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中国广核电力股份有限公司
CGN Power Co., Ltd.

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2023 Interim 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).



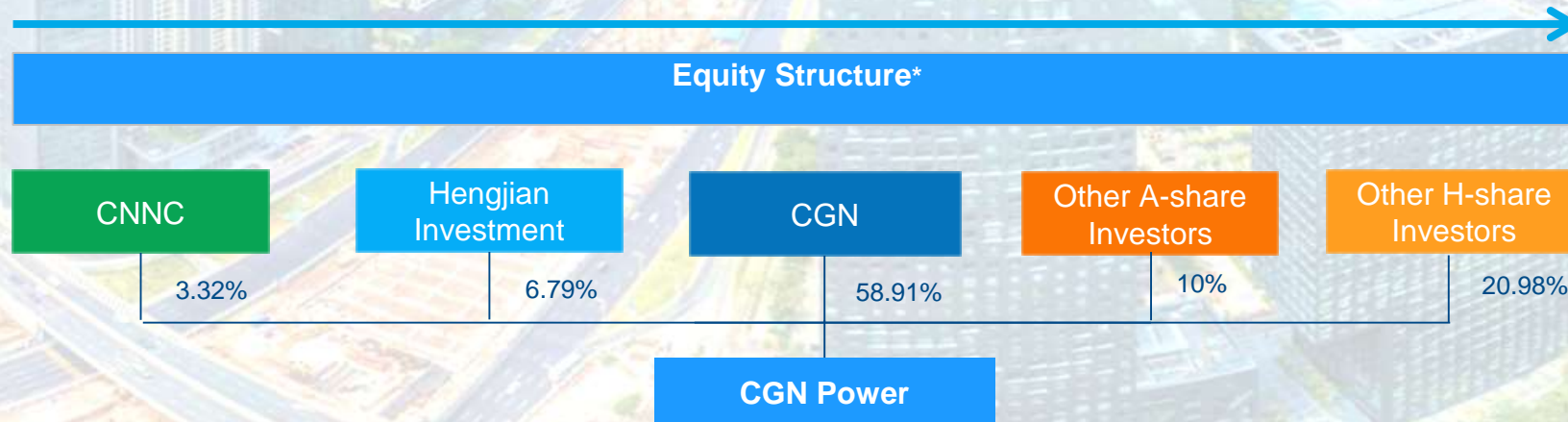
Incorporated on
March 25, 2014



H-share IPO on
December 10, 2014



A-share IPO on
August 26, 2019



*: As of June 30, 2023

Nuclear power generation as the mainstay, with a wide range of expertise, such as nuclear power operation and maintenance(O&M) and engineering construction

Units in operation

27 Units

Share of installed capacity

53.79%

Units under construction¹

6 Units

Share of installed capacity

28.24%

- Total installed capacity: **37.776GW**
- Share of total installed capacity of nuclear power in China: **45.87%²**

Nuclear Power O&M Services

Maintenance services

Training Services

Spare parts management

Production preparation

Engineering Construction Services

Engineering design

Engineering procurement

Construction management

Commissioning and start-up

Guangdong	Daya Bay	
	Yangjiang	
	Taishan	
	Lufeng	
	Huizhou	
Guangxi	Fangcheng gang	
Fujian	Ningde	
Liaoning	Hongyanhe	
Zhejiang	Cangnan	

Unit in operation with an installed capacity of 1000MW

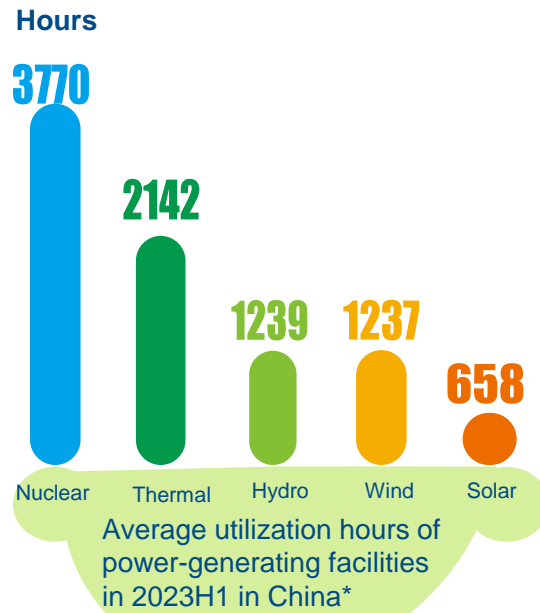
Unit in operation with an installed capacity of 1750MW

Unit under construction with an installed capacity of 1000MW

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 June 30, 2023.

Unique Advantages of Nuclear Power




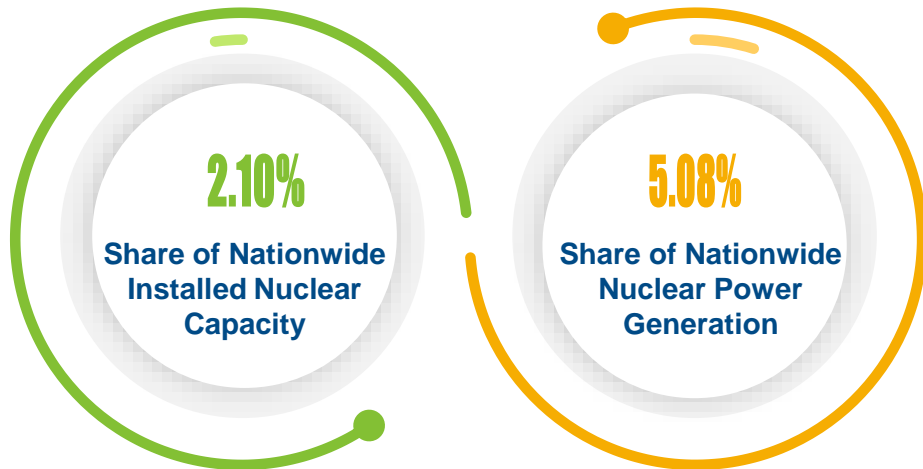
*: Statistics from the National Power Industry Statistics Overview of 2023 June published by the CEC

National policies to support nuclear power development



*: Statistics from the National Power Industry Statistics Overview of 2023 June published by the CEC, excluding Taiwan.

