Centrus
Fueling the Future of Nuclear Power

News Release

FOR IMMEDIATE RELEASE:
May 7, 2024

Centrus Reports First Quarter 2024 Results

- Net loss of $6.1 million on $43.7 million in revenue, compared to net income of $7.2 million on $66.9 million in revenue in Q1 2023
- Consolidated cash balance of $209.3 million as of March 31, 2024
- Continued enrichment operations in Piketon, Ohio, with total production of approximately 135 kilograms of High Assay Low-Enriched Uranium ("HALEU")
- Signed approximately $900 million in contingent sales commitments for Low-Enriched Uranium ("LEU")

BETHESDA, Md. - Centrus Energy Corp. (NYSE American: LEU) ("Centrus" or the "Company") today reported first quarter 2024 results. The Company reported a net loss of $6.1 million for the three months ended March 31, 2024, which is $0.38 (basic and diluted) per common share.

"Centrus had a strong start to the year, making additional HALEU deliveries to the Department of Energy ("Department" or "DOE") and submitting bids on two Requests for Proposals from the Department aimed at expanding its HALEU production capacity. In addition, the Company signed approximately $900 million in contingent LEU sales commitments to support the potential construction of LEU production capacity alongside our HALEU production," said Centrus President and CEO, Amir Vexler. "Recent funding legislation enacted with wide, bipartisan support includes a $2.7 billion federal investment in domestic enrichment. With the support of a strong, public-private partnership, we look forward to scaling up production to meet the full range of commercial and national security requirements for enriched uranium, including HALEU for advanced reactors and LEU for the existing reactor fleet. While our first quarter results reflect the expected quarter-to-quarter fluctuations in our revenues and margins – largely resulting from the timing of customer deliveries – we are encouraged by the progress we are making to reclaim American leadership in uranium enrichment."

Financial Results

Centrus generated total revenue of $43.7 million and $66.9 million for the three months ended March 31, 2024 and 2023, respectively, a decrease of $23.2 million.

Revenue from the LEU segment was $23.6 million and $58.8 million for the three months ended March 31, 2024 and 2023, respectively, a decrease of $35.2 million. SWU revenue decreased by $35.2 million as a result of a decrease in the volume of SWU sold and a decrease in the average price of SWU sold.

Revenue from the Technical Solutions segment was $20.1 million and $8.1 million for the three months ended March 31, 2024 and 2023, respectively, an increase of $12.0 million. Revenue generated by the HALEU Operation Contract increased $12.0 million due to the transition from Phase 1 to Phase 2 in late 2023.

Cost of sales for the LEU segment was $23.1 million and $34.9 million for the three months ended March 31, 2024 and 2023, respectively, a decrease of $11.8 million. SWU costs decreased by $12.3 million as a result of a decrease in the volume of SWU sold, partially offset by an increase in the average unit cost of SWU sold. Cost of sales for the three months ended March 31, 2024 and 2023 included $0.3 million and $2.1 million, respectively, for the revaluation of inventory loans.

Cost of sales for the Technical Solutions segment was $16.3 million and $9.0 million for the three months ended March 31, 2024 and 2023, respectively, an increase of $7.3 million. Costs incurred for the HALEU Operation Contract increased by $7.3 million due to the transition from Phase 1 to Phase 2 in late 2023.

Gross profit for the Company was $4.3 million and $23.0 million for the three months ended March 31, 2024 and 2023, respectively. The decrease for the three months ended March 31, 2024 was primarily attributed to the decrease in gross profit in the LEU segment, as previously discussed. LEU customers generally have multi-year contracts that carry annual purchase commitments, not quarterly commitments. The gross profit in our LEU business varies based upon the timing of those contracts. The pricing of those deliveries varies depending upon the market conditions at the time the contract was signed with a portion of our outstanding contracts entered into at historically higher prices. The Company’s gross profit was lower primarily due to the composition of contracts in the prior year, which included legacy and higher priced contracts. This was partially offset by an increase in gross profit in the Technical Solutions segment, primarily related to the transition from Phase 1 to Phase 2 of the HALEU Operation Contract.

HALEU Update

On October 11, 2023, the Company announced the beginning of enrichment operations, and on November 7, 2023, it announced its first delivery of 20 kilograms of HALEU uranium hexafluoride (UF6), completing Phase 1 of the HALEU Operation Contract under budget and ahead of schedule. The DOE is contractually required to provide storage cylinders necessary to collect the output of the cascade. Using the storage cylinders currently made available by the DOE, Centrus has now achieved cumulative deliveries to the DOE of approximately 135 kilograms of HALEU UF_6.

