

中广核  CGN

中国广核电力股份有限公司
CGN Power Co., Ltd

Natural Energy Powering Nature

2022 Q3 Results



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Part I Corporate Introduction





CGN Power

Core Business: We design, build, operate and manage nuclear power plants (NPPs), sell electricity generated by our NPPs, and organize R&D of NPPs.

CGN Power has issued 50.5 billion shares and our controlling shareholder is CGN (supervised by SASAC of the State Council).



Incorporated on
March 25, 2014



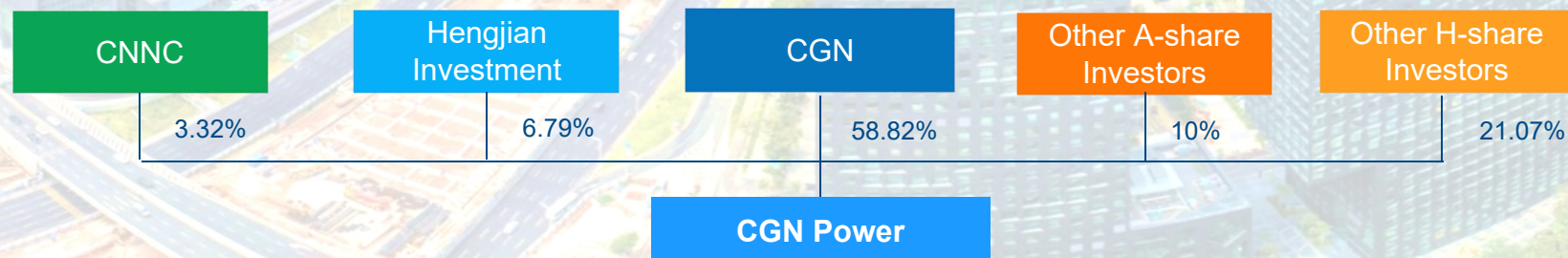
H-share IPO on
December 10, 2014



A-share IPO on
August 26, 2019



Equity Structure*



*: As of Sep 30, 2022

Units in operation

- 26 units
- Installed capacity: 29.38GW

Units under construction¹

- 7 units
- Installed capacity: 8.38GW

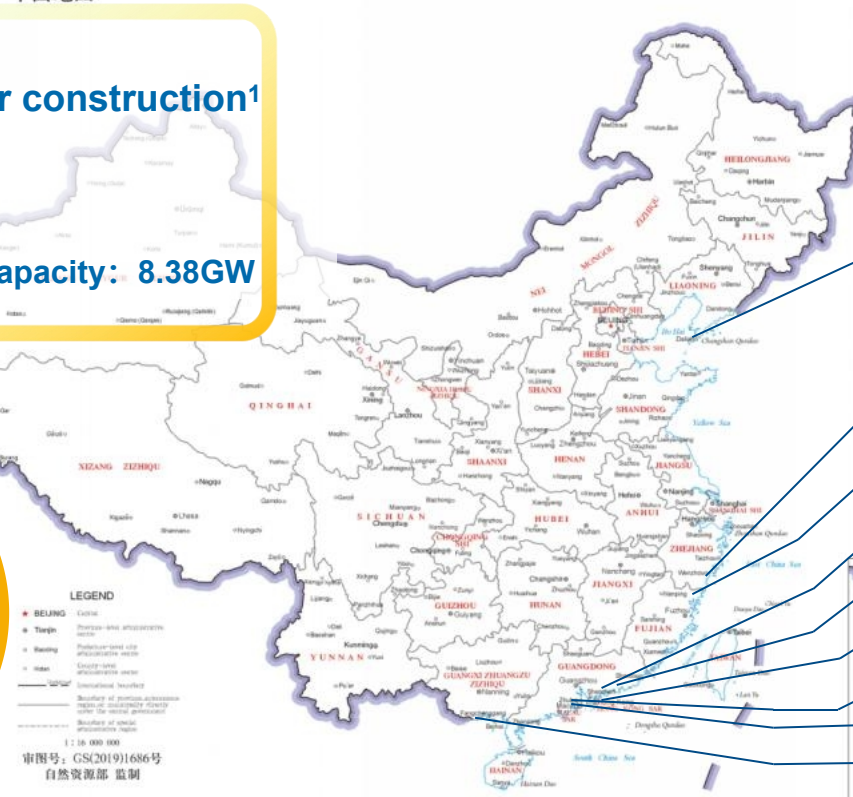
52.81%²

Share of installed capacity in operation

34.64%

Share of installed capacity under construction

中国地图



9 Bases

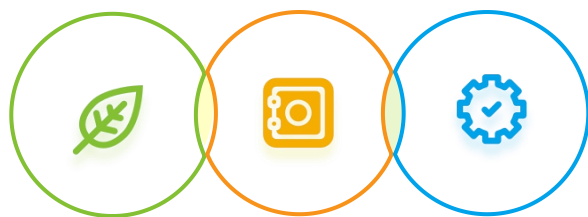


- 1000MW(installed capacity) unit in operation
- 1750MW(installed capacity) unit in operation
- 1000MW(installed capacity) unit under construction

Note 1: Units under construction include Huizhou Unit 1, Unit 2 and Cangnan Unit 1, Unit 2, which were entrusted to us by our controlling shareholder for management.

Note 2: Statistics only include the Chinese mainland and as of Sep 30, 2022.

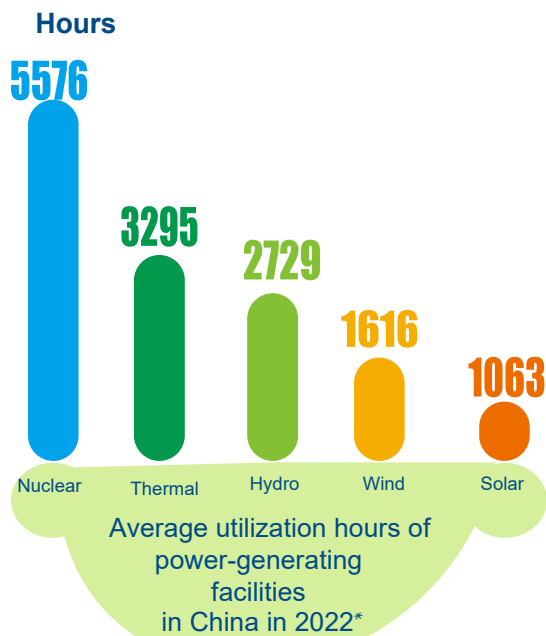
Advantages of Nuclear Power



Clean

Reliable

Efficient



Vision

A world-class nuclear power supplier and service provider with international competitiveness

- Robust business, achieving stable performance in operations and high-quality commercial operations of construction projects
- Financial stability, ensuring capital security, and stable operating performance
- Stable returns, keeping promises and maintaining long-term stable dividend payout