Share of nationwide nuclear power generation and installed capacity in 2023H1*



Chinese and global energy industry is shifting towards green and low-carbon development. China strives to achieve carbon dioxide emissions peaking before 2030 and carbon neutrality before 2060. Nuclear power development presents broad prospects.

*: Statistics from the National Power Industry Statistics Overview of 2023 June published by the CEC, excluding Taiwan.

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 “standardization, centralization and specialization” (SCS) 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 good development momentum
- Actively developing and mastering nuclear power technologies to maintain sustainable development of the company
- 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

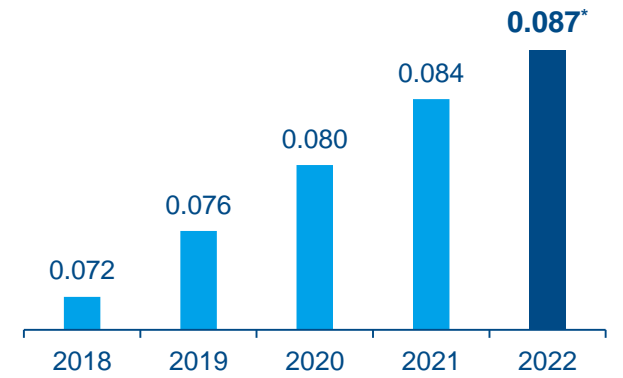
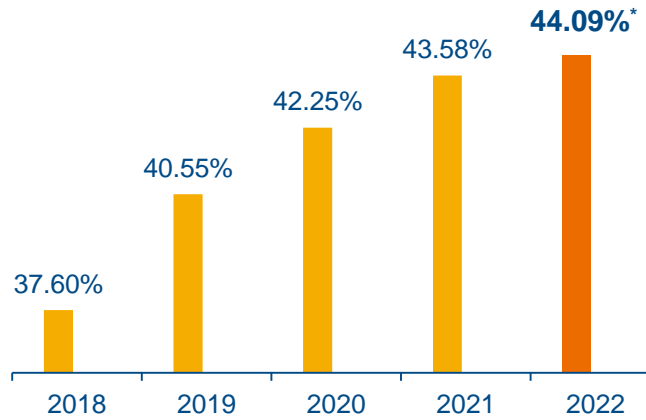
On the preconditions that there are no significant changes and approval is obtained from AGM of the relevant fiscal year, the Company aims to achieve a moderate increase in the annual dividend ratio from 2021-2025 based on the dividend ratio in 2020 (42.25%).

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

Dividend RMB/share

Cumulative dividend payout since IPO

27.22 Billion RMB



*: Dividend of 2022 has been distributed on July 7th 2023.

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Part II Key Stats of 2023H1



Key Stats of 2023H1



01	On-grid power generation	• 105,918 Gwh (subsidiaries and associates)	+14.09%
		• 82,166 Gwh (subsidiaries)	+10.27%
02	Revenue	• RMB 39,276M	+7.25%
03	Net Profit Attributable to Shareholders of the Parent Company	• RMB 6,959M	+17.91%
04	Net Profit Attributable to Shareholders of the Parent Company (Excluding Non-Recurring Gains or Losses)	• RMB 6,952M	+21.50%

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Part III Business Performance



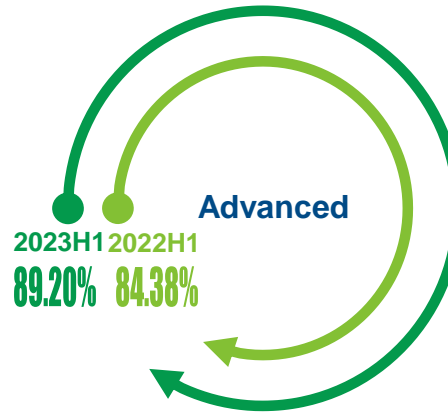
Nuclear safety is the cornerstone of the company's survival and development



Management on-site



The ratio of WANO¹ indicators achieving the world's advanced level and excellent level remained leading among industry peers²



Achieving the world's top 1/4 level



Achieving the world's top 1/10 level

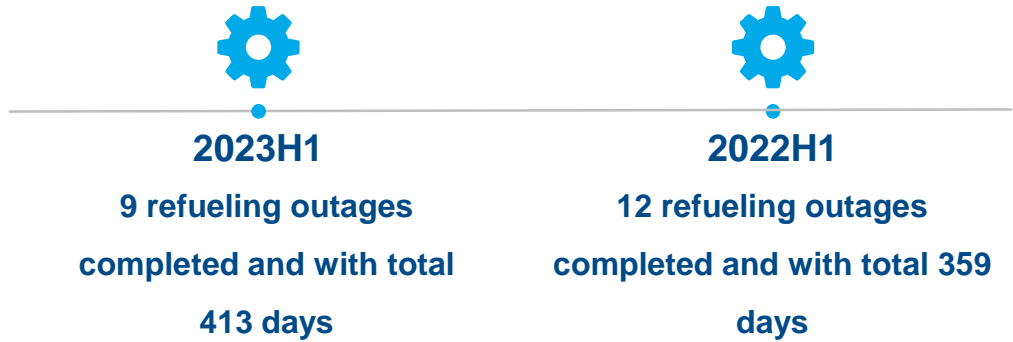
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No International Nuclear Event Scale(INSE) incidents at level 2 or above occurred.

