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中国广核电力股份有限公司  
CGN Power Co., Ltd.

01816. HK  
003816. SZ

# 2023 Annual Results



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# Part I Development Strategy







## 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).



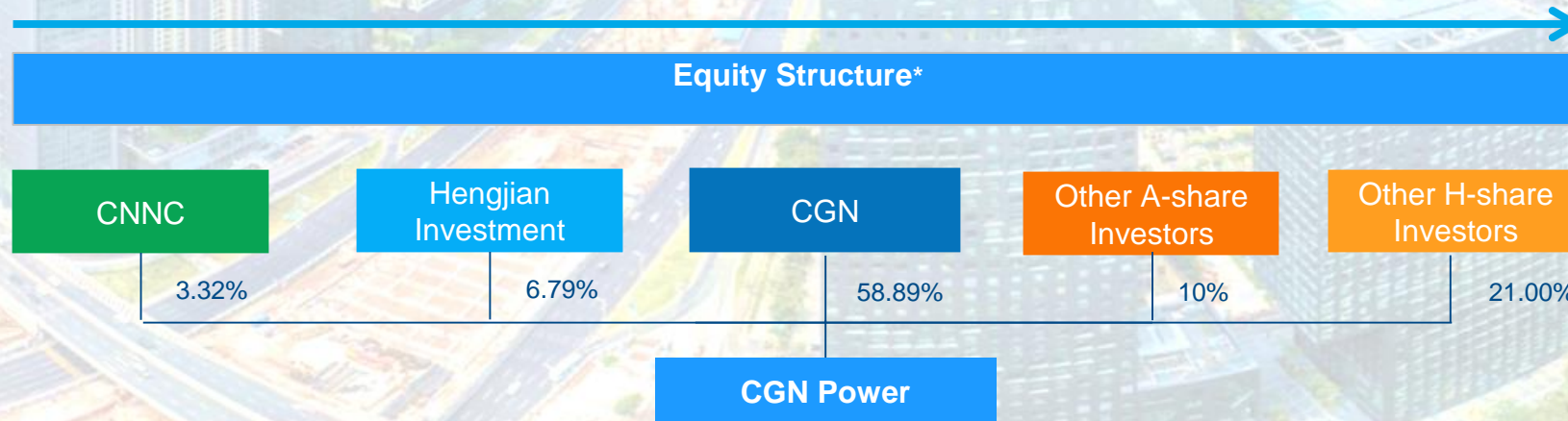
Incorporated on  
March 25, 2014



H-share IPO on  
December 10, 2014



A-share IPO on  
August 26, 2019



\*: As of December 31, 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**

**53.60%**

### Units under construction<sup>1</sup>

**11 Units**

**Share of installed capacity**

**30.29%**

- **Total installed capacity: 43.814 GW**
- **Share of total installed capacity of nuclear power in China: 43.48%<sup>2</sup>**

### 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

 Approved unit preparing for FCD with an installed capacity of 1000MW

Note 1: Units under construction include approved units preparing for FCD, as well as Huizhou Unit 1-4 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 December 31, 2023.