Purpose

Continuing to create optimal benefits for our customers, shareholders, employees and the society

- Keeping improving safety performance by benchmarking against world-class standards
- Adopting "centralization, specialization, and standardization" (CSS) strategy to enhance multi-unit management and control
- Implementing lean management, strictly controlling project construction costs and optimizing O&M costs



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

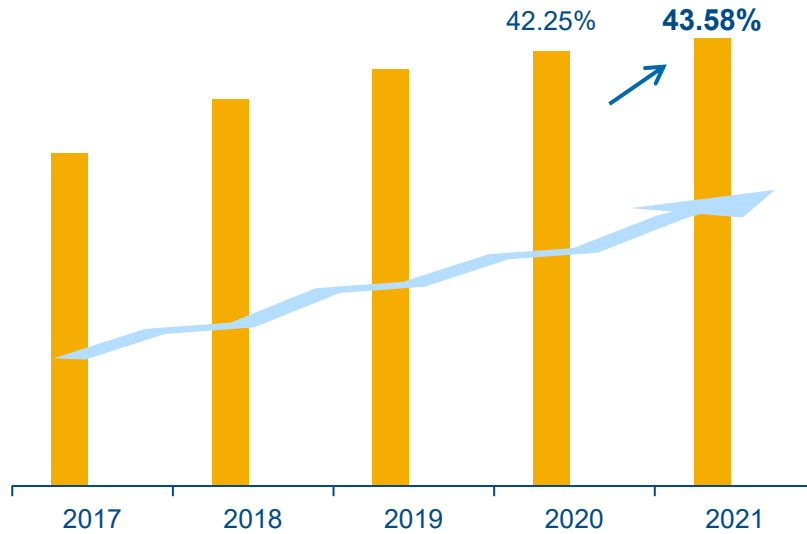
- Pushing ahead with the approval and kick-off of new projects to maintain leading position in installed capacity
- Actively developing and mastering new nuclear power technologies to maintain sustainable development
- Strengthening commercialization and promotion of research results to increase business opportunities where appropriate
- Developing energy storage projects related to nuclear power as appropriate and expanding nuclear heating services and etc.



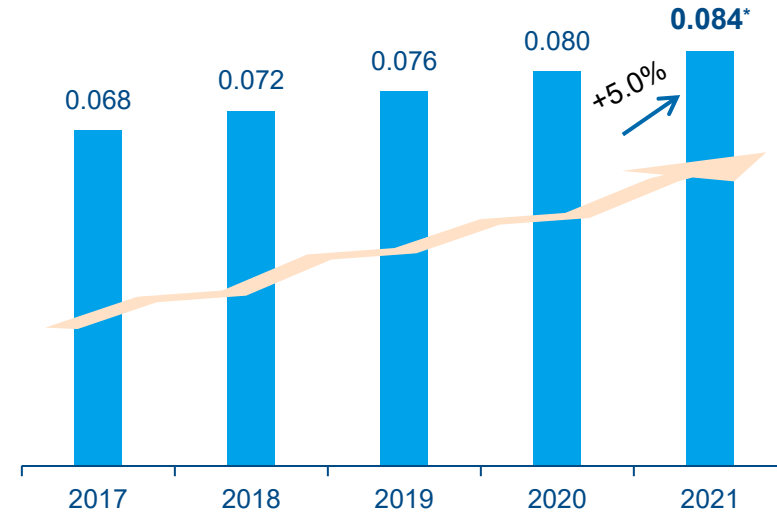
Dividend Distribution Plan for 2021-2025

On the preconditions that there are no significant changes and approval is obtained from AGM of the relevant fiscal year, the Company aims to achieve a moderate increase in the annual dividend ratio from 2021-2025 based on the dividend ratio in 2020 (42.25%)

Dividend Ratio (total dividends/net profit attributable to shareholders of the parent company*100%)



Dividend RMB/share



*: Dividend of 2021 has been distributed in July 2022.



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Part II Key Stats of 2022Q3





01	On-grid power generation	• 142,835 Gwh (subsidiaries and associates)	-4.17%
		• 113,780 Gwh (subsidiaries)	-7.13%
02	Revenue	• RMB 58,415M	-1.22%
03	Net Profit Attributable to Shareholders of the Parent Company	• RMB 8,790M	+0.55%
04	Net Profit Attributable to Shareholders of the Parent Company (Excluding Non-Recurring Gains or Losses)	• RMB 8,543M	-1.25%



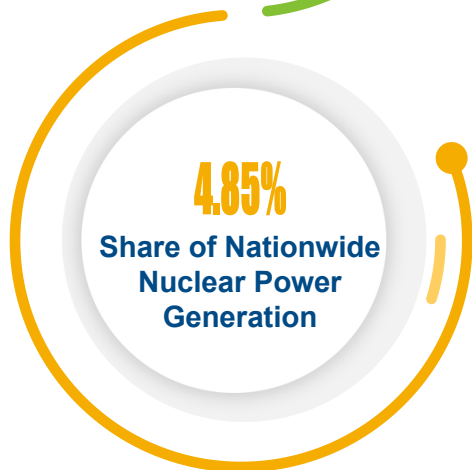
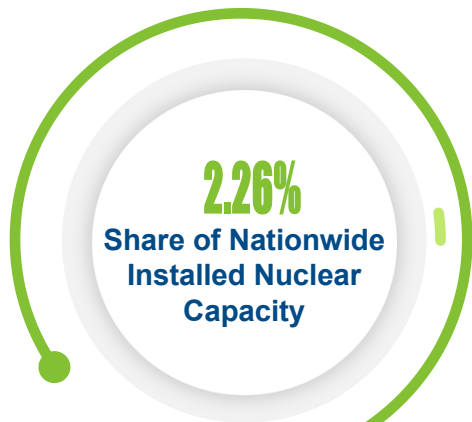
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Part III Business Performance



Share of nationwide nuclear power generation and installed capacity* in 2022Q3



Chinese and global energy industry
is shifting towards green and low-
carbon development, and China
strives to achieve carbon dioxide
emissions peaking before 2030 and
carbon neutrality before 2060, which
provides us with broad prospects
of nuclear power development.

Implementation Plan for the Synergy and Efficiency of Pollution Reduction and Carbon Reduction (June 10, 2022)

We will push forward the
transformation toward low-
carbon development,
coordinate energy safety and
green low-carbon
development. Taking active
and well-ordered steps to
promote nuclear power
development under strict
supervision and premise of
ensuring its absolute safety

7 Ministries and commissions

Promotion Plan for Energy Standardization in Carbon Peaking and Carbon Neutralization (Oct 9, 2022)

We will further improve the
standard system for nuclear
power. We will develop a
standard system for
advanced third-generation
PWR and promote the
application and
implementation of
independent standards.

