



一次把事情做好

中國廣核電力股份有限公司
CGN Power Co., Ltd.

CGN POWER CO.,LTD.

2019 Annual Results

March 2020



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Q&A

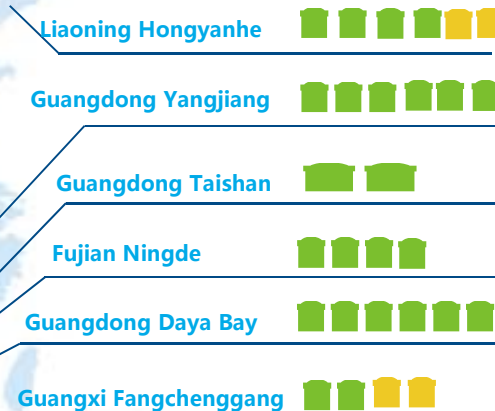
Part I

Development Strategy

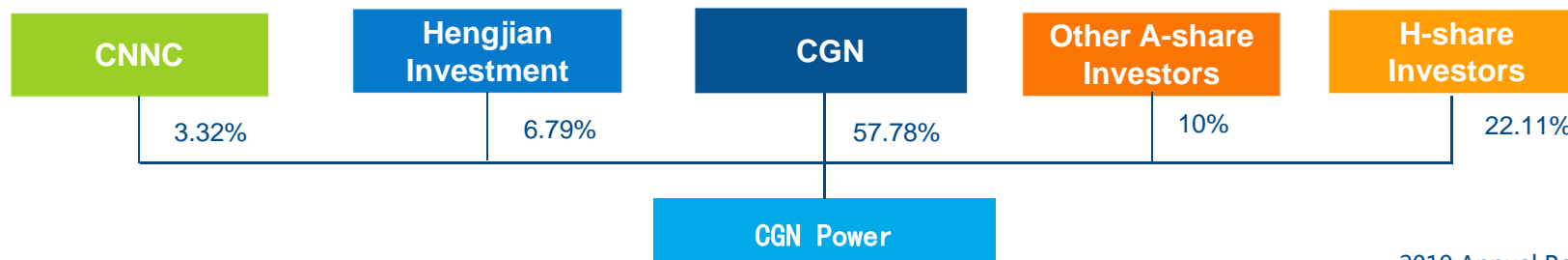


- CGN Power has issued 50.5 billion shares.
- We build, operate and manage NPPs, sell electricity generated by our NPPs, and organize to develop the design and research & development of NPPs.

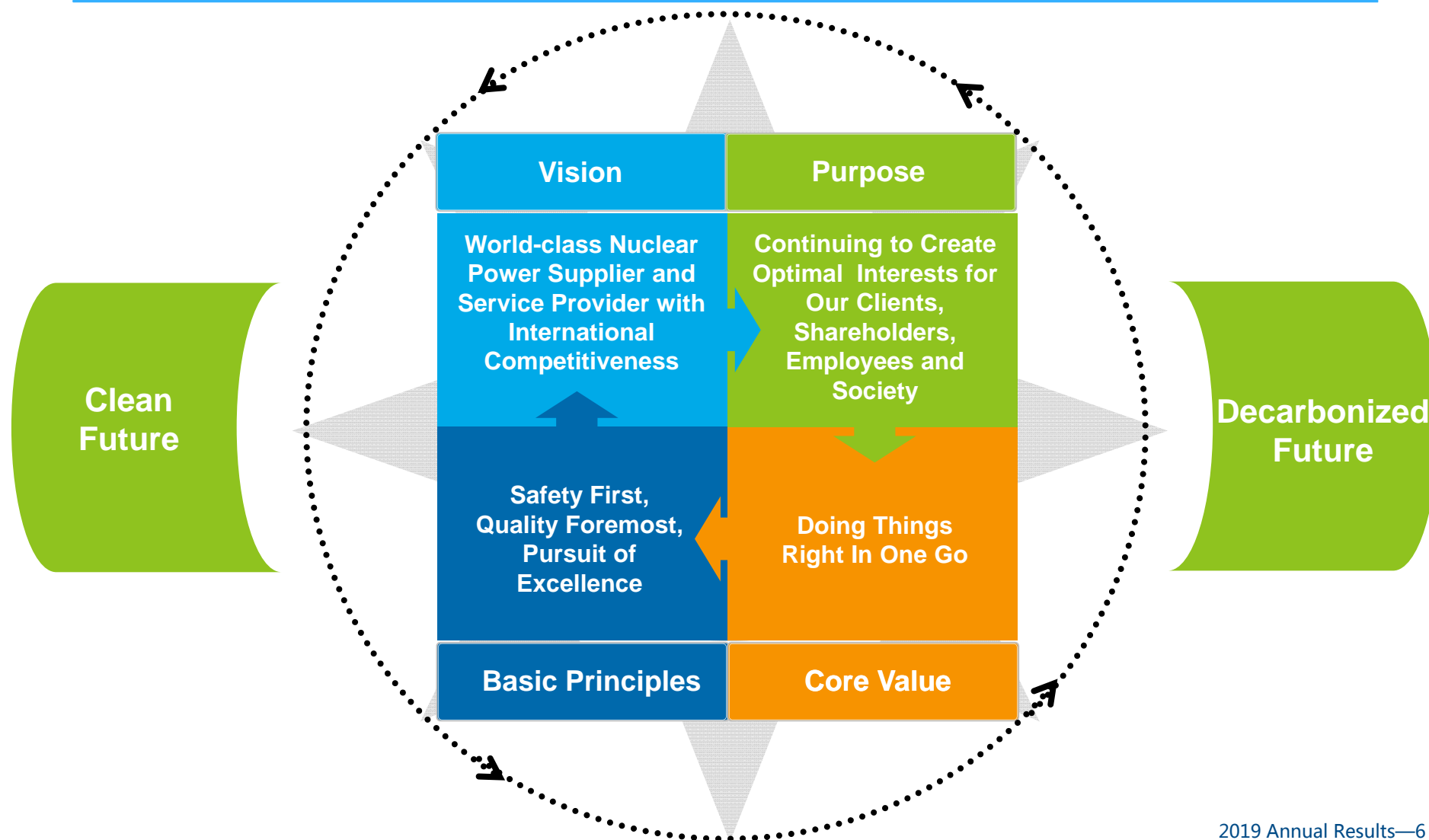
-  Unit in operation with installed capacity about 1000MW
-  Unit in operation with installed capacity about 1750MW
-  Unit under construction with installed capacity about 1000MW



Equity Structure



China and world's energy has been becoming green and low-carbon, which is a solid foundation for CGN's sustainable development.



- Robust business, adhere to high standards, and achieve stable performance in high-quality operations and engineering construction;
- Financial stability, ensuring capital security, and ensuring overall stable operating performance;
- Stable returns, keep promises, implement long-term stable dividend policy.

- Keep improving safety performance by benchmarking with WANO standards;
- Practice "specialization, centralization and standardization"(SCS) strategy to continuously enhance multi-unit management and control capabilities;
- Implement lean management, constantly optimize operating and project construction costs..