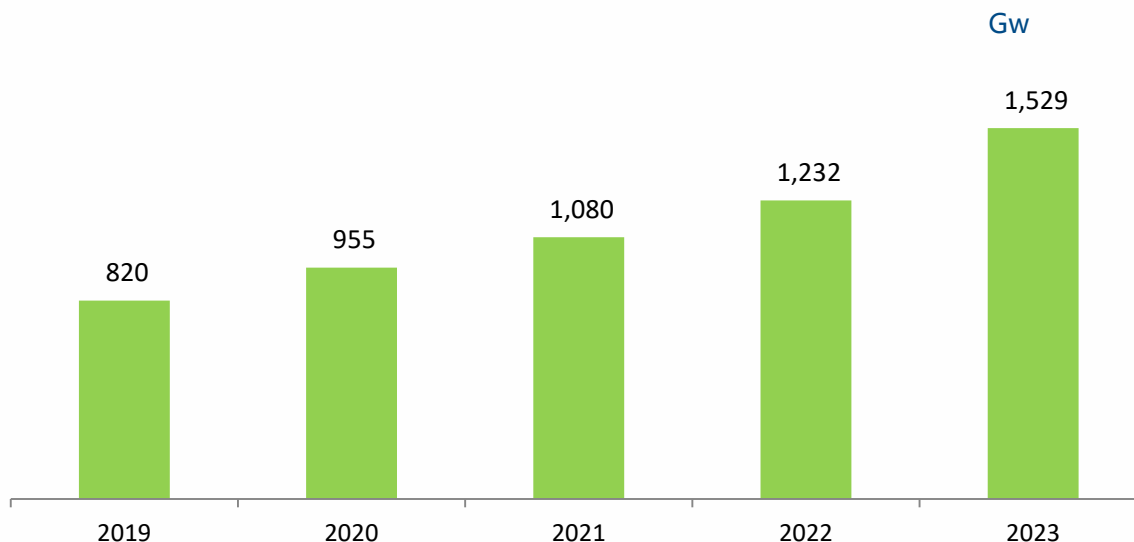
## Key Stats of 2023



01	On-grid power generation	• 214,146 Gwh (subsidiaries and associates)	+7.95%
		• 167,072 Gwh (subsidiaries)	+6.78%
02	Revenue	• RMB 82,549M	-0.33%
03	Net Profit Attributable to Shareholders of the Parent Company	• RMB 10,725M	+7.64%(Restated)
04	Net Profit Attributable to Shareholders of the Parent Company (Excluding Non-Recurring Gains or Losses)	• RMB 10,613M	+8.64%(Restated)

# Trend towards Clean Electricity

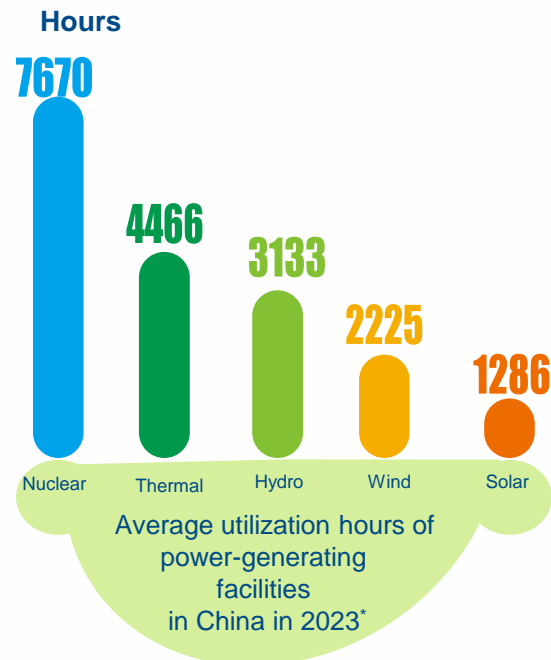
Nationwide installed capacity of clean energy from 2019-2023



Based on the supply and demand of electricity, and guided by market demand, the use of electricity to replace other energy sources should be expanded in both breadth and depth, and promoted in a sound and orderly manner. Further electrification should be pushed in key areas such as industry, construction and transportation.