NEA

National policies to support nuclear power development

Refueling Outages



2022. 1-9

15 refueling outages
completed and with total
538 days

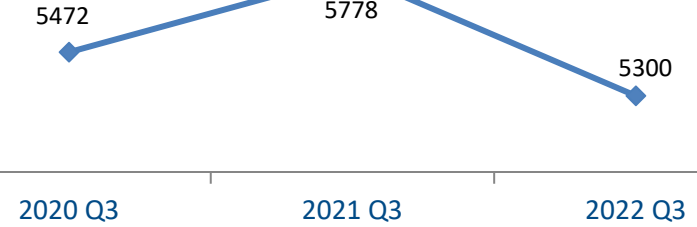


2021. 1-9

12 refueling outages
completed and with total
438 days

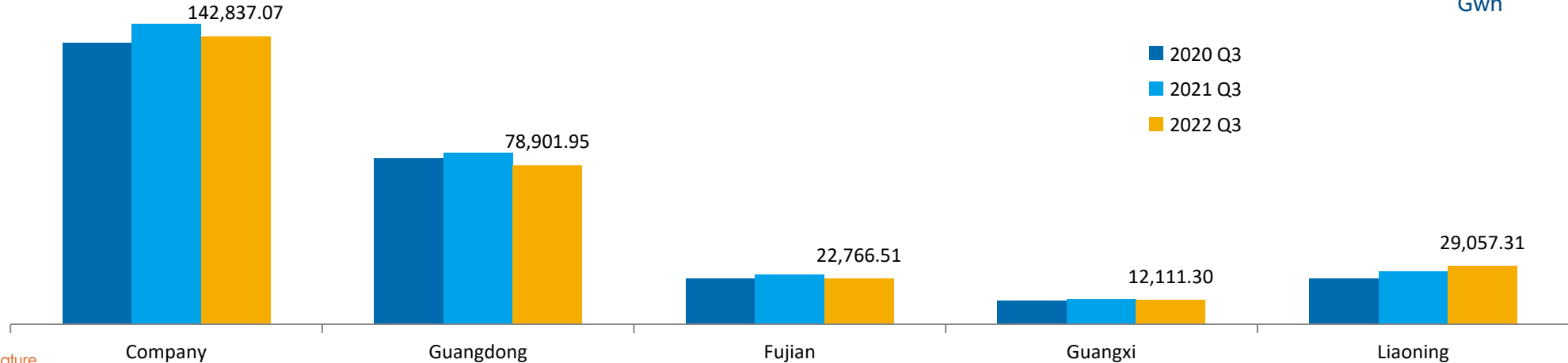
Average Utilization Hours

Hour



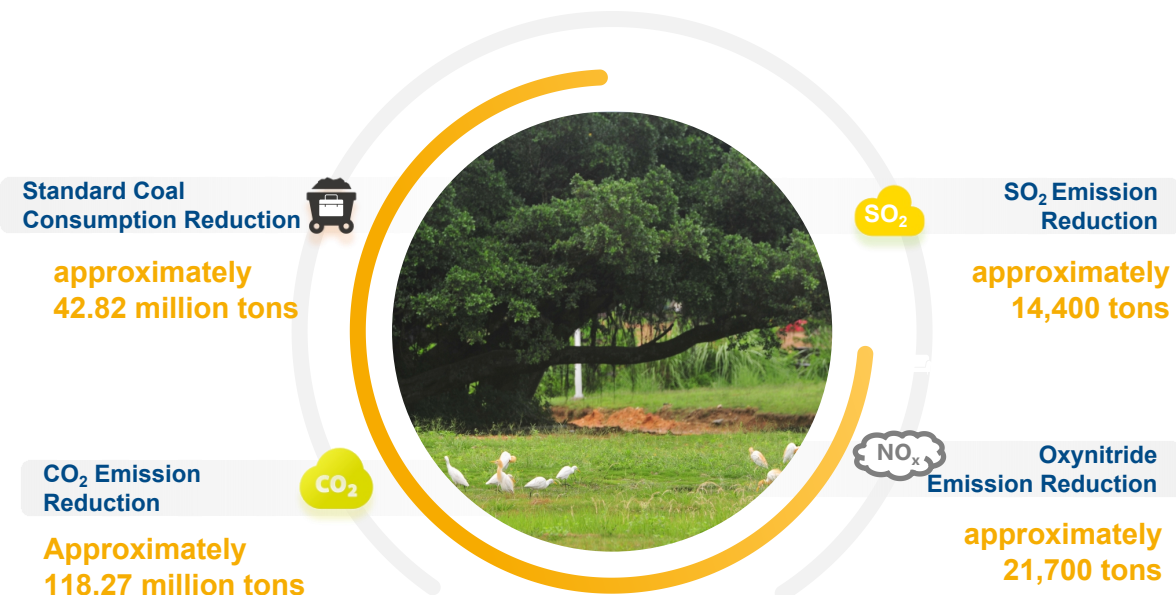
On-grid Power Generation in Total and by Region

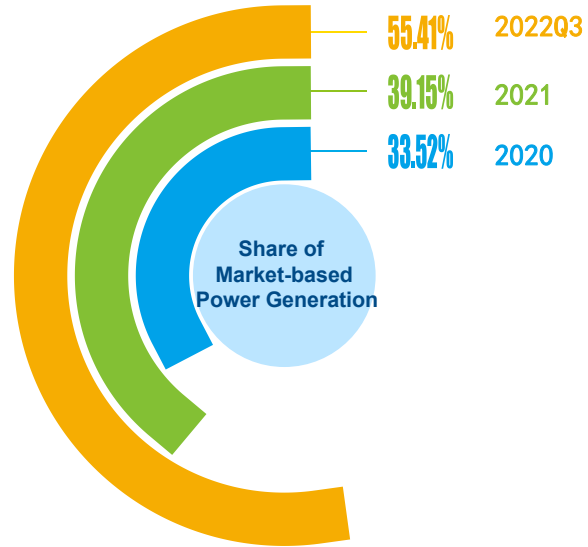
Gwh





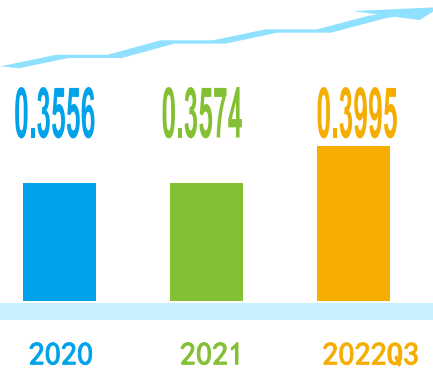
In 2022Q3, a total annual on-grid power generation of 142,837 GWh, equivalent to **0.32 million hectares** of forest





Average Market-based Power Tariff (Tax Inclusive)

RMB/kwh



Guangdong

- ◆ 10 units in the Ling'ao, Lingdong and Yangjiang bases have participated in the market transaction.
- ◆ Market-based power generation in 2022Q3 was 21.58 billion kwh, accounting for 31.1%. Average market-based power tariff (tax inclusive) was 0.4122 RMB/kwh.