On November 28, 2023 and January 9, 2024, the DOE issued two RFPs for the deconversion and enrichment of HALEU, respectively. The Company submitted bids for both RFPs, with the goal of expanding HALEU production capability at the Piketon, Ohio facility.

Contingent Sales Commitments

Centrus also announced that it has signed approximately $900 million in contingent LEU sales commitments, subject to entering into definitive agreements, in support of potential construction of LEU production capacity at Centrus' American Centrifuge Plant in Piketon, Ohio. These commitments, reflecting deliveries of LEU to customers from 2028 to 2040, are contingent upon Centrus securing substantial public and private funding and financing to build the new capacity. Centrus competes against large, government-owned entities and is the sole publicly traded enrichment company in the industry. Congress recently included $2.72 billion for new, domestic nuclear fuel production as part of a government funding bill signed into law on March 9, 2024.

Enriched Uranium Ban

On April 30, 2024, the Senate passed the *Prohibiting Russian Uranium Imports Act* (H.R. 1042), which bans uranium imports from Russia and becomes effective 90 days after enactment. The legislation, which was previously passed by the U.S. House of Representatives, has been presented to the President of the United States for signature into law. The legislation includes a provision that allows for the granting of waivers through 2027, including if the waiver serves the national interest. When the legislation is enacted, we will apply for waivers from the Secretary of Energy and other applicable government agencies to request permission to continue supplying LEU to our customers. It is uncertain whether any waiver would be granted and, if granted, whether any waiver would be granted in a timely manner. The Company anticipates having adequate liquidity to support its business operations for at least the next 12 months.

About Centrus Energy Corp.

Centrus Energy is a trusted supplier of nuclear fuel components and services for the nuclear power industry. Centrus provides value to its utility customers through the reliability and diversity of its supply sources – helping them meet the growing need for clean, affordable, carbon-free electricity. Since 1998, the Company has provided its utility customers with more than 1,750 reactor years of fuel, which is equivalent to 7 billion tons of coal. With world-class technical and engineering capabilities, Centrus is also advancing the next generation of centrifuge technologies so that America can restore its domestic uranium enrichment capability in the future. Find out more at centrusenergy.com.

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Forward-Looking Statements:

This news release contains "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. In this context, forward-looking statements mean statements related to future events, which may impact our expected future business and financial performance, and often contain words such as "expects", "anticipates", "intends", "plans", "believes", "will", "should", "could", "would" or "may" and other words of similar meaning. These forward-looking statements are based on information available to us as of the date of this news release and represent management's current views and assumptions with respect to future events and operational, economic and financial performance. Forward-looking statements are not guarantees of future performance, events or results and involve known and unknown risks, uncertainties and other factors, which may be beyond our control.

