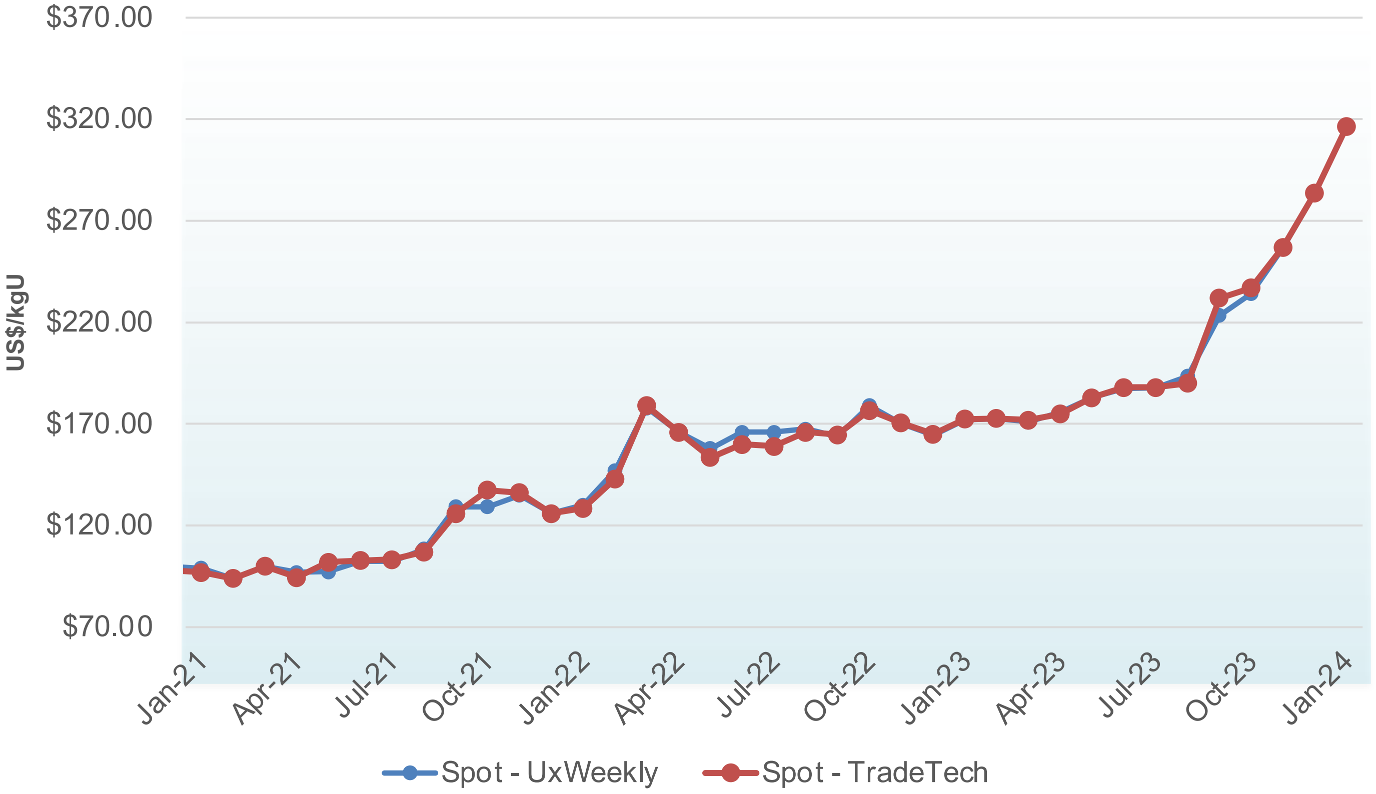
Regional enrichment capacity vs demand in 2022



Source: WNA Nuclear Fuel Report 2023 - All figures shown are in millions of separative work units (SWU)

Uranium feed market price development

UF_6 (feed) Month-End Prices



Uranium feed market price development

SWU Month-End Prices