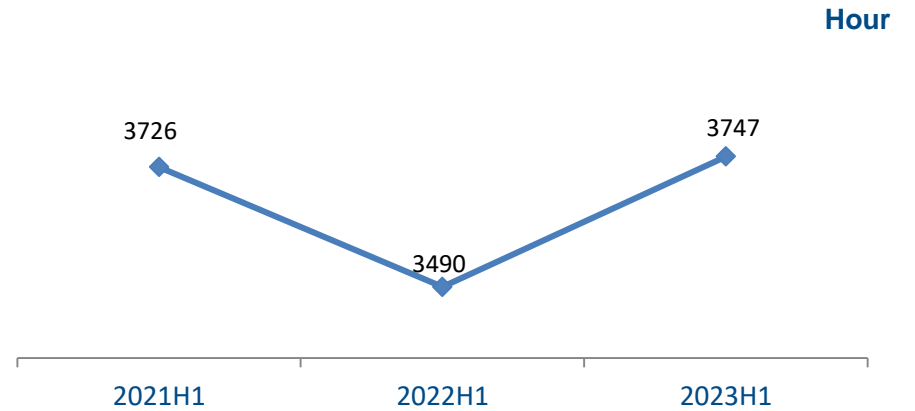
Note1:WANO-World Association of Nuclear Operators, WANO organizations, through their members, use them to formulate internationally common performance indicators for unified management and coordination, which is conducive to strengthening the exchange of nuclear power technology, experience and accident information to continuously improve the safety and reliability of NPPs in the world.

Note 2:The statistics of 2023H1 include 27 units. The statistics of 2022H1 include 24 units.

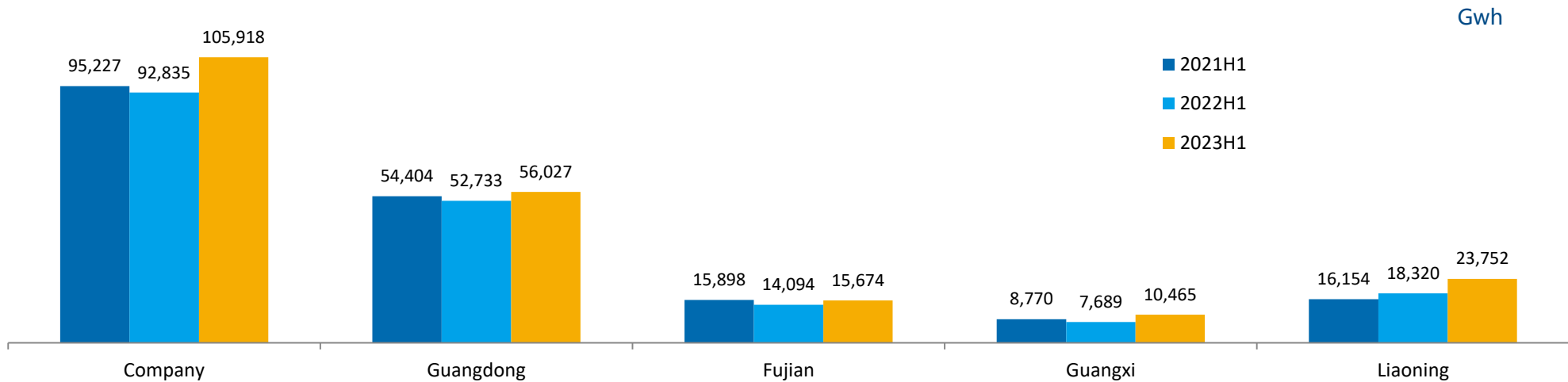
Refueling Outages



Average Utilization Hours



On-grid Power Generation in Total and by Region





In 2023H1, a total annual on-grid power generation of 105,918 GWh, equivalent to **0.24 million hectares** of forest



Standard Coal Consumption Reduction



approximately 31.75 million tons



SO₂ Emission Reduction

approximately 8800 tons



CO₂ Emission Reduction

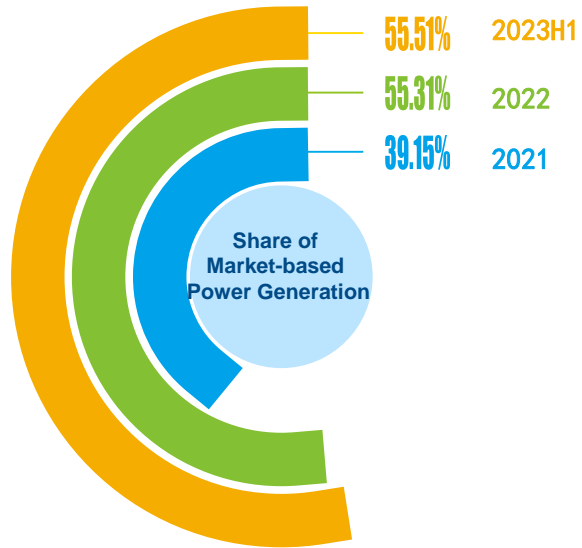
Approximately 87.28 million tons



Oxynitride Emission Reduction

approximately 14,100 tons





Guang dong

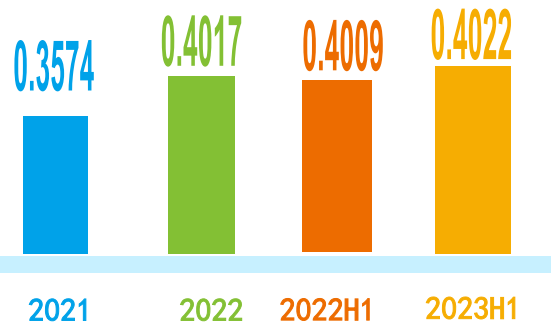
- ◆ 10 units in the Ling'ao, Lingdong and Yangjiang bases have participated in the market transaction
- ◆ Market-based power generation was 18.88 billion kwh, accounting for 38%
- ◆ Average market-based power tariff (tax inclusive) was 0.4070 RMB/kwh

Guangxi

- ◆ Fangchenggang Unit 1-3 have all participated in the market transaction
- ◆ Market-based power generation was 10.28 billion kwh, accounting for 98.3%
- ◆ Average market-based power tariff (tax inclusive) was 0.4237 RMB/kwh

Average Market-based Power Tariff (Tax Inclusive)

RMB/kwh









Fujian

- ◆ Ningde Unit 1-4 have all participated in the market transaction
- ◆ Market-based power generation was 15.67 billion kwh, accounting for 100%
- ◆ Average market-based power tariff (tax inclusive) was 0.4015 RMB/kwh

Liaoning

- ◆ Hongyanhe Unit 1-4 have participated in the market transaction
- ◆ Market-based power generation was 13.96 billion kwh, accounting for 59%
- ◆ Average market-based power tariff (tax inclusive) was 0.3805 RMB/kwh

Units	Civil Construction	Equipment Installation	Commissioning	Grid Connection	Expected COD
<u>Fangchenggang Nuclear</u>					
Unit 4					2024H1
<u>Lufeng Nuclear</u>					
Unit 5					2027
<u>Huizhou Nuclear*</u>					
Unit 1					2025
Unit 2					2026
<u>Cangnan Nuclear*</u>					
Unit 1					2026
Unit 2					2027

Approved units preparing for FCD: Lufeng Unit 6, Ningde Unit 5 and Unit 6

Progress as of June 30, 2023.