Fujian








- ◆ Ningde Unit 1-4 have all participated in the market transaction.
- ◆ Market-based power generation in 2022Q3 was 22.77 billion kwh, accounting for 100%. Average market-based power tariff (tax inclusive) was 0.4014 RMB/kwh.

Liao'ning

- ◆ Hongyanhe Unit 1-4 have participated in the market transaction.
- ◆ Market-based power generation in 2022Q3 was 22.69 billion kwh, accounting for 78.1%. Average market-based power tariff (tax inclusive) was 0.3790 RMB/kwh.

Guangxi

- ◆ Fangchenggang Unit 1-2 have all participated in the market transaction.
- ◆ Market-based power generation in 2022Q3 was 12.11 billion kwh, accounting for 100%. Average market-based power tariff (tax inclusive) was 0.4115 RMB/kwh.

Units	Civil Construction	Equipment Installation	Commissioning	Grid Connection	Expected COD
<u>Fangchenggang Nuclear</u>					
Unit 3					2022H2
Unit 4					2024H1
<u>Lufeng Nuclear</u>					
Unit 1					2027
<u>Huizhou Nuclear*</u>					
Unit 1					2025
Unit 2					2026
<u>Cangnan Nuclear*</u>					
Unit 1					2026
Unit 2					2027

Progress as of Sep 30, 2022.

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.

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.

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

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.

*:Huizhou Unit 1, Unit 2 and Cangnan Unit 1, Unit 2 are managed by the Company as entrusted by the controlling shareholder.



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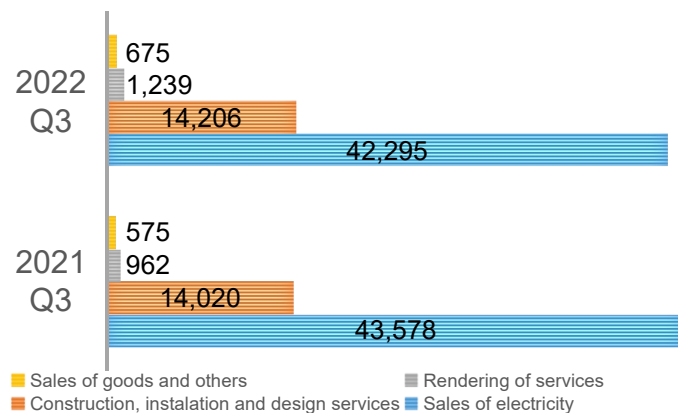
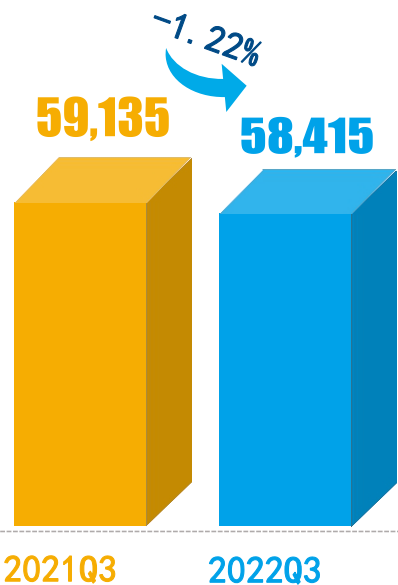
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Part IV Financial Performance



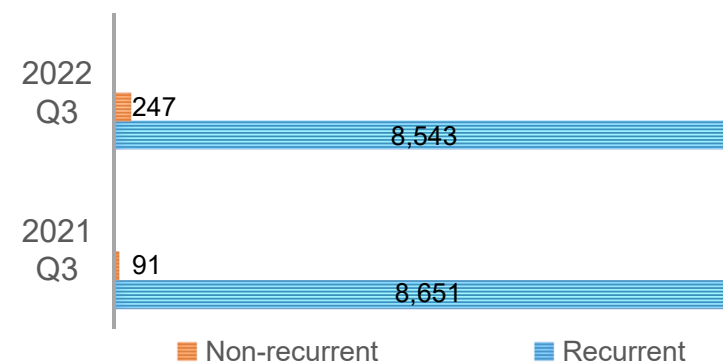
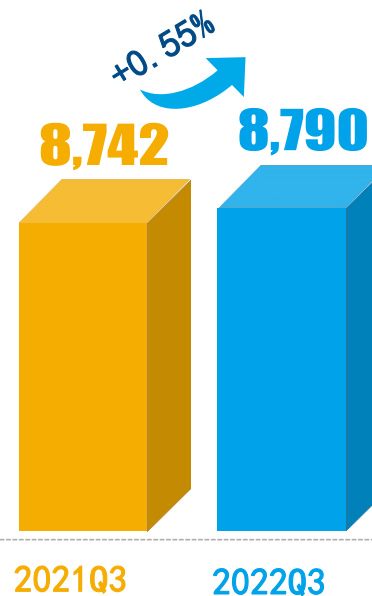
Revenue*

RMB M

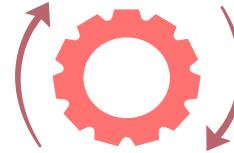
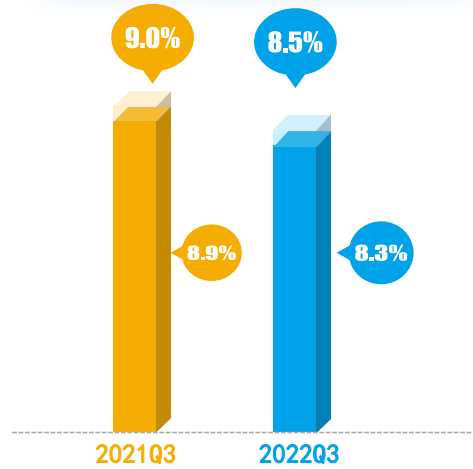