- Dedicated to developing clean energy, focusing on nuclear power and nuclear energy utilization
- Improving resources utilization rate and reducing resources consumption
- Controlling emissions strictly and protecting the environment

- Pushing ahead with the approval and kick-off of new projects to maintain leading position in business scale
- Adopting innovation driven strategy, keep applying new technologies to promote sustainable development of the company
- Tracking international market and seizing proper opportunities

On-Grid Power Generation

178,969.73GWh(Subsidiaries & Associates) **+13.96% yoy**
148,206.20GWh(Subsidiaries) **+15.09% yoy**

WANO Indicators

achieved world top 1/4 advanced level **76.39%**
achieved world top 1/10 excellent level **72.22%**

Revenue

RMB 60,875M **+19.8% yoy**

EBITDA

RMB 34,886M **+20.2% yoy**

Installed Capacity in Operation

27.14GW(Total) **+11.67% yoy**
15.12GW(Attributable to owners) **+11.45% yoy**

Installed Capacity under Construction

4.60GW(Total) **-38.15% yoy**
1.72GW(Attributable to owners) **-47.55% yoy**

Profit Attributable to Owners

RMB 9,466M **+8.8% yoy**

Dividend Per Share

RMB 0.076/share (tax included) **+5.6% yoy**

- ✓ Safe and stable operation of all the units;
- ✓ Steady progress in construction projects;
- ✓ Strive to achieve the average utilization hours no lower than last year;
- ✓ Carry out 18 refueling outages.



- ✓ Keep innovating and developing & strengthening the conversion of scientific research achievements;
- ✓ Implement lean management, constantly optimize operating and project construction costs.
- ✓ Strengthen cultivation of a talented team ;
- ✓ Well prepared for new projects approval;
- ✓ Strive for a reasonable mode of Guangdong NPPs to participate in the market-based power generation.

| Qtr | Refueling Outage Plan for 2020 |
|-----|--------------------------------|
| Q1 | L3 , Y3 , F1 |
| Q2 | L4 , N1 , H2 , H4 |
| Q3 | L2, Y2, N4 , Y6 , T1 |
| Q4 | D2 , Y5 , N3 , H1 , H3, F2 |

D-Daya Bay. L-Ling'ao & Lingdong. Y-Yangjiang. N-Ningde. H-Hongyanhe. F-Fangchenggang. T-Taishan

Marketing Strategy

Guangdong:

- Adoption of “Maximized generation with favorable tariff” strategy

Fujian/Guangxi/Liaoning:

- Maximization of the planned generation
- Proactive actions in power market
- Development of more consumption channels

Part II

Business Performance



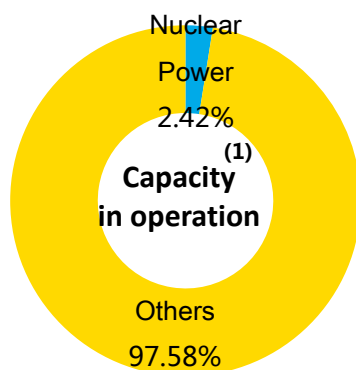
Yangjiang Unit 6 started commercial operation



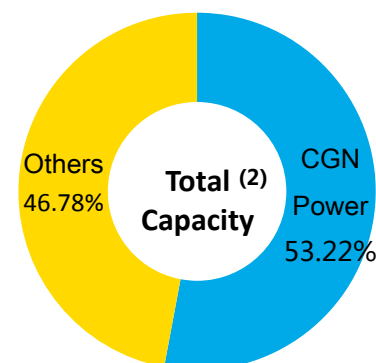
Taishan Unit 2 started commercial operation



total installed capacity in operation of Nuclear Power



total capacity of NPPs managed by CGN Power



Note1 : According to CLP's 2019 Mainland China Power Industry Statistics Report (as of December 31, 2019), China's nuclear power installed capacity in operation was 48.74 GW, with a total installed power capacity of 2010.66 GW.

Note 2: As of December 31, 2019:

CGN Power: 29 units with a total installed capacity of 32.94 GW, including the Huizhou Unit 1 managed by CGN Power as entrusted by the controlling shareholder.

Others: 30 units with a total installed capacity of 28.95 GW.

China continues to introduce policies to support nuclear power development and consumption

Action Plan for Clean Energy Consumption (2018–2020)

Under the condition of securing nuclear safety, most of nuclear power achieves guaranteed consumption in 2018-2019, nuclear power achieves total guaranteed consumption by 2020

NEA

the Notice of Standardizing the Management of the Plan of Priority Power Generation and Priority Purchase (2019/1/22)

Make sure the clean energy, such as nuclear power, maintains base load with maximized generation and be in safe operation.

NDRC, NEA

the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area (2019/2/18)

To build a clean, low-carbon, safe and efficient energy supply system, including “safe and efficient development of nuclear power”.

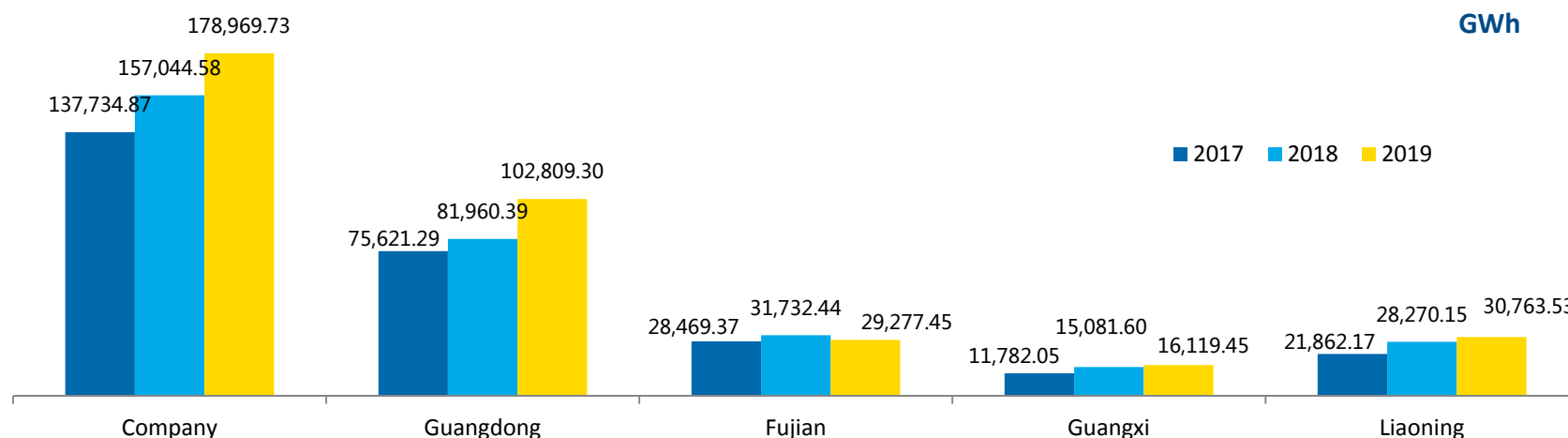
CPC Central Committee, State Council

the Notice on Full Liberalization of Power Generation and Utilization Plan of Operating Electricity Users (2019/6/27)

To study and advance the implementation of the policy of guaranteeing priority power generation, and to focus on the guaranteed acquisition of clean energy such as nuclear power, hydropower, wind power and solar power.