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.

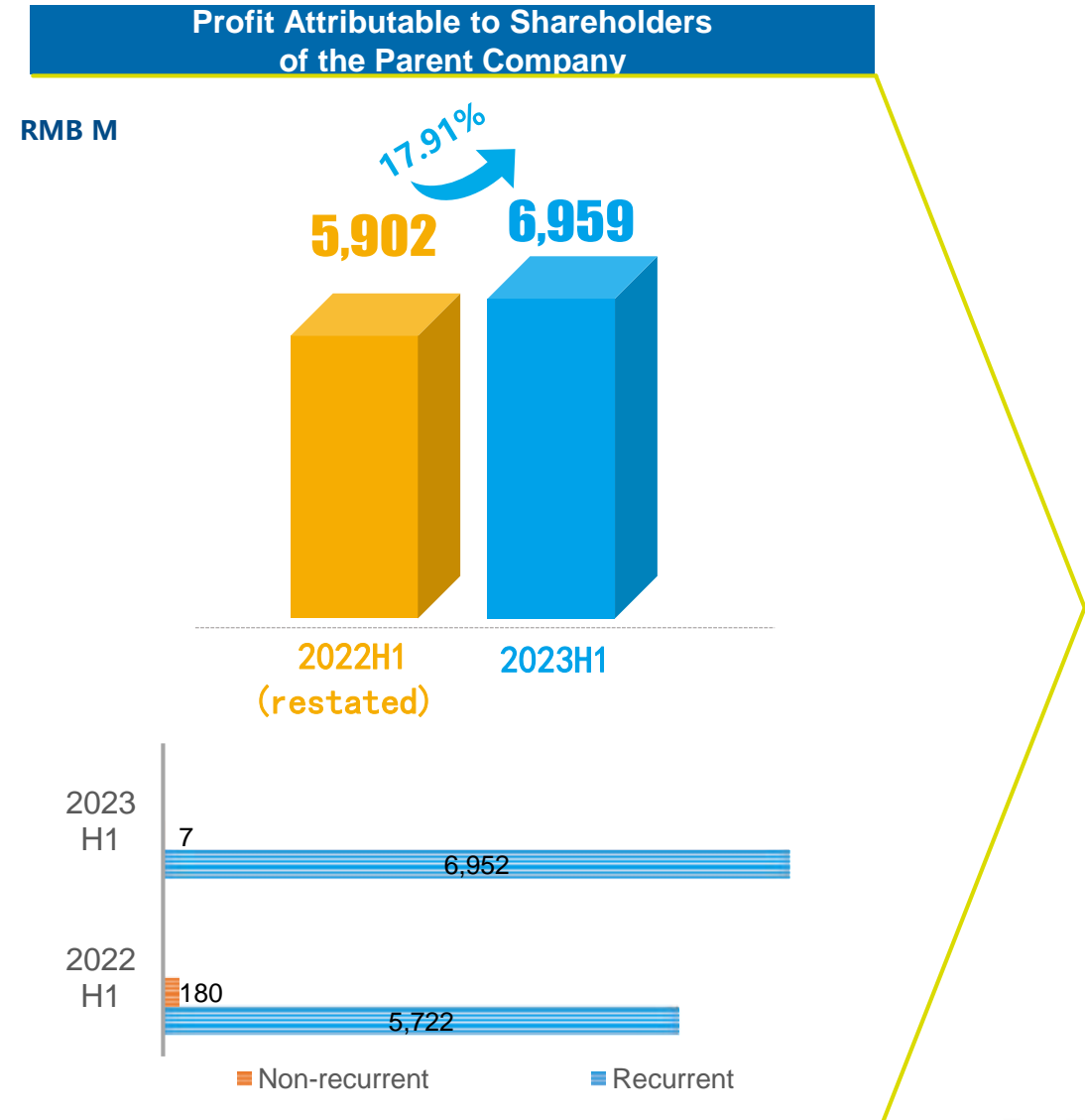
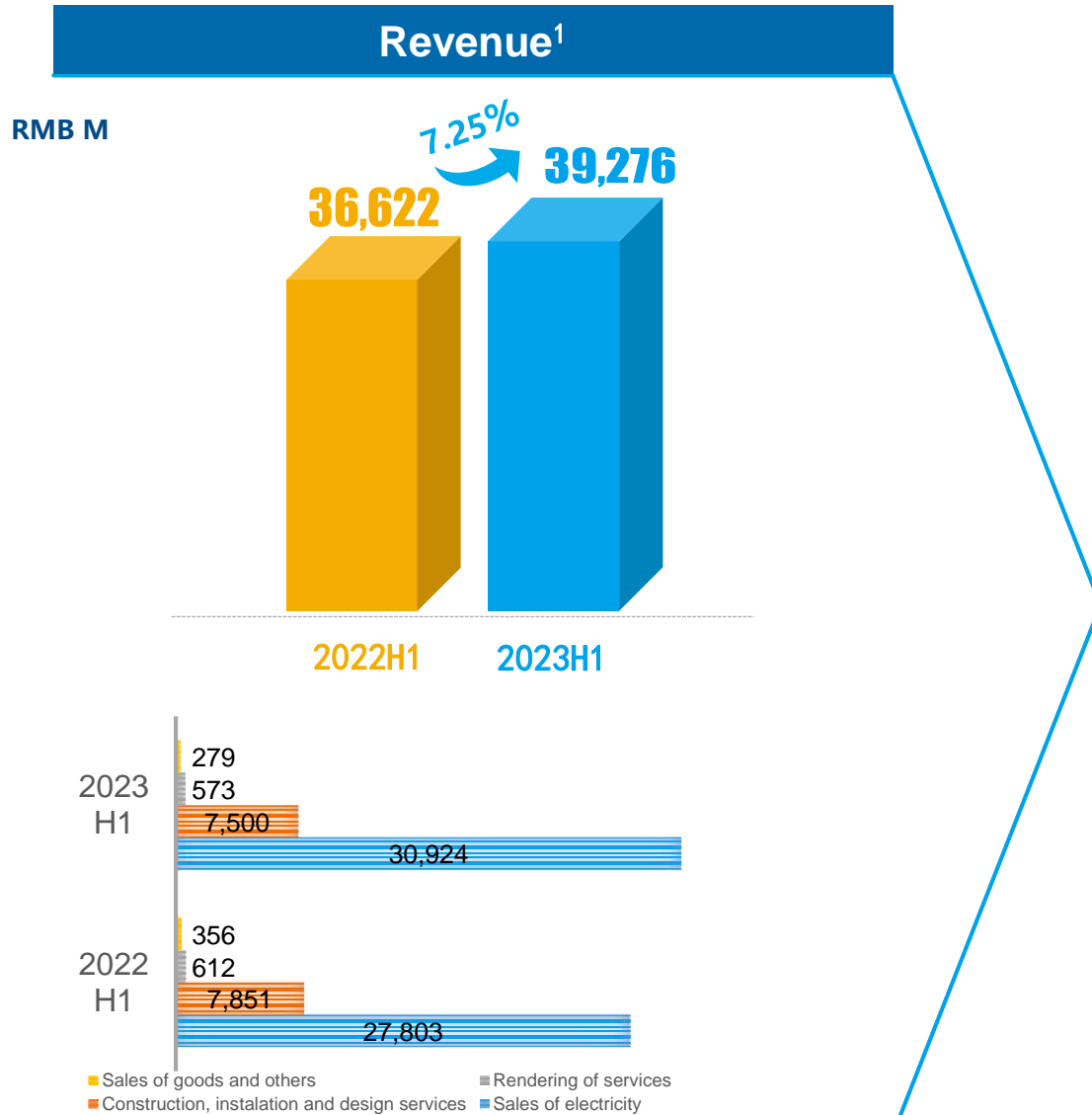
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Part IV Financial Performance