Profit Attributable to Shareholders of the Parent Company

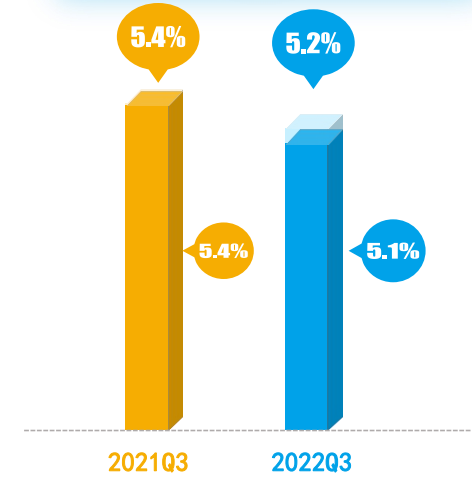
RMB M



ROE (Excluding Non-controlling Interests) ¹



ROA²



Asset-Liability Ratio %³



Interest Coverage⁴

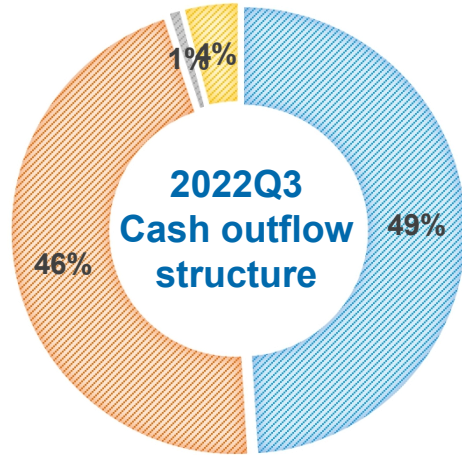


Note 1: ROE(Excluding non-controlling interests)= Net profit attributable to shareholders of the parent company/Average equity attributable to shareholders of the parent company (the arithmetic mean of the opening and closing balances) * 100%

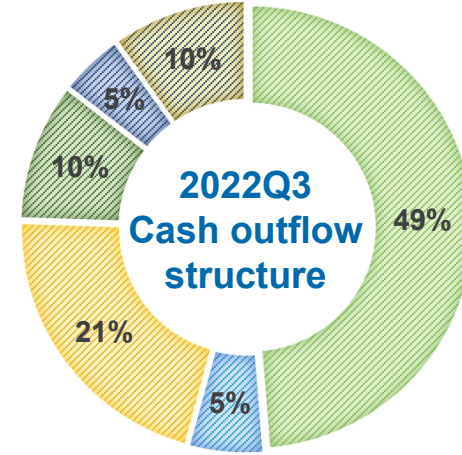
Note 2: ROA= (Total profit + Interest expenses recognized in profit or loss)/Average total assets (the arithmetic mean of the opening and closing balances) * 100%

Note3: Asset-Liability ratio=(Total liabilities / Total assets)*100%

Note4: Interest coverage=(Total profit + Interest expenses recognized in profit or loss)/(Interest expenses recognized in profit or loss + interest expenses capitalized)



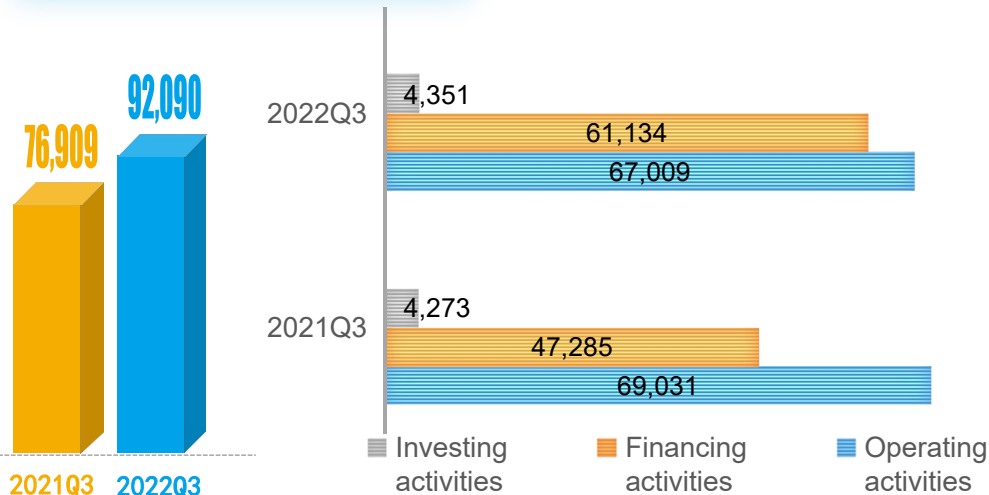
- Sales of electricity & construction, installation and design services
- Cash received from loans
- Tax refund
- Others



- Pay back loans
- Fixed assets
- Purchase and labor services
- Dividend and interests payment
- Taxes payout

Cash inflow in 2022Q3

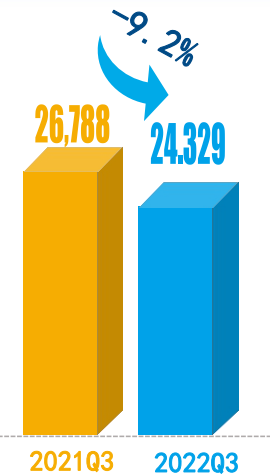
RMB M



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Net Operating Cash Flow in 2022Q3

RMB M





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Part V Future Outlook



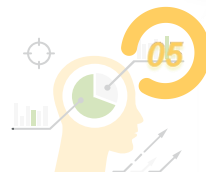
**Safety First
Quality Foremost
Pursuit of Excellence**



01 To ensure safe and stable operations of generating units and ensure energy supply in 2022Q4



03 Completing remaining refuelling outages



05 To promote energy storage projects involved



07 To follow policies and financial conditions changes and ensure stable development of the company



02 To strive for commencing commercial operation of Fangchenggang Unit 3



04 To follow the power market and to prepare for 2023 power sales



06 To implement CSS strategy and lean management

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Thank you !





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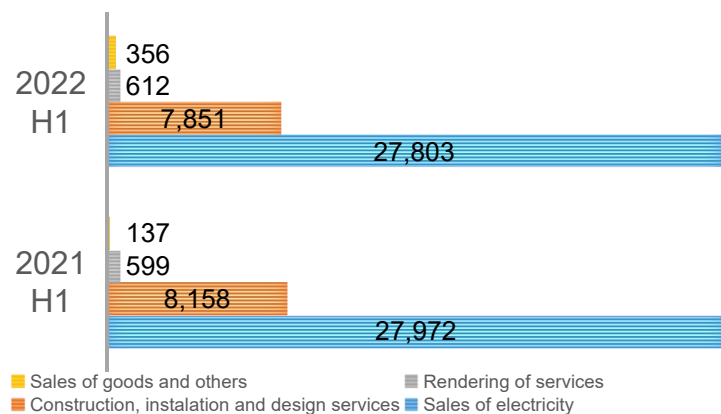
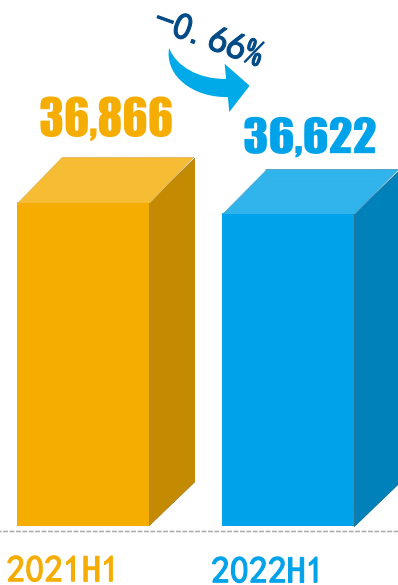
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Appendix Interim Financial Performance