NDRC

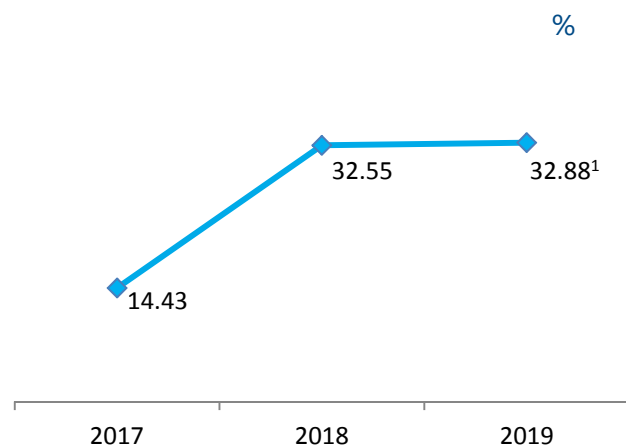
Overall and Different Regions On-grid Power Generation



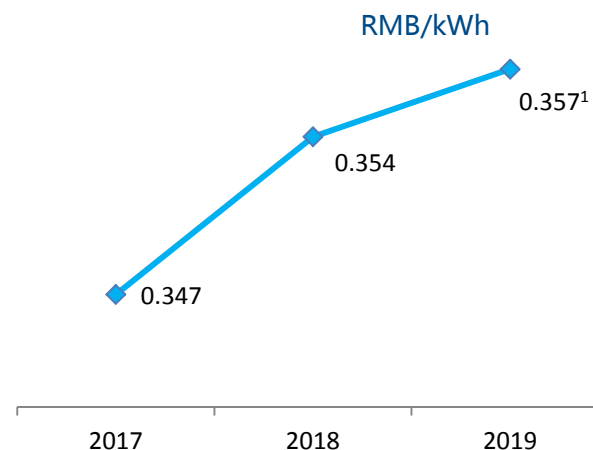
Plan Ahead, Adapt Proactively and Actively Seek to Seize Opportunities

| Guangdong | Guangxi |
|--|---|
| <ul style="list-style-type: none"> “Maximized generation with favorable tariff” strategy On-grid power generation increased by 25.44% yoy | <ul style="list-style-type: none"> Developed the increment and cross regional power transmission On-grid power generation increased by 6.88% yoy |
| Different Strategies in Different Regions | |
| <ul style="list-style-type: none"> Developed the increment and supplied to East China On-grid power generation decreased by 7.74% *yoy | <ul style="list-style-type: none"> Better regional consumption On-grid power generation increased by 8.82% yoy |
| Fujian | Liaoning |

Market-based Power Generation Proportion



Market-based Power Tariff (tax inclusive)

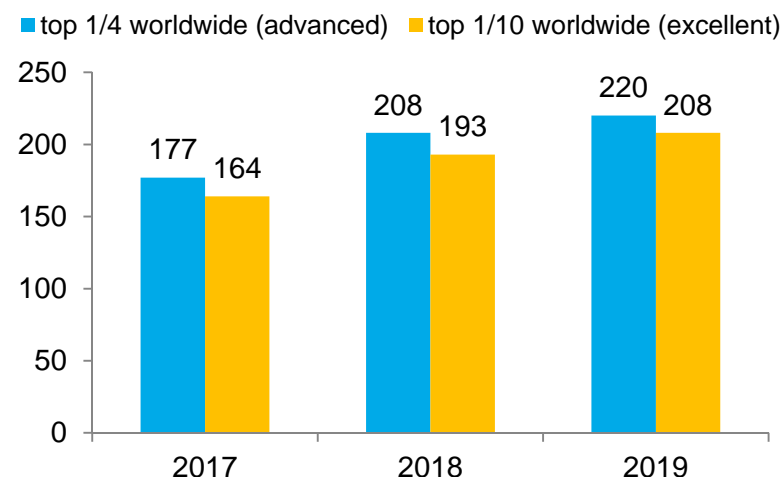


Note *: Affected by climatic conditions and in line with grid requirements, the load shedding time of the units of Ningde NPP in 2019 is more than that of 2018.

Note1: The market-based power generation proportion and the market-based power tariff are calculated taken into account of Guangdong Province.



More WANO⁽¹⁾ Indicators Achieved Top 1/4 and 1/10 worldwide



Good Safety and Operation Record

0

No operational events at level 2 or above of the International Nuclear Event Scale has occurred.

0

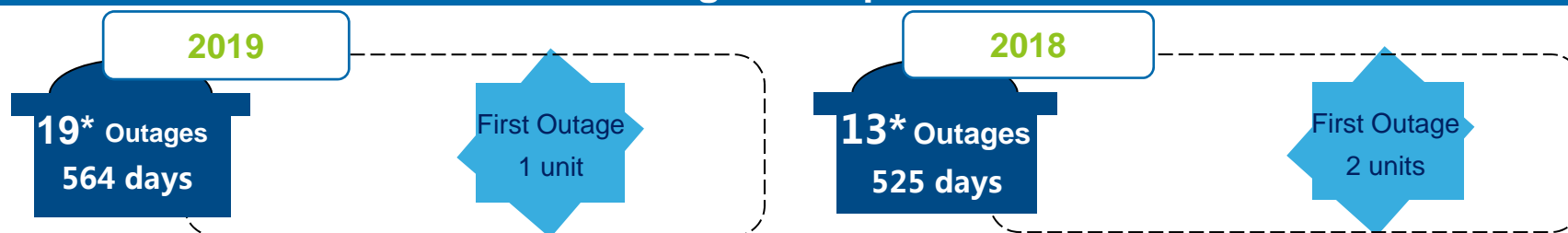
Since the commercial operation of Yangjiang Unit 1, the “Industrial Safety Accident Rate” of Yangjiang Nuclear has remained at zero for six consecutive years.

4953 Days

Ling’ao Unit 1 has no non-planned shutdown for 14 consecutive years. As of Dec. 31, 2019, it has been operating safely for 4,953 days.