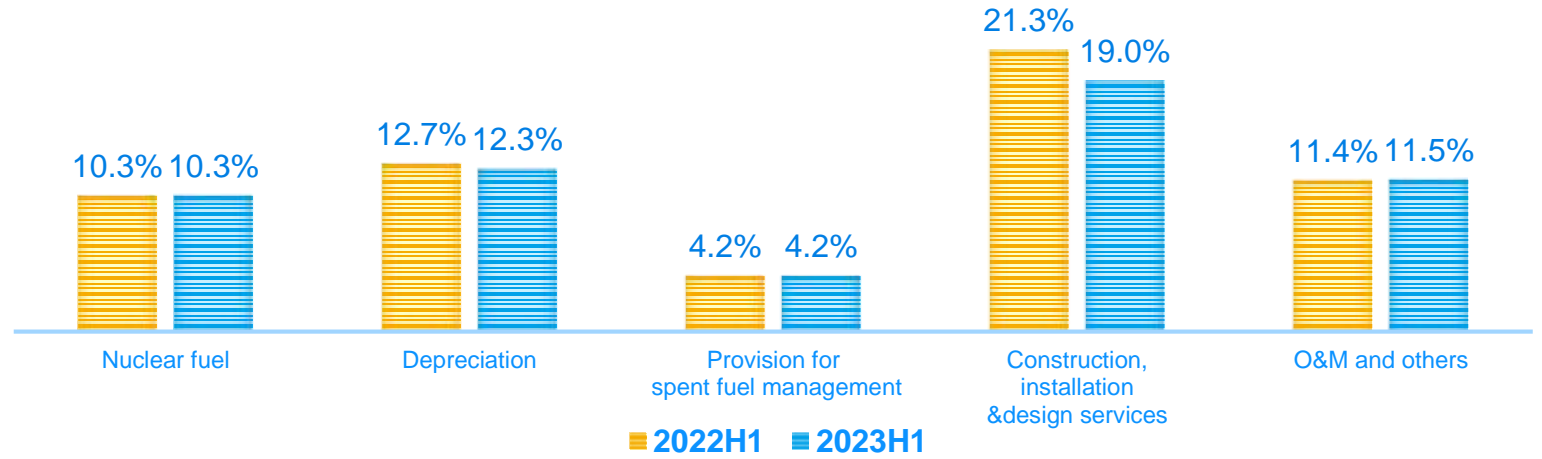
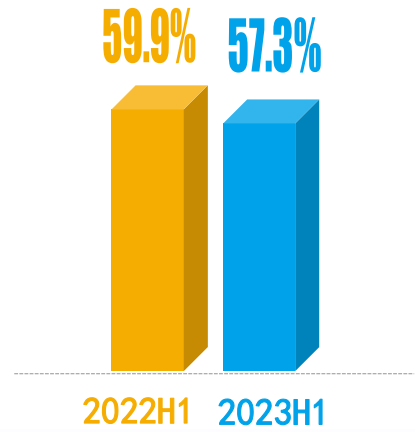