For Centrus Energy Corp., particular risks and uncertainties (hereinafter "risks") that could cause our actual future results to differ materially from those expressed in our forward-looking statements include but are not limited to and which are, and may be, exacerbated by any worsening of the global business and economic environment include but are not limited to the following: risks related to the war in Ukraine and geopolitical conflicts and the imposition of sanctions or other measures by (i) the U.S. or foreign governments and institutions, (ii) organizations (including the United Nations or other international organizations), or (iii) entities (including private entities or persons), that could directly or indirectly impact our ability to obtain, deliver, transport or sell low enriched uranium ("LEU") or the Separative Work Units ("SWU") and natural uranium hexafluoride components of LEU delivered to us under our existing supply contract with the Russian government-owned entity, TENEX, Joint-Stock Company ("TENEX") ("TENEX Supply Contract"), or make related payments or deliveries of natural uranium hexafluoride to TENEX; risks related to proposed and imminent legislation to ban imports of Russian LEU into the United States, or transaction with the Russian State Atomic Energy Corporation ("Rosatom") or its subsidiaries, which includes TENEX, or similar bills that become law and the potential inability to secure a waiver or other exception from the ban or sanction in a timely manner or at all in order to allow us to continue importing Russian LEU under the TENEX Supply Contract or otherwise doing business with TENEX or implementing the TENEX Supply Contract; risks related to the refusal or inability of TENEX to deliver LEU to us if, among other reasons, (i) U.S. or foreign government sanctions are imposed on LEU from Russia or on TENEX, (ii) for any reason, TENEX is unable or unwilling to deliver LEU, receive payments, receive the return of natural uranium hexafluoride, or conduct other activities related to the TENEX Supply Contract, or (iii) TENEX elects, or is directed (including by its owner or the Russian government), to limit or stop transactions with us or with the United States or other countries; risks related to disputes with third parties, including contractual counterparties, that could result if we are unable to receive timely deliveries of LEU under the TENEX Supply Contract; risks related to whether or when government funding or demand for high-assay low-enriched uranium ("HALEU") for government or commercial uses will materialize and at what level; risks regarding funding for continuation and deployment of the American Centrifuge technology; risks related to (i) our ability to perform and absorb costs under our agreement with the U.S. Department of Energy ("DOE") to deploy and operate a cascade of centrifuges to demonstrate production of HALEU for advanced reactors (the "HALEU Operation Contract"), (ii) our ability to obtain new contracts and funding to be able to continue operations and (iii) our ability to obtain and/or perform under other agreements; risks that (i) we may not obtain the full benefit of the HALEU Operation Contract and may not be able or allowed to operate the HALEU enrichment facility to produce HALEU after the completion of the HALEU Operation Contract or (ii) the output from the HALEU enrichment facility may not be available to us as a future source of supply; risks related to our dependence on others, such as TENEX, under the TENEX Supply Contract, a subsidiary of Orano Cycle ("Orano"), under our long-term commercial supply agreement with Orano and other suppliers (including, but not limited to, transporters) who provide, or deliver, us the goods and services we need to conduct our business; risks related to natural and other disasters, including the continued impact of the March 2011 earthquake and tsunami in Japan on the nuclear industry and on our business, results of operations and prospects; risks related to financial difficulties experienced by customers or suppliers, including possible bankruptcies, insolvencies, or any other situation, event or occurrence that affect the ability of others to pay for our products or services in a timely manner or at all; risks related to pandemics, endemics, and other health crises; risks related to the impact and potential extended duration of a supply/demand imbalance in the market for LEU; risks related to our ability to sell or deliver the LEU we procure pursuant to our purchase obligations under our supply agreements and the impacts of sanctions or limitations on imports of such LEU, including those imposed under the 1992 Russian Suspension Agreement as amended, international trade legislation and other international trade restrictions; risks related to existing or new trade barriers and to contract terms that limit our ability to procure LEU for, or deliver LEU to customers; risks related to pricing trends and demand in the uranium and enrichment markets and their impact on our profitability; risks related to the movement and timing of customer orders; risks related to the fact that we face significant competition from major LEU producers who may be less cost sensitive or are wholly or partially government owned; risks that our ability to compete in foreign markets may be limited for various reasons; risks related to the fact that our revenue is largely dependent on our largest customers; risks related to our backlog, including uncertainty concerning customer actions under current contracts and in future contracting due to market conditions, global events or other factors including our lack of current production capability; risks related to uncertainty regarding our ability to commercially deploy competitive enrichment technology; risks related to the potential for demobilization or termination of the HALEU Operation Contract; risks that we will not be able to timely complete the work that we are obligated to perform; risks related to the government's inability to satisfy its obligations, including supplying government furnished equipment necessary for us to produce and deliver HALEU under the HALEU Operation Contract and processing security clearance applications due to a government shutdown or other reasons; risks related to our ability to obtain the government's approval to extend the term of, or the scope of permitted activities under, our lease with the DOE in Piketon, Ohio; risks related to cybersecurity incidents that may impact our business operations; risks related to our ability to perform fixed-price and cost-share contracts such as the HALEU Operation Contract, including the risk that