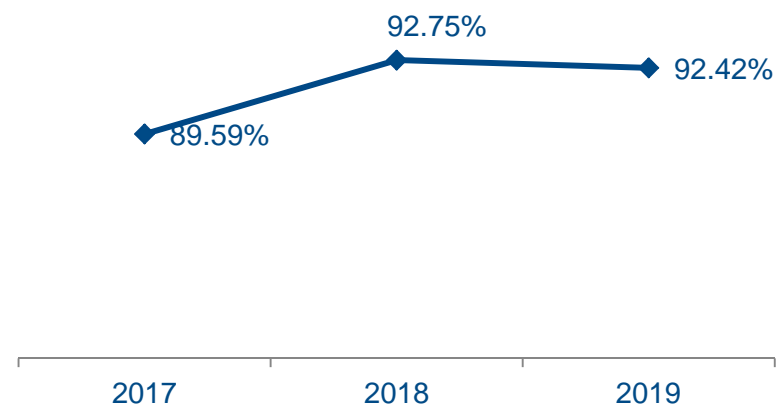
Note 1: WANO-World Association of Nuclear Operators, WANO organizations, through their members, use them to formulate internationally common performance indicators for unified management and coordination, which is conducive to strengthening the exchange of nuclear power technology, experience and accident information to continuously improve the safety and reliability of NPPs in the world, the organization has successfully operated for 25 years.

19 Outages Completed








| | Qtr | Annual Outage | First Outage |
|------|-----|-----------------------------------|--------------|
| 2018 | Q1 | L2、Y1、N2、N3(2017.12-2018.1)、H2 | Y4 |
| | Q2 | D1、L1、Y3、H3 | |
| | Q3 | L3、F1 | H4 |
| | Q4 | N1(2018.11-2019.1) | |
| 2019 | Q1 | N1(2018.11-2019.1)、L4、Y2、N4、H2、H3 | |
| | Q2 | D2、L2、N3、H1、F2 | Y5 |
| | Q3 | L1、Y1、Y4、N2、H4 | |
| | Q4 | D1、H3 | |

Average Capacity Factor maintained at a high level



Note *: The number of outages in 2018 and 2019 is counted based on whether completed in that year , while the outage days based on the actual days happened.

| Units | Civil Construction Phase | Equipment Installation Phase | Commissioning Phase | Grid Connection Phase | Expected COD |
|-------------------------------------|---|--|---|-----------------------|---------------|
| <i>Hongyanhe Nuclear</i> | | | | | |
| Hongyanhe Unit 5 | | |  | | 2H2021 |
| Hongyanhe Unit 6 | |  | | | 1H2022 |
| <i>Fangchenggang Nuclear</i> | | | | | |
| Fangchenggang Unit 3 | |  | | | 2022 |
| Fangchenggang Unit 4 |  | | | | 2022 |
| <i>Huizhou Nuclear*</i> | | | | | |
| Huizhou Unit 1 |  | | | | |

Note 1: As of December 31, 2019

Note 2: Civil construction phase refers to the process from the First Concrete Day ("FCD") to the proper roof installation of the main plant of the nuclear reactor.

Note3: Equipment installation phase refers to the process from the installation of nuclear island equipment upon the roof installation of the main plant of the nuclear reactor to the nuclear island main system meeting the conditions to conduct cold function tests.

Note4: Commissioning phase refers to the process of conducting cold function tests for nuclear island main system and commencing joint commissioning for the power plant.

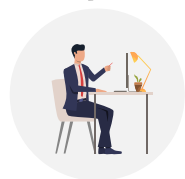
Note 5: Grid connection phase refers to the commissioning of generators upon the first grid connection with the power grid, demonstrating that the power generating units are capable for power generation.

Note *:Huizhou Unit 1 is managed by the Company as entrusted by the controlling shareholder.



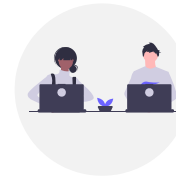
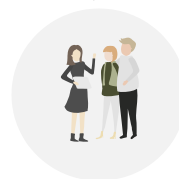
Board of Directors

- Experienced in electrical power, legal, finance & accounting etc. ;
- Loyal, high credibility and integrity, diligent with duties.



Management

- Experienced in power industry and rich in professional knowledge;
- Effective implementation of board strategies and guidelines.



Key Technical Staff

- Licensed Reactor Operators: 534 ;
- Licensed Senior Reactor Operators: 877 ;
- Certified fuel operators: 91;
- Certified employees in engineering and construction: 125.



Honors

- Qiao Sukai, our nuclear fuel operator, won the honorary title of “Meritorious Craftsman”.
- Ran Di, our operator, won the honorary title of “Labor model of State-owned Enterprises”.
- Wang Ting was recognized as a “National Good Youth Making Progress with Good Deeds”.
- Yu Chao, Xu Changheng and Xue Bin won the first three places in the “2019 Guangdong Nuclear Power Plant Reactor Physical Design and Test Skill Competition”.

Proactive Disclosure

- Each base has information disclosure platform. Operation event is made public within 2 working days.
- We use specialized webpages and official WeChat, explore communication mechanisms, and increase scientific popularization.
- We take the initiative to report to supervisory authorities and national regulatory agencies.

Good Environmental Performance

- The environmental monitoring system is well-developed and the environmental monitoring results are normal.
- Radioactive waste emissions are below national limits.

| 2019 | Daya Bay Base (1) | Yangjiang Base | Taishan Base (2) | Ningde Base | Hongyanhe Base | Fangchenggang Base |
|---|-------------------|----------------|------------------|-------------|----------------|--------------------|
| Radioactive liquid waste (non-tritium radionuclide) emissions as a percentage of national standards | 0.27% | 0.55% | 3.02% | 0.24% | 0.19% | 0.29% |
| Radioactive gas waste (inert gas) emissions as a percentage of national standards | 0.43% | 0.30% | 1.59% | 0.28% | 0.20% | 0.29% |
| Environmental monitoring results | Normal | Normal | Normal | Normal | Normal | Normal |

2019 nuclear power on-grid about 178,969.73GWh Equivalent to

Less consumption of standard coal of about 54,930,000 tons

CO₂

Reduce carbon dioxide emissions by about 150,510,000 tons



The emission reduction benefit is equivalent to 400,000 hectares of forest covering 2 entire areas of Shenzhen

Note1: Daya Bay Nuclear Power Base includes Daya Bay Nuclear Power Station, Ling'ao Nuclear Power Station and Lingdong Nuclear Power Station.

Note2: The annual emission limit of Taishan Nuclear Power Station was different from other power stations, and there is no comparability between the power stations.



A-share IPO successfully completed on August 26, 2019

- ✓ No. of A shares issued: 5,049,861,100 shares
- ✓ Price : RMB 2.49 per Share
- ✓ Net proceeds: approximately RMB12,390 million



- ✓ Reduce our financial costs
- ✓ Improve company capital structure
- ✓ Guarantee the investment and construction of our nuclear power projects



ESG: Environmental, Social and Governance, the ESG investment philosophy has become one of the most important development directions in the current responsible investment field globally.