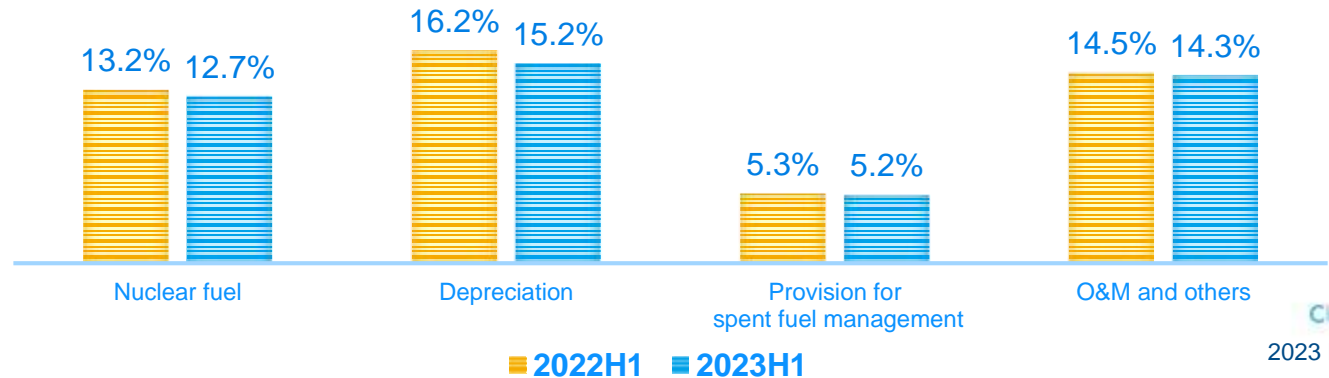
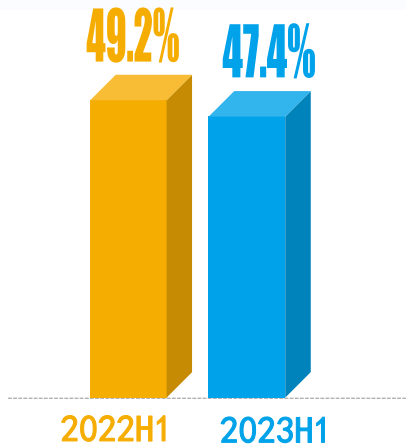
Note 1: Hongyanhe Nuclear is not included in the consolidated financial statements, therefore the revenue of Hongyanhe Nuclear is not included in the Company's revenue. Revenue from sales of electricity includes revenue generated by units in trial operation.

Note 2: Some of the statistics in 2022H1 were restated because of the implementation of the Interpretation No.16 of Accounting Standards for Business Enterprises.

Cost as % of Revenue

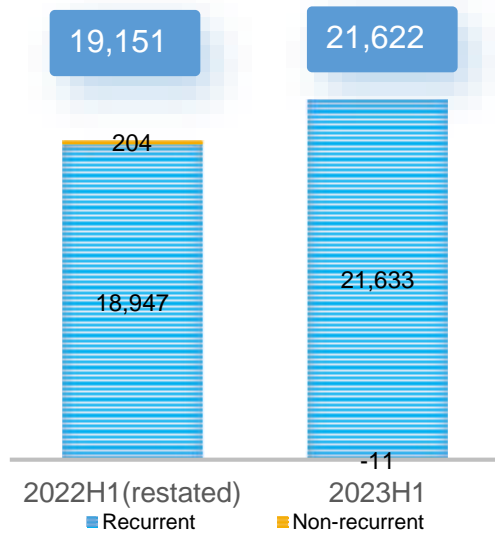


Cost as % of Revenue
(Excluding Construction, Installation and Design Services)

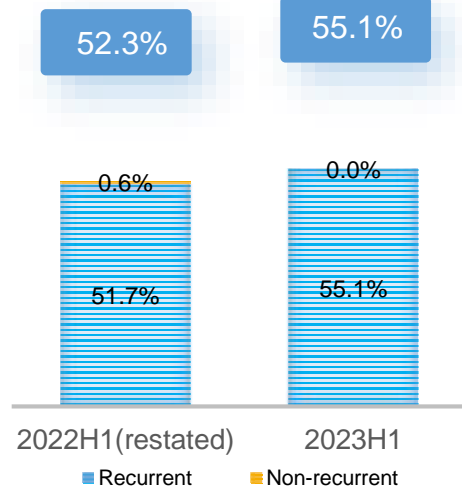


EBITDA¹

RMB M

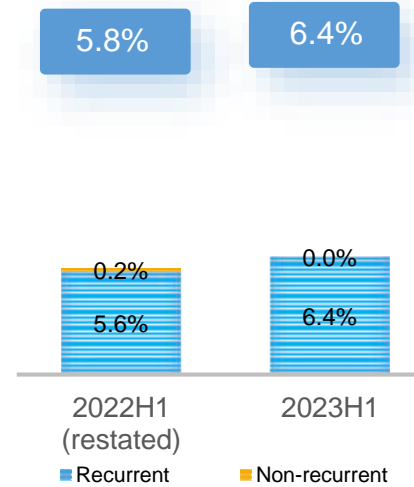


EBITDA Margin²

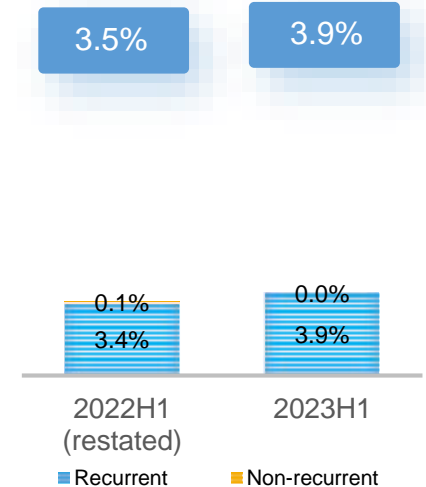


ROE³

Excluding Non-controlling Interests

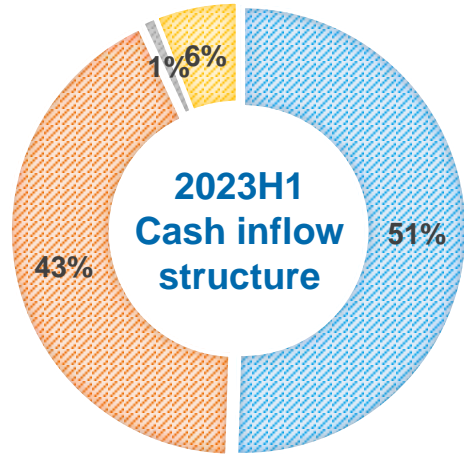


ROA⁴

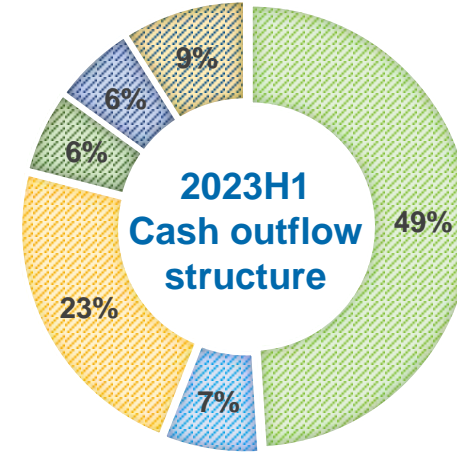


Note 1: EBITDA=Total profit + Interest expenses recognized in profit or loss + Depreciation and amortization
 Note 2: EBITDA margin= EBITDA/Revenue * 100%
 Note 3: ROE(Excluding non-controlling interests)= Net profit attributable to shareholders of the parent company/Average equity attributable to shareholders of the parent company (the arithmetic mean of the opening and closing balances) * 100%