costs that we must bear could be higher than expected and the risk related to complying with stringent government contractual requirements; risks related to a government shutdown or lack of funding that could result in program cancellations, disruptions and/or stop work orders and could limit the U.S. government's ability to make timely payments, and our ability to perform our U.S. government contracts and successfully compete for our work; risks related to our significant long-term liabilities, including material unfunded defined benefit pension plan obligations and postretirement health and life benefit obligations; risks related to our 8.25% Notes maturing in February 2027; risks of revenue and operating results fluctuating significantly from quarter to quarter, and in some cases, year to year; risks related to the impact of financial market conditions on our business, liquidity, prospects, pension assets and insurance facilities; risks related to the Company's capital concentration; risks related to the value of our intangible assets related to LEU's backlog and customer relationships; risks related to the limited trading markets in our securities; risks related to decisions made by our Class B Common Stock stockholders regarding their investment in the Company, including decisions based upon factors that are unrelated to the Company's performance; risks that a small number of holders of our Class A Common Stock (whose interests may not be aligned with other holders of our Class A Common Stock), may exert significant influence over the direction of the Company and may be motivated by interests that are not aligned with the Company's other Class A stockholders; risks related to (i) the use of our net operating losses ("NOLs") carryforwards and net unrealized built-in losses ("NUBILs") to offset future taxable income and the use of the Rights Agreement, dated as of April 6, 2016 to prevent an "ownership change" as defined in Section 382 of the Internal Revenue Code of 1986, as amended (the "Code") and (ii) our ability to generate taxable income to utilize all or a portion of the NOLs prior to the expiration thereof and NUBILs; risks related to failures or security breaches of our information technology systems; risks related to our ability to attract and retain key personnel; risks related to actions, including reviews or audits, that may be taken by the U.S. government, the Russian government, or other governments that could affect our ability to perform under our contractual obligations or the ability of our sources of supply to perform under their contractual obligations to us; risks related to our ability to perform and receive timely payment under our agreements with the DOE or other government agencies, including risks related to the ongoing funding by the government and potential audits; risks related to changes or termination of our agreements with the U.S. government or other counterparties, or the exercise of contract remedies by such counterparties; risks related to the competitive environment for our products and services; risks related to changes in the nuclear energy industry; risks related to the competitive bidding process associated with obtaining contracts, including government contracts; risks that we will be unable to obtain new business opportunities or achieve market acceptance of our products and services or that products or services provided by others will render our products or services obsolete or noncompetitive; risks related to potential strategic transactions that could be difficult to implement, that could disrupt our business or that could change our business profile significantly; risks related to the outcome of legal proceedings and other contingencies (including lawsuits and government investigations or audits); risks related to the impact of government regulation and policies including by the DOE and the U.S. Nuclear Regulatory Commission; risks of accidents during the transportation, handling, or processing of toxic hazardous or radioactive material that may pose a health risk to humans or animals, cause property or environmental damage, or result in precautionary evacuations, and lead to claims against the Company; risks associated with claims and litigation arising from past activities at sites we currently operate or past activities at sites that we no longer operate, including the Paducah, Kentucky, and Portsmouth, Ohio, gaseous diffusion plants; and other risks discussed in this news release and in our filings with the SEC.

Readers are cautioned not to place undue reliance on these forward-looking statements, which apply only as of the date of this news release. These factors may not constitute all factors that could cause actual results to differ from those discussed in any forward-looking statement. Accordingly, forward-looking statements should not be relied upon as a predictor of actual results. Readers are urged to carefully review and consider the various disclosures made in this news release and in our filings with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2023, under Part II, Item 1A - "Risk Factors" in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, and in our filings with the SEC that attempt to advise interested parties of the risks and factors that may affect our business. We do not undertake to update our forward-looking statements to reflect events or circumstances that may arise after the date of this news release, except as required by law.

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CENTRUS ENERGY CORP.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(Unaudited; in millions, except share and per share data)

	Three Months Ended March 31,	
	2024	**2023**
Revenue:		
Separative work units	$ 23.6	$ 58.8
Uranium	—	—
Technical solutions	20.1	8.1
Total revenue	43.7	66.9
Cost of Sales:		
Separative work units and uranium	23.1	34.9
Technical solutions	16.3	9.0
Total cost of sales	39.4	43.9
Gross profit	4.3	23.0
Advanced technology costs	5.7	3.4
Selling, general and administrative	8.1	10.3
Amortization of intangible assets	1.1	1.1
Special charges for workforce reductions	—	(0.1)
Operating income (loss)	(10.6)	8.3
Nonoperating components of net periodic benefit loss	0.1	0.3
Interest expense	0.4	0.3
Investment income	(2.8)	(1.9)
Other expense, net	0.1	—
Income (loss) before income taxes	(8.4)	9.6
Income tax expense (benefit)	(2.3)	2.4
Net income (loss) and comprehensive income (loss)	$ (6.1)	$ 7.2
Net income (loss) per share:		
Basic	$ (0.38)	$ 0.49
Diluted	$ (0.38)	$ 0.47
Average number of common shares outstanding (in thousands):		
Basic	15,906	14,841
Diluted	15,906	15,241

CENTRUS ENERGY CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; in millions)