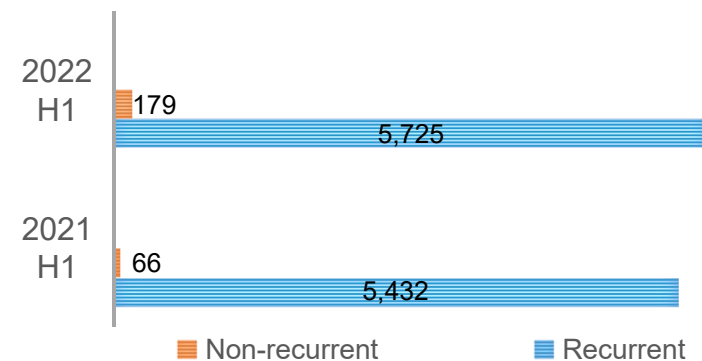
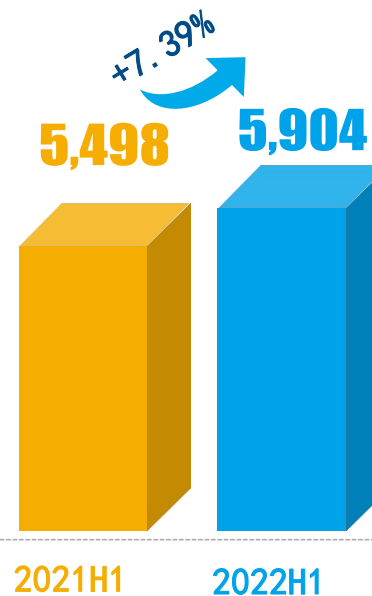
Revenue*

RMB M

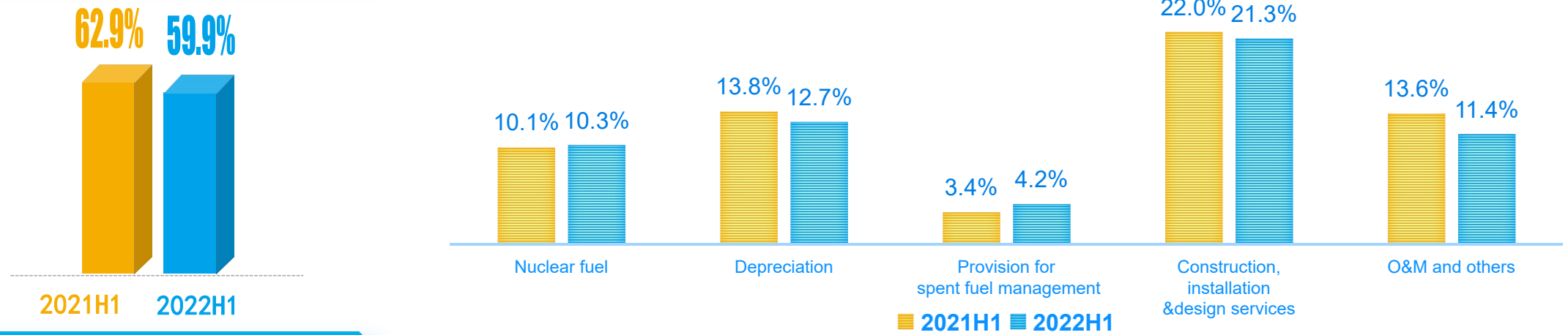


Profit Attributable to Shareholders of the Parent Company

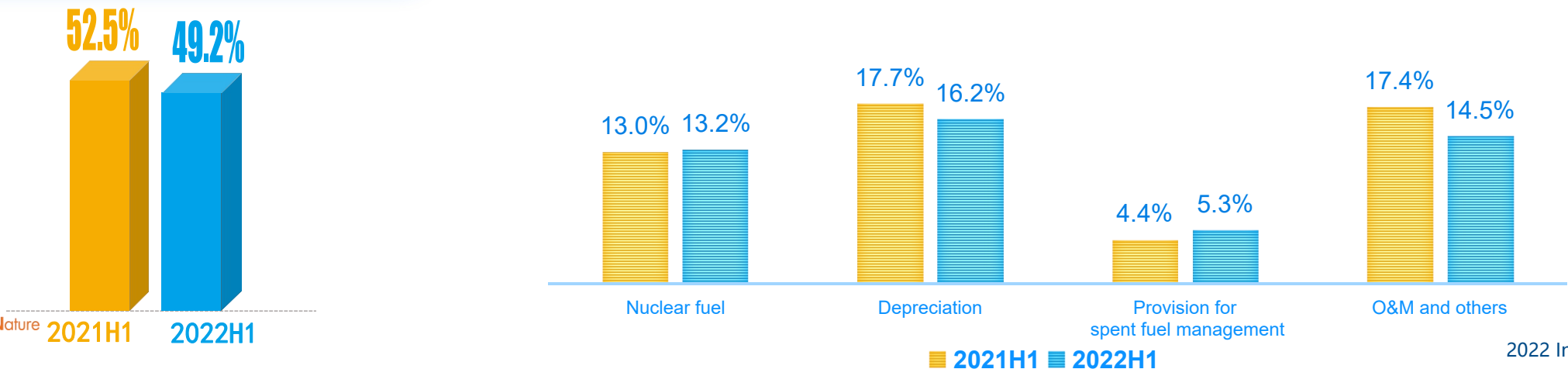
RMB M



Cost as % of Revenue

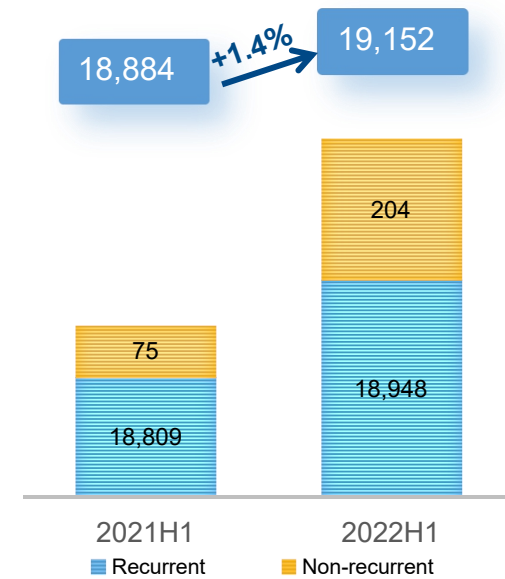


Cost as % of Revenue (Excluding Construction, Installation and Design Services)