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



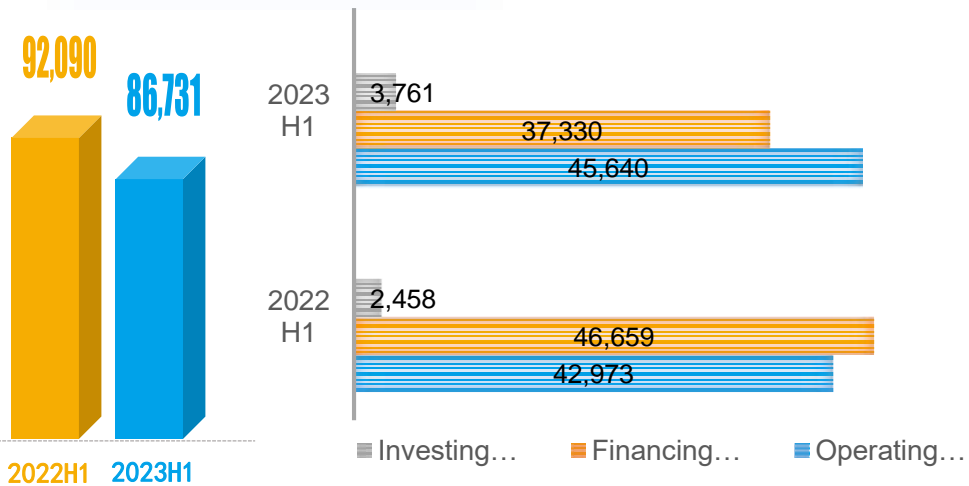
- Sales of electricity & construction, installation and design services
- Cash received from loans
- Tax refund
- Others