- ✓ CGN Power - China (Global) Top 100 Enterprises Award
- ✓ CGN Power - "Special Nomination Award in Governance among H-shares and Other Mainland Companies" by Hong Kong Institute of Certified Public Accountants

2018 Interim Results
Report and Before

- International Financial Reporting Standards



2018 Annual Report
and Afterwards

- China Accountings Standards for Business Enterprises

Major Non-Recurring Gain/Loss

| Year | Gain/Loss of Disposal of Non-Current Assets | Government Subsidy Recorded in Current Gain/Loss | Others |
|------|---|--|---|
| 2018 | N/A | Government Subsidy Recorded in Current Gain/Loss | Other non-operating income and expenses |
| 2019 | Gain from Sale of Shanghai Company | Government Subsidy Recorded in Current Gain/Loss | Other non-operating income and expenses |

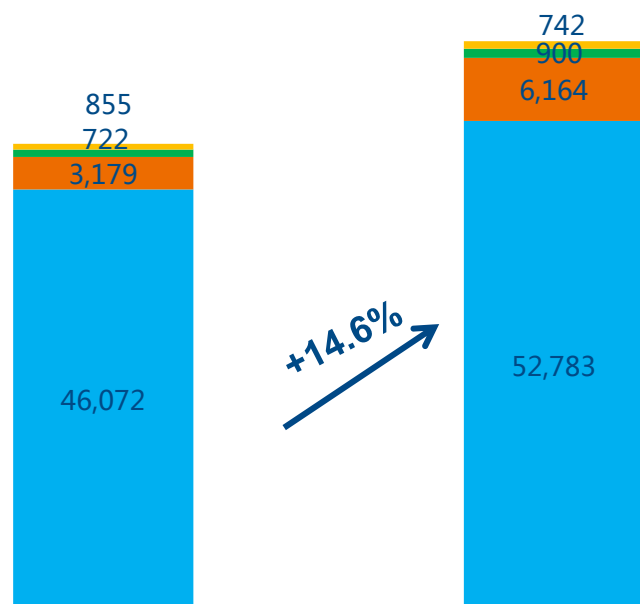
Revenue⁽¹⁾

RMB M

50,828

+19.8%

60,875



2018

2019

■ Sales of electricity

■ Construction and design services

■ other services

■ Sales of products and others

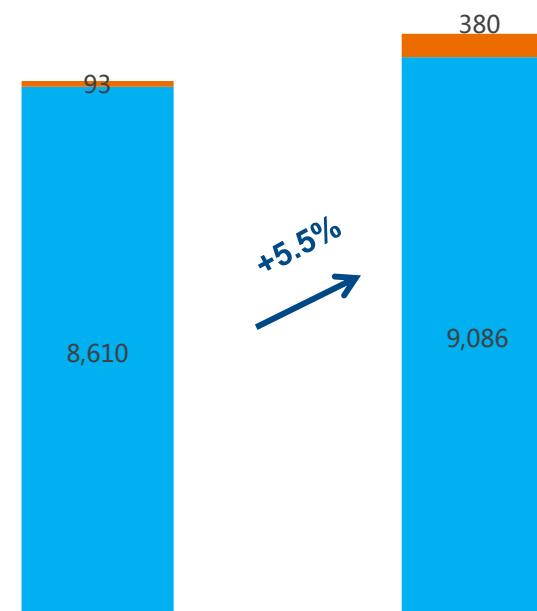
Profit attributable to shareholders of the parent company

RMB M

8,703

+8.8%

9,466



2018

2019

■ Recurrent

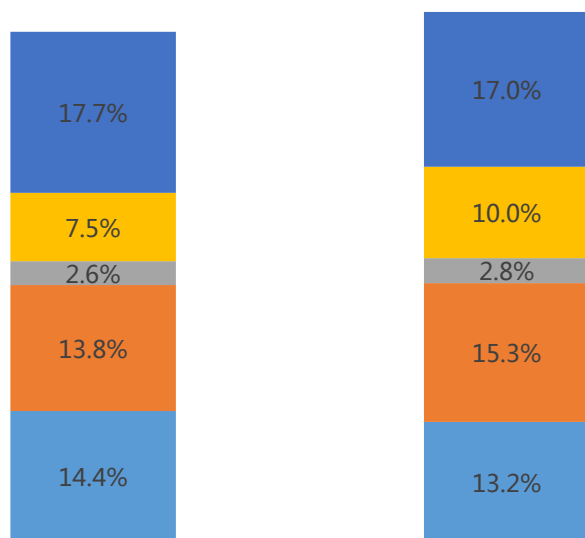
■ Non-recurrent

Note1: Hongyanhe Nuclear is not included in the consolidated financial statements, therefore the revenue of Hongyanhe Nuclear is not included in the Company' s revenue.

Cost as % of Revenue

56.1%

58.3%



2018

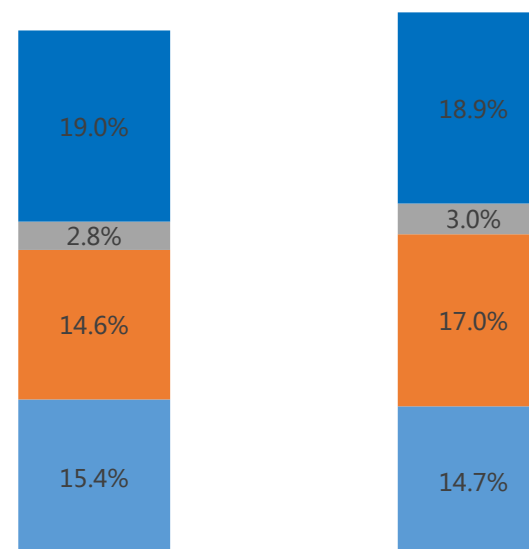
2019

- Operating and others
- Construction and design services
- Provision for spent fuel management
- Depreciation of properties, plants and equipment
- Cost of fuels

Cost as % of Revenue
(Excluding construction and design services)