EBITDA¹

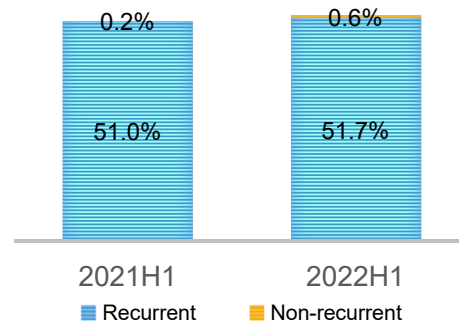
RMB M



51.2%

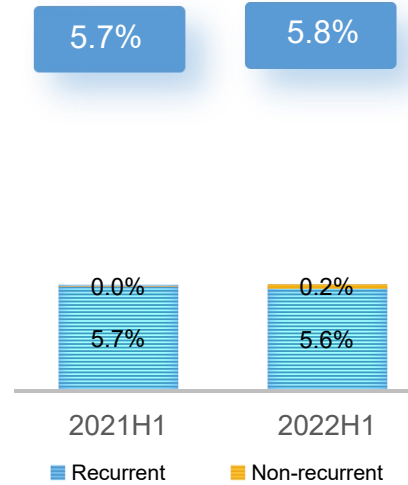
52.3%

EBITDA Margin²



ROE³

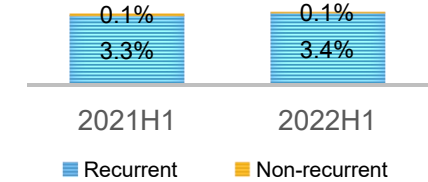
Excluding Non-controlling Interests



3.4%

3.5%

ROA⁴

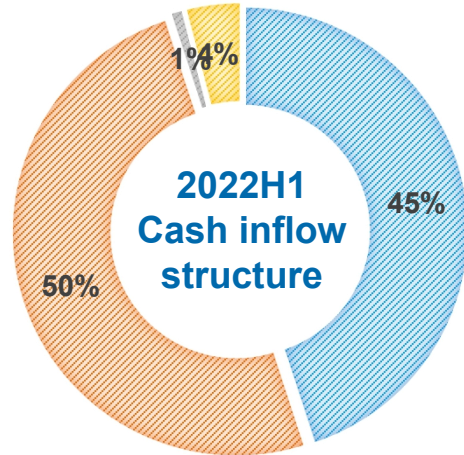


Note 1: EBITDA=Total profit + Interest expenses recognized in profit or loss + Depreciation and amortization

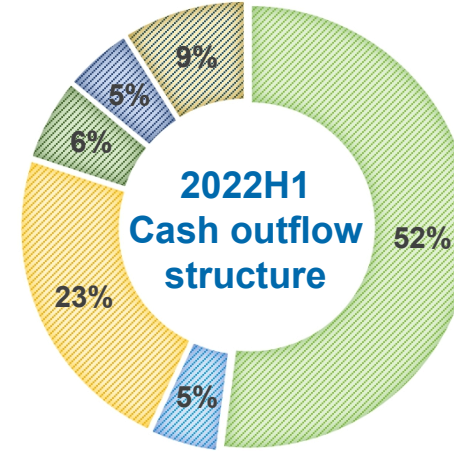
Note 3: ROE(Excluding non-controlling interests)= Net profit attributable to shareholders of the parent company/Average equity attributable to shareholders of the parent company (the arithmetic mean of the opening and closing balances) * 100%

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

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



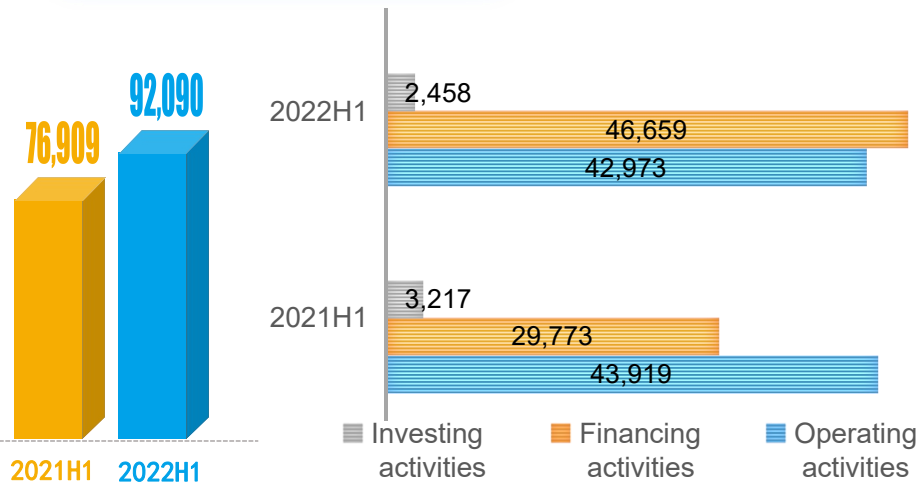
- Sales of electricity & construction, installation and design services
- Cash received from loans
- Tax refund
- Others



- Pay back loans
- Fixed assets
- Purchase and labor services
- Dividend and interests payment
- Taxes payout
- Others

Cash inflow in 2022H1

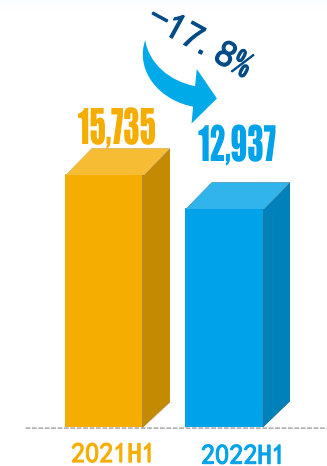
RMB M

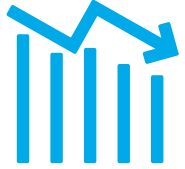


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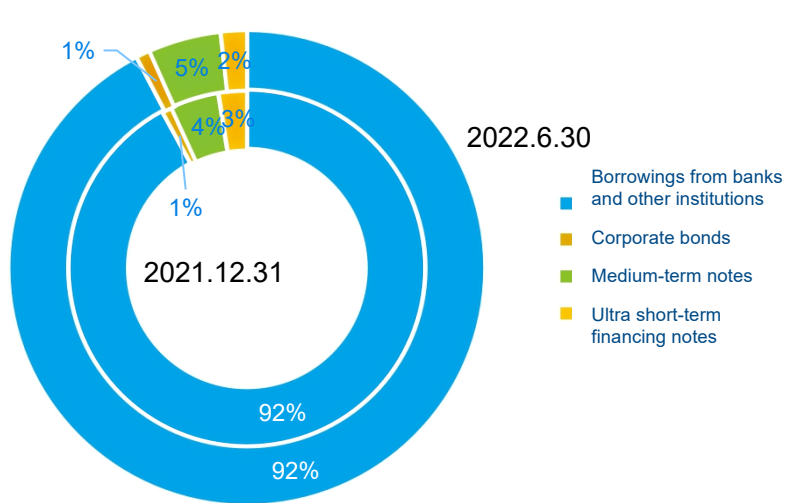
Net Operating Cash Flow in 2022H1