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

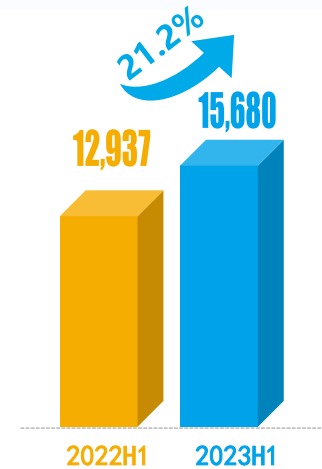
Cash inflow in 2023H1

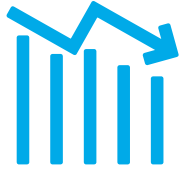
RMB M



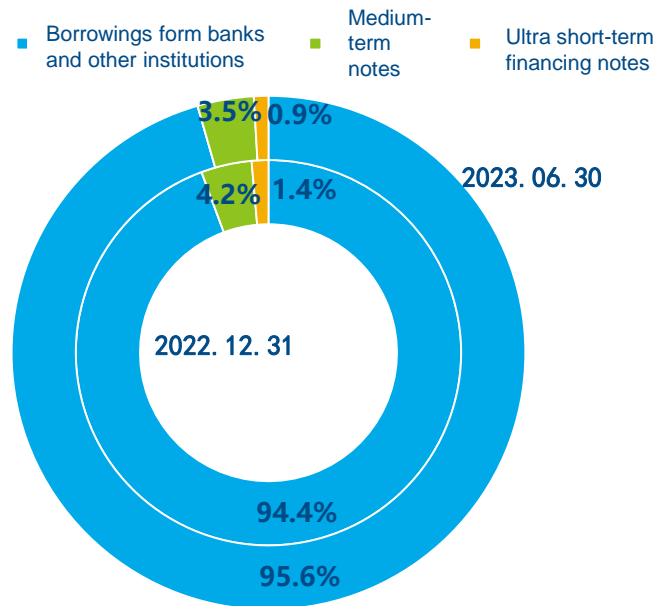
Net Operating Cash Flow in 2023H1

RMB M

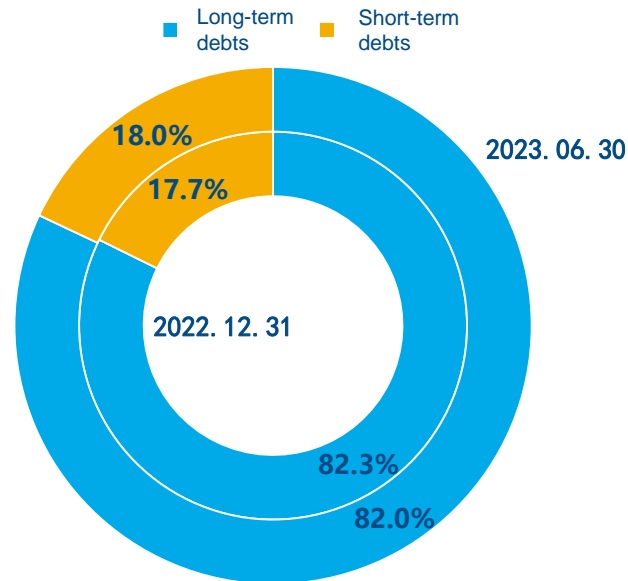




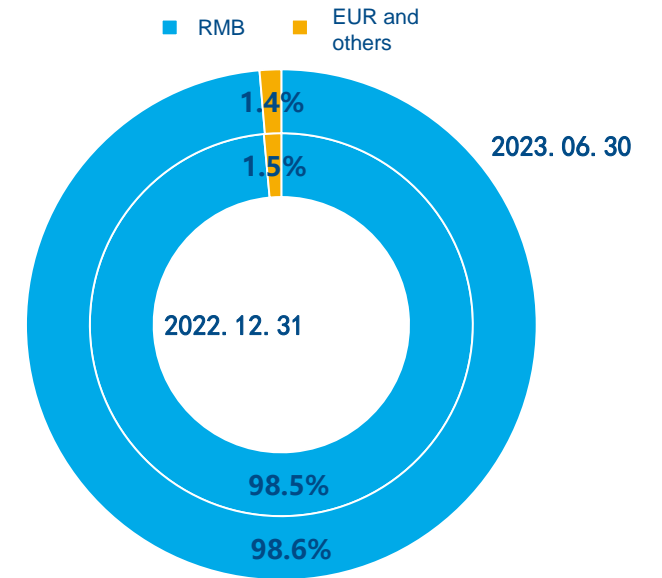
In 2023H1, the Company continued to strengthen communication with cooperative banks and leverage good timing of credit financing, so as to ensure funding needs and replace maturing debts through bank loans with better interest rates, thereby effectively reducing financing costs. Average financing costs in 2023H1 fell by about 46BP from 2022.



Debts are mainly from bank borrowings

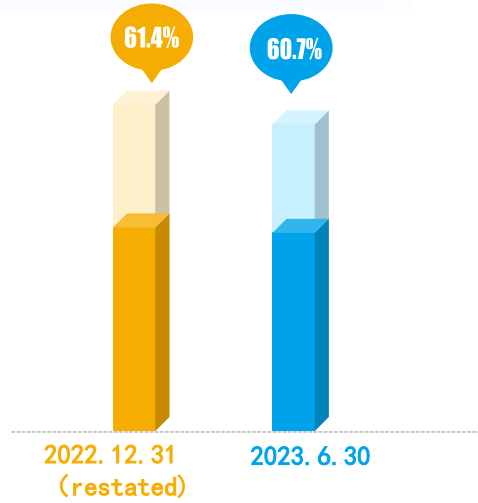


Long-term debt predominates

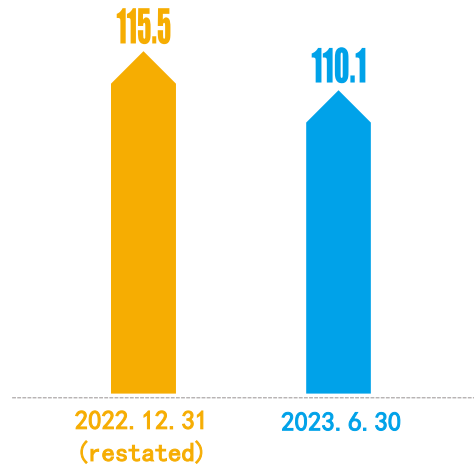


RMB debt predominates

Asset-Liability Ratio %¹

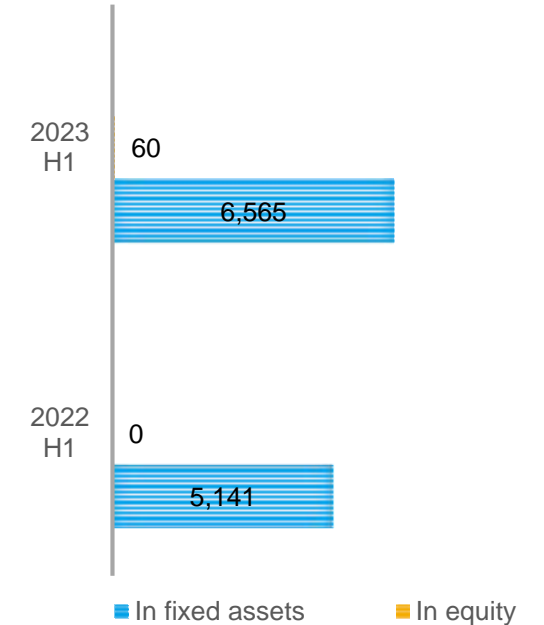
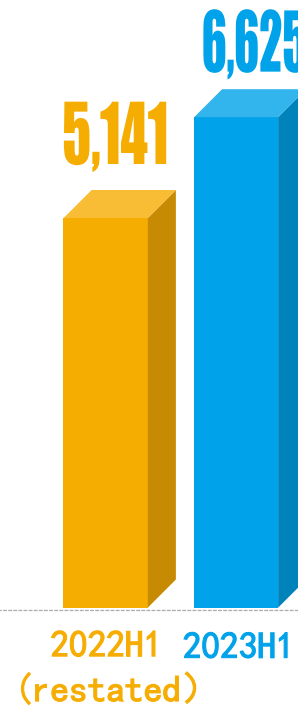


Debt to Equity Ratio %²

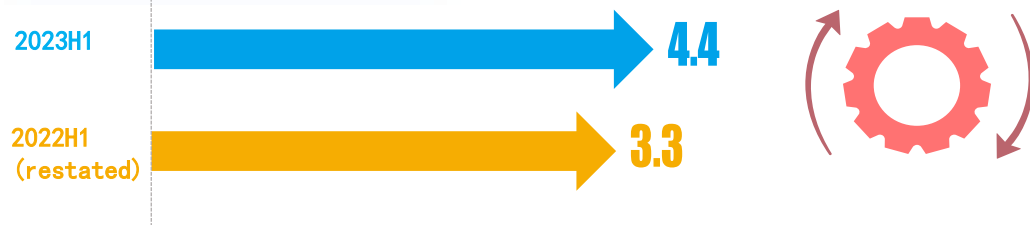


Capital Expenditure³

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)

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Part V Future Outlook



Safety First
Quality Foremost
Pursuit of Excellence

Main tasks in 2023H2



01

To further develop safety system and ensure absolute nuclear safety



03

To maintain safe and stable operation of in-service units and conduct 10 new refueling outages



05

To accelerate the development of sources of original technologies and strengthen transformation of research results



07

To follow changes in policies and financial environment and ensure stable development



02

To push forward construction, FCD preparation of approved units and approval of new units



04

To work towards achieving an average utilization hour in 2023 for not less than the average of the last three years via targeted marketing



06

To strengthen implementation of SCS strategy and lean management

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Thank you!