51.8%

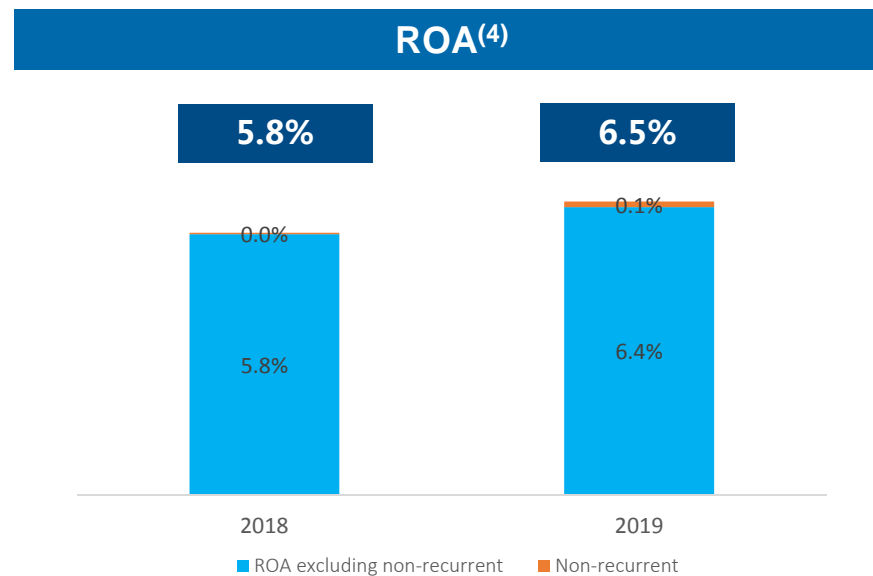
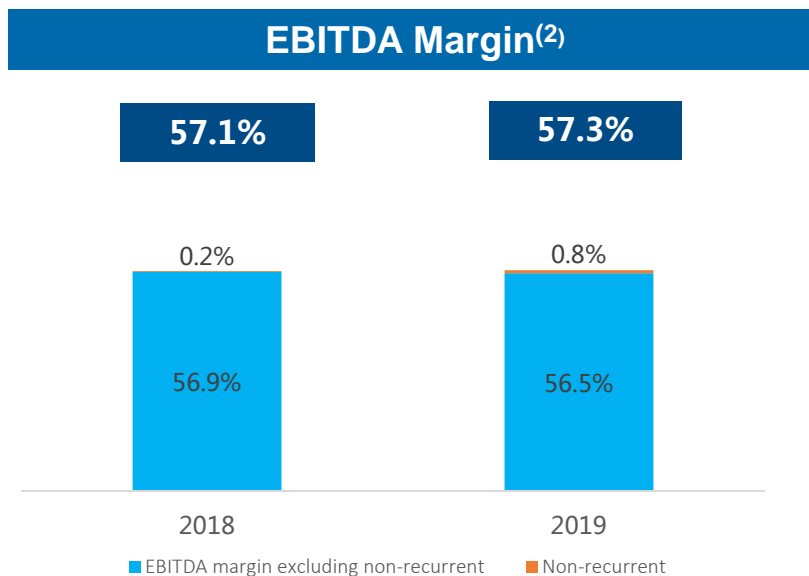
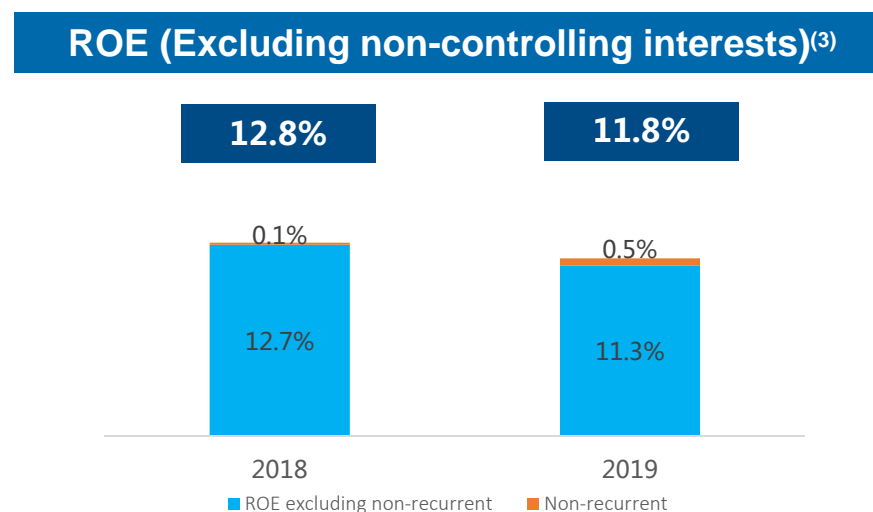
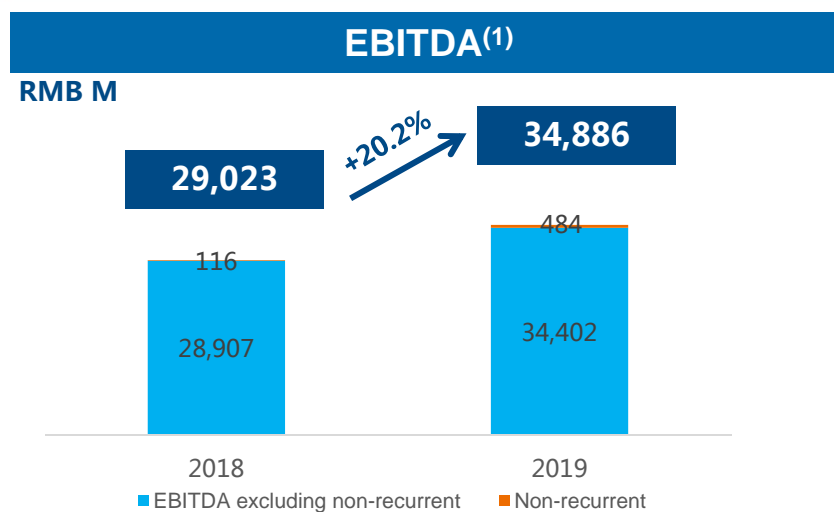
53.6%



2018

2019

- Operating and others
- Provision for spent fuel management
- Depreciation of properties, plants and equipment
- Cost of fuels



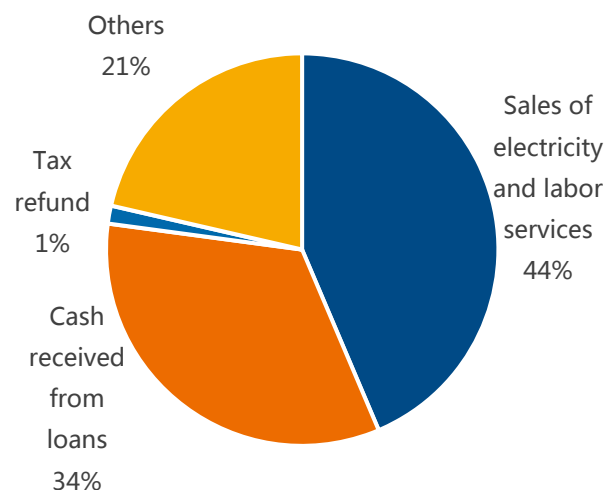
Note 1: EBITDA=Total profit + Interest expenses recognized in profit or loss + Depreciation and amortization

Note 3: ROE(Excluding non-controlling interests)= Net profit attributable to shareholders of the parent company/Average equity attributable to shareholders of the parent company (the arithmetic mean of the opening and closing balances) * 100%

Note 2: EBITDA margin= EBITDA/Revenue * 100%

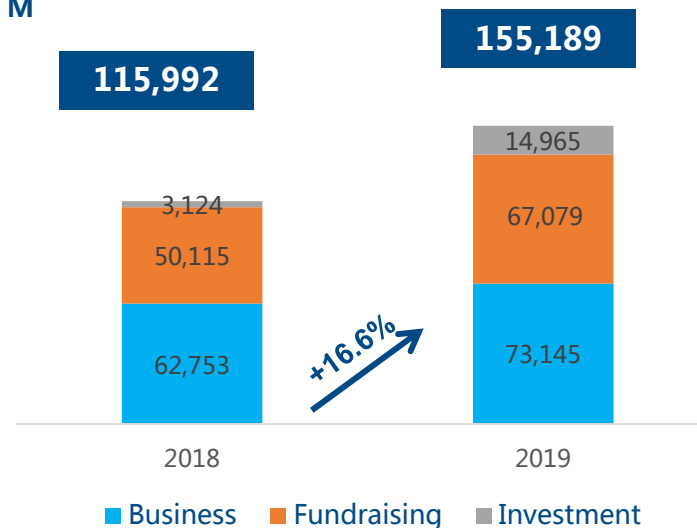
Note 4: ROA(Return on total assets)= (Total profit + Interest expenses recognized in profit or loss)/Average total assets (the arithmetic mean of the opening and closing balances) * 100%