RMB M

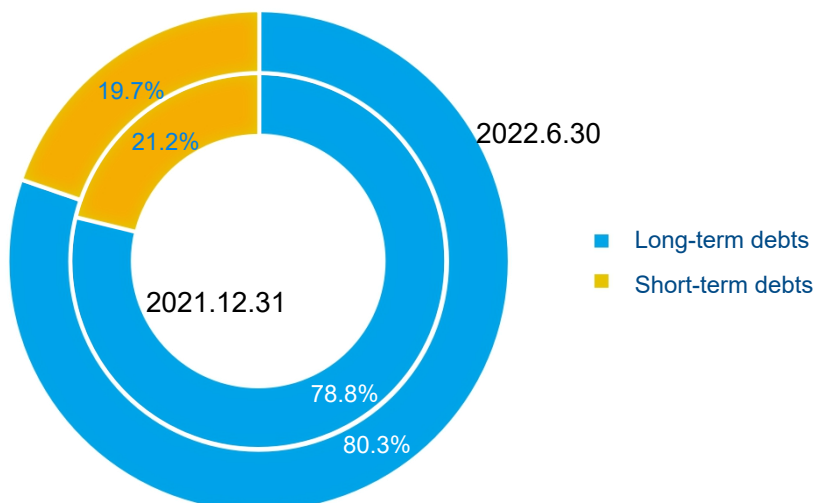




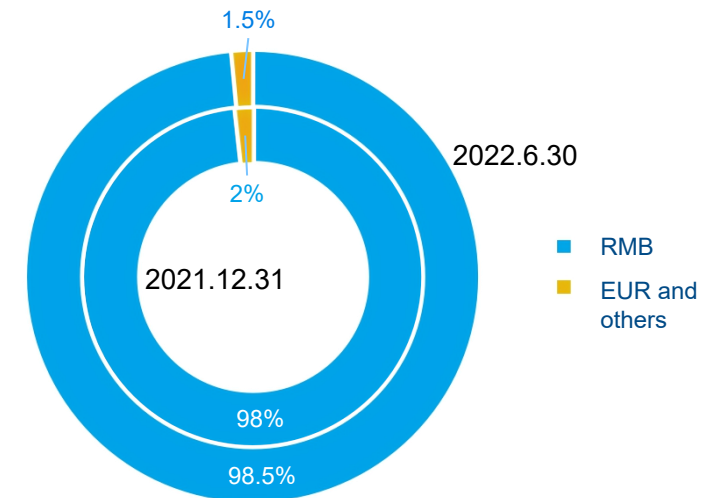
In 2022H1, the company seized the opportunity to issue four ultra short-term financing notes and one medium-term note, raising a total of 7.1 billion yuan. The company also carried out debt replacement and restructuring actively to reduce loan interest rates. Average financing costs in 2022H1 fell by about 10BP from the same period last year.



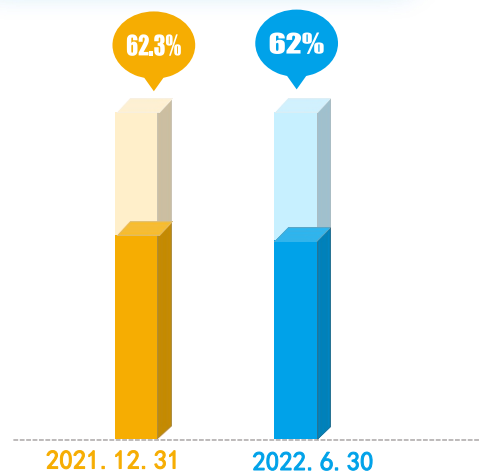
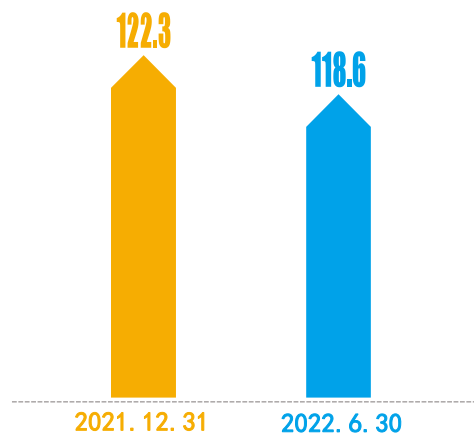
Debts are mainly from bank borrowings



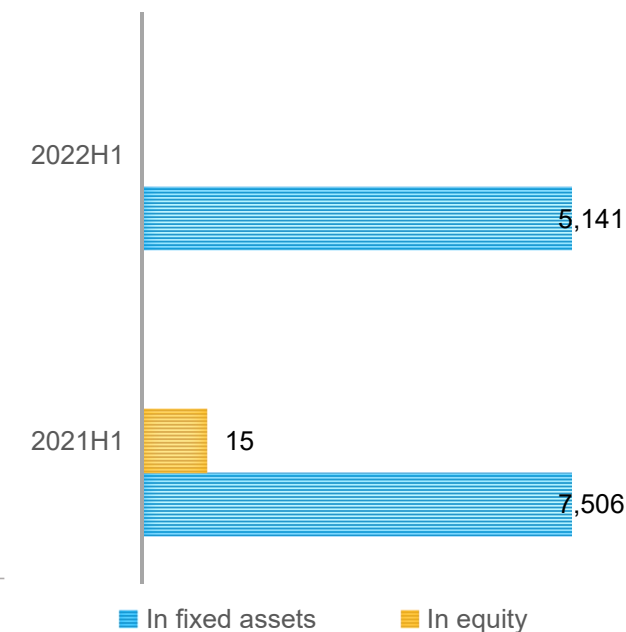
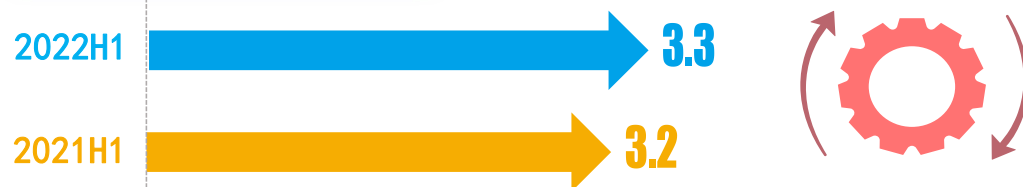
Long-term debt predominates



RMB debt predominates

Asset-Liability Ratio %¹

Debt to Equity Ratio %²

Capital Expenditure³

RMB M


Interest Coverage⁴


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: The CAPEX here refers to cash flows.

Note4: Interest coverage=(Total profit + Interest expenses recognized in profit or loss)/(Interest expenses recognized in profit or loss + interest expenses capitalized)