	Three Months Ended March 31,	
	2024	**2023**
OPERATING		
Net income (loss)	$ (6.1)	$ 7.2
Adjustments to reconcile net income (loss) to cash used in operating activities:		
Depreciation and amortization	1.3	1.3
Accrued loss on long-term contract	—	(5.6)
Deferred tax assets	(2.1)	2.2
Equity related compensation	0.2	1.2
Revaluation of inventory borrowing	0.3	2.1
Other reconciling adjustments, net	0.1	—
Changes in operating assets and liabilities:		
Accounts receivable	29.5	5.3
Inventories	27.2	22.3
Inventories owed to customers and suppliers	(62.7)	(43.6)
Other current assets	(0.8)	15.1
Accounts payable and other liabilities	(5.1)	(4.2)
Payables under inventory purchase agreements	25.7	(11.1)
Deferred revenue and advances from customers, net of deferred costs	0.4	0.1
Pension and postretirement benefit liabilities	(2.6)	(0.7)
Other changes, net	—	(1.3)
Cash provided by (used in) operating activities	5.3	(9.7)
INVESTING		
Capital expenditures	(1.5)	(0.3)
Cash used in investing activities	(1.5)	(0.3)
FINANCING		
Proceeds from the issuance of common stock, net	7.1	22.0
Exercise of stock options	0.4	—
Payment of interest classified as debt	(3.1)	(3.1)
Cash provided by financing activities	4.4	18.9
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(0.1)	—
Increase in cash, cash equivalents and restricted cash	8.1	8.9
Cash, cash equivalents and restricted cash, beginning of period	233.8	212.4
Cash, cash equivalents and restricted cash, end of period	$ 241.9	$ 221.3
Non-cash activities:		
Adjustment of right to use lease assets from lease modification	$ —	$ 4.2
Property, plant and equipment included in accounts payable and accrued liabilities	$ 0.1	$ —
Equity issuance costs included in accounts payable and accrued liabilities	$ 0.3	$ —
Shares withheld for employee taxes	$ —	$ 1.9
ATM proceeds included in accounts receivable	$ —	$ 1.2

CENTRUS ENERGY CORP.
CONSOLIDATED BALANCE SHEETS
(Unaudited; in millions, except share and per share data)

	March 31, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 209.3	$ 201.2
Accounts receivable	19.9	49.4
Inventories	279.2	306.4
Deferred costs associated with deferred revenue	117.6	117.6
Other current assets	30.5	10.8
Total current assets	656.5	685.4
Property, plant and equipment, net of accumulated depreciation of $4.4 million as of March 31, 2024 and $4.3 million as of December 31, 2023	7.6	7.0
Deposits for financial assurance	13.7	32.4
Intangible assets, net	38.3	39.4
Deferred tax assets	30.6	28.5
Other long-term assets	3.3	3.5
Total assets	$ 750.0	$ 796.2
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 36.7	$ 41.9
Payables under inventory purchase agreements	67.6	41.9
Inventories owed to customers and suppliers	21.6	84.3
Deferred revenue and advances from customers	283.0	282.6
Short-term inventory loans	40.2	14.3
Current debt	6.1	6.1
Total current liabilities	455.2	471.1
Long-term debt	86.5	89.6
Postretirement health and life benefit obligations	79.0	81.2
Pension benefit liabilities	16.9	17.3
Advances from customers	32.8	32.8
Long-term inventory loans	37.5	63.1
Other long-term liabilities	8.3	8.8
Total liabilities	716.2	763.9
Stockholders' equity:		
Preferred stock, par value $1.00 per share, 20,000,000 shares authorized		
Series A Participating Cumulative Preferred Stock, none issued	—	—
Series B Senior Preferred Stock, none issued	—	—
Class A Common Stock, par value $0.10 per share, 70,000,000 shares authorized, 15,281,474 and 14,956,434 shares issued and outstanding as of March 31, 2024 and December 31, 2023, respectively	1.5	1.5
Class B Common Stock, par value $0.10 per share, 30,000,000 shares authorized, 719,200 shares issued and outstanding as of March 31, 2024 and December 31, 2023	0.1	0.1
Excess of capital over par value	188.2	180.5
Accumulated deficit	(155.6)	(149.5)
Accumulated other comprehensive loss	(0.4)	(0.3)
Total stockholders' equity	33.8	32.3
Total liabilities and stockholders' equity	$ 750.0	$ 796.2