Cash inflow Structure in 2019

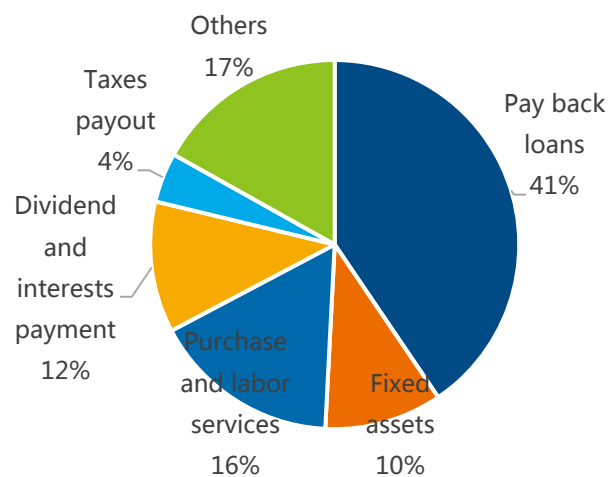


Cash inflow in past 2 years

RMB M

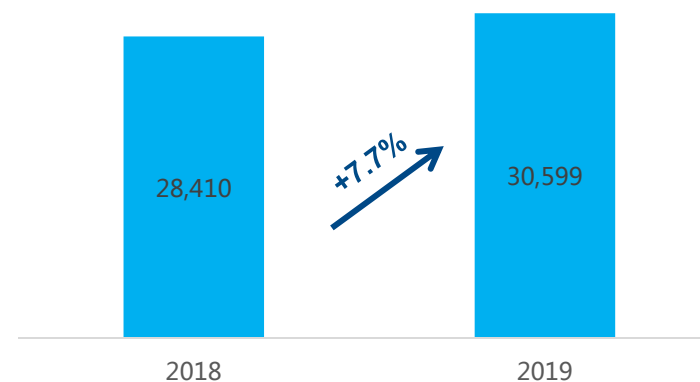


Cash outflow Structure in 2019



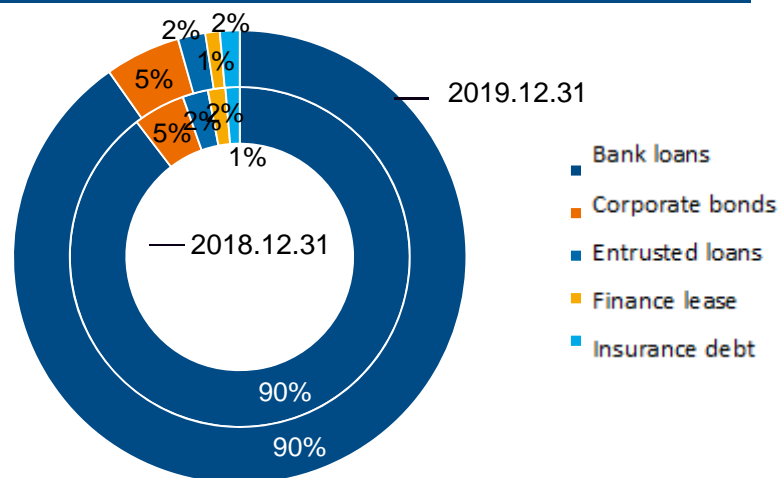
Net operating cash flow in past 2 years

RMB M

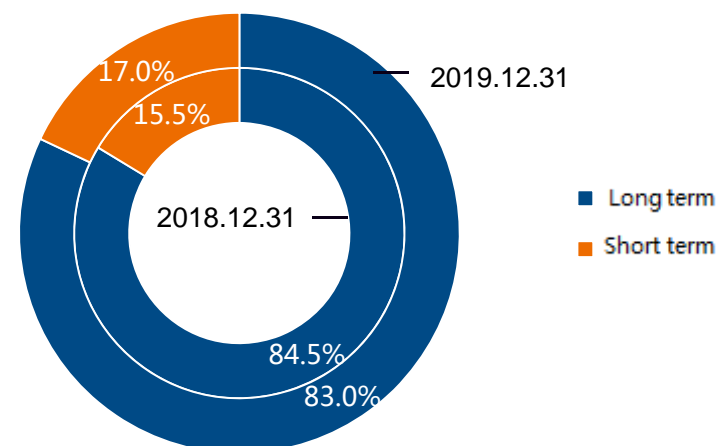


The company follows the principle of considering both cost and security, ensures financing security and controlling financing costs through building solid debt structure.

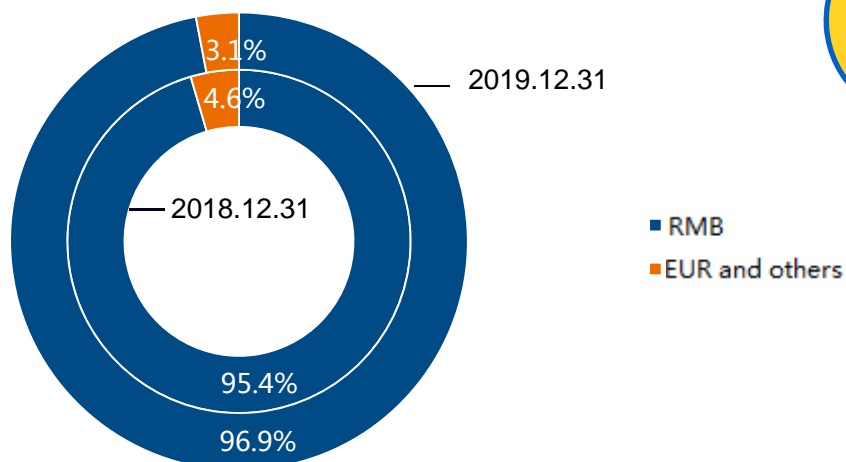
Debts are mainly from bank loans



Long-term debt predominates

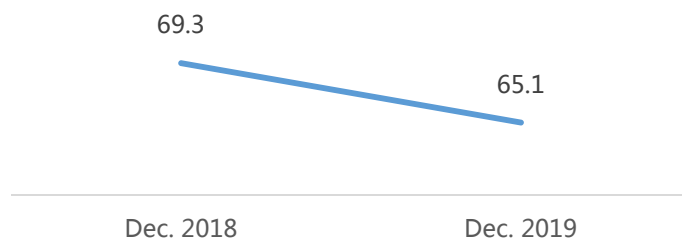


RMB debt predominates



In 2019, we pay close attention to the changes in the financial market, timely issued medium-term notes, constantly optimized the debt structure and financing costs, and tried to reduce the impact of financial environment changes on the company's operations.

Asset-Liability Ratio%⁽¹⁾



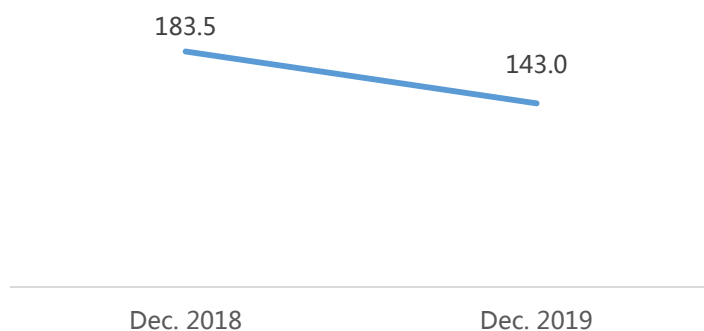
Capital Expenditure

RMB M

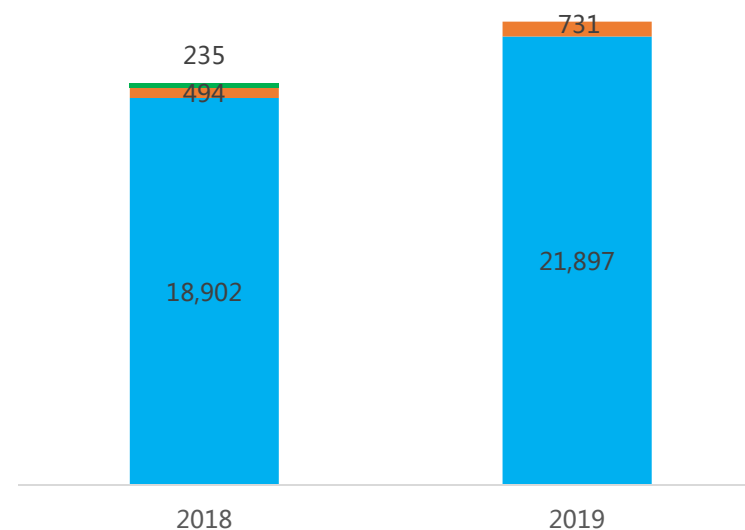
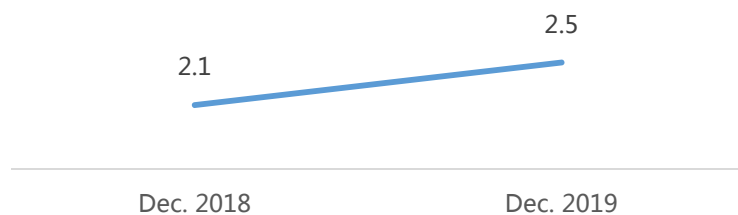
19,631

22,628

Debt to Equity Ratio%⁽²⁾



Interest Coverage⁽³⁾



■ Fixed-asset Investments ■ Equity Investment ■ Acquisition

Note1 : Asset-Liability ratio=(Total liabilities / Total assets)*100%

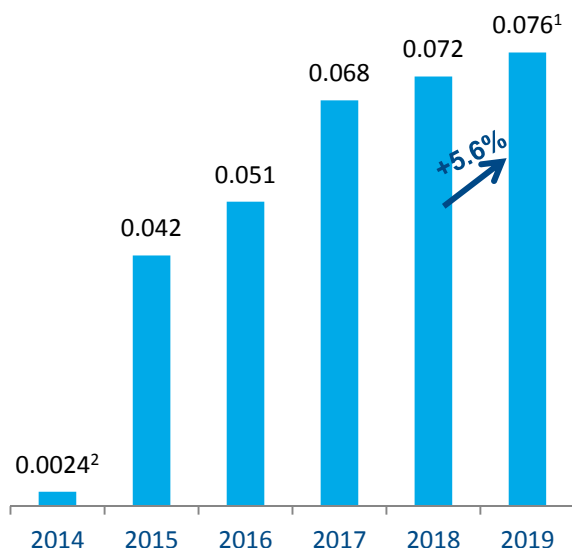
Note2 : Debt to equity ratio=Net debt (the total amount of bank and other borrowings less cash and cash equivalents and other deposits over three months)/Total shareholders' equity*100%

Note3 : Interest coverage=(Total profit + Interest expenses recognized in profit or loss)/(Interest expenses recognized in profit or loss + interest expenses capitalized)

The Board and the management of the Company pay attention to providing its shareholders with steady and growing dividend. By attaching great importance to the safe and stable operation of nuclear power generating units and striving to achieve the stable growth of the Company's overall operation, the Company intends to achieve the target of maintaining a reasonable increase in dividend (subject to approval at the general meeting of the relevant financial year) for each of the three financial years of 2018, 2019 and 2020 based on the annual dividend per share for 2017.

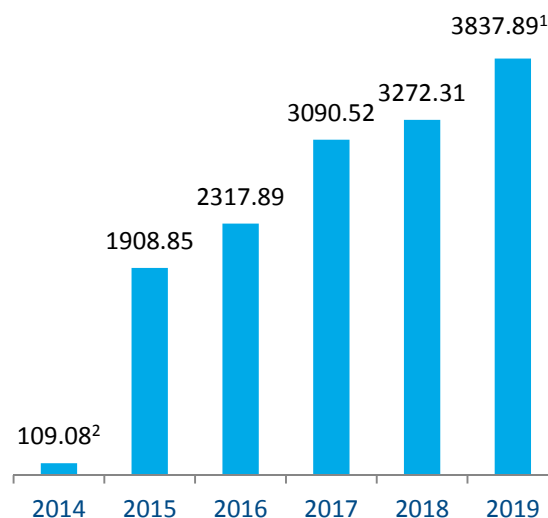
Annual Dividend per Share

RMB per share



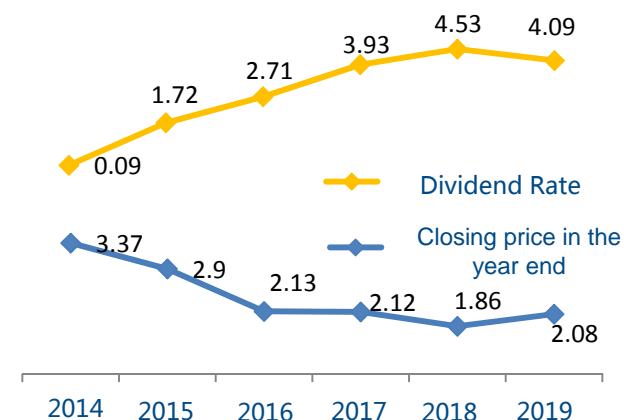
Annual Dividend

RMB M



Dividend Rate

%
HKD



Note 1: The final dividend of 2019 will be distributed after being approved by our shareholders at the 2019 annual general meeting of the Company.

Note 2: Dividend period of 2014 was from 10th Dec to 31st Dec.

Part IV

Q&A





一次把事情做好

中國廣核電力股份有限公司
CGN Power Co., Ltd.

Thank you !