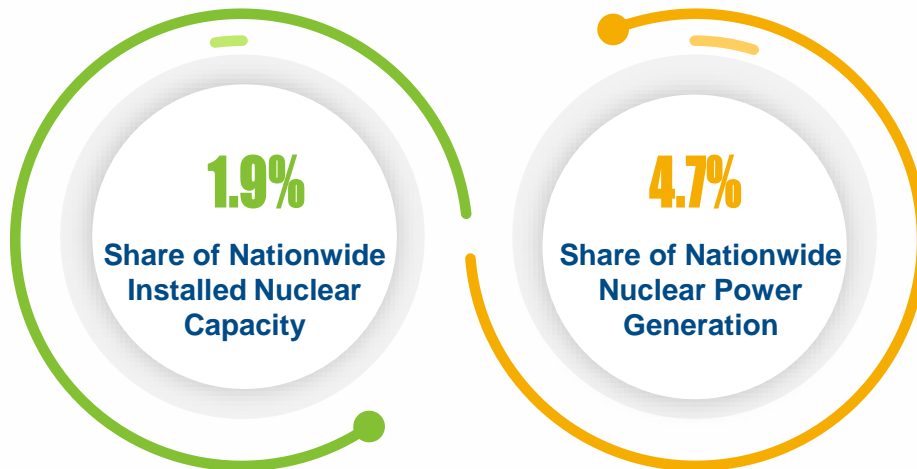



## Unique Advantages of Nuclear Power



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

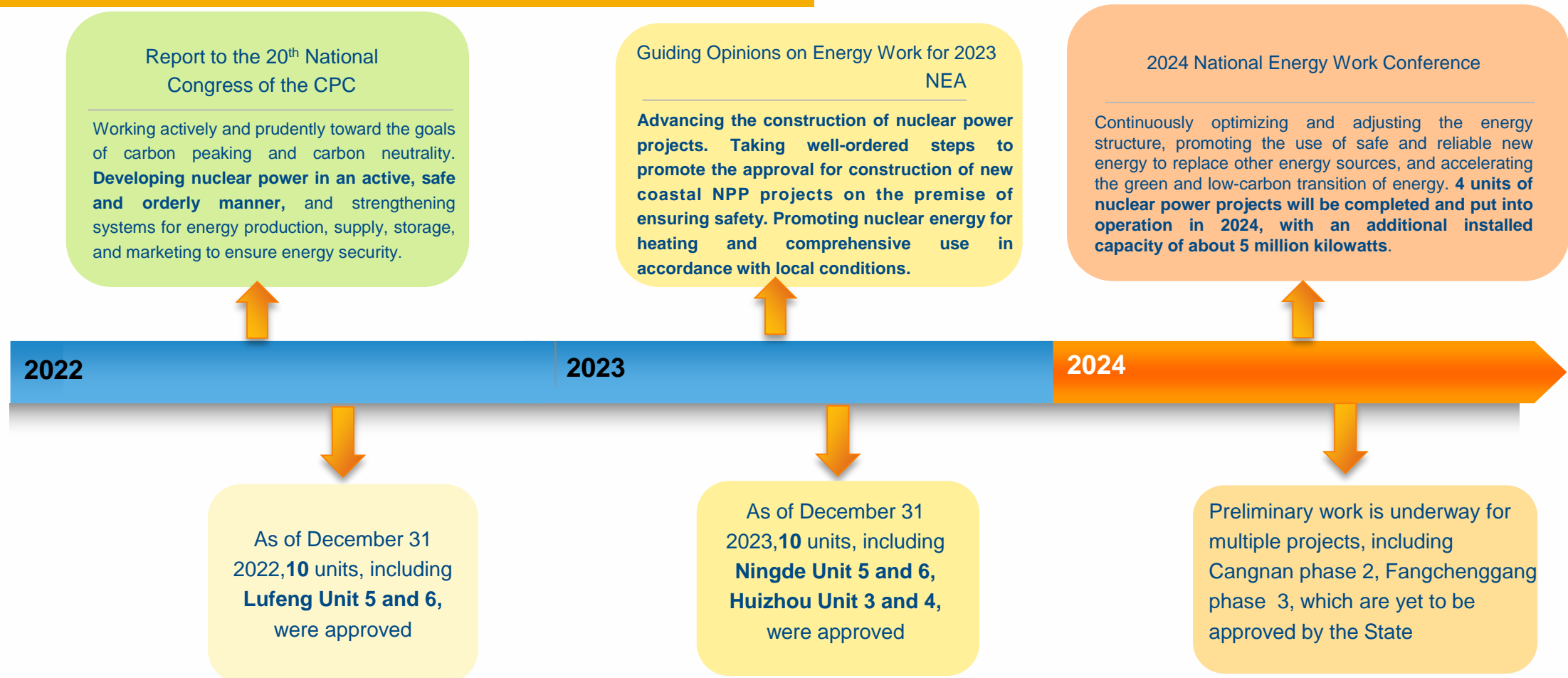
Share of nationwide nuclear power generation and installed capacity from 2023 January to December\*

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 2023 National Power Industry Statistics Overview published by the CEC, excluding Taiwan.

## National policies to support nuclear power development







## 14<sup>th</sup> Five-Year

- ✓ Focusing on the five first-class goals in respect of safety, quality and environmental protection, project construction, technology innovation, operational efficiency, and corporate management;
- ✓ Hongyanhe Unit 5&6 and Fangchenggang unit 3 have been put into operation. We will push forward the high quality commercial operation of Fangchenggang Unit 4 and Huizhou Unit 1 as planned;
- ✓ Striving to commence the construction of 2 to 3 new units every year.



## By 2035

- ✓ Becoming a world-class nuclear power company with global competitiveness;
- ✓ Achieving significant enhancement in the comprehensive competitiveness of the industry, ranking first in terms of the total installed nuclear power capacity in operation and under construction in the world, with world-class performance of safe operation ;
- ✓ Influential as a well-known brand;
- ✓ Achieving greater self-reliance and strength in science and technology;
- ✓ Becoming a benchmark for building a modern enterprise system with Chinese characteristics.

## Mission

Developing nuclear energy to benefit mankind

- 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

## Vision

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

- 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 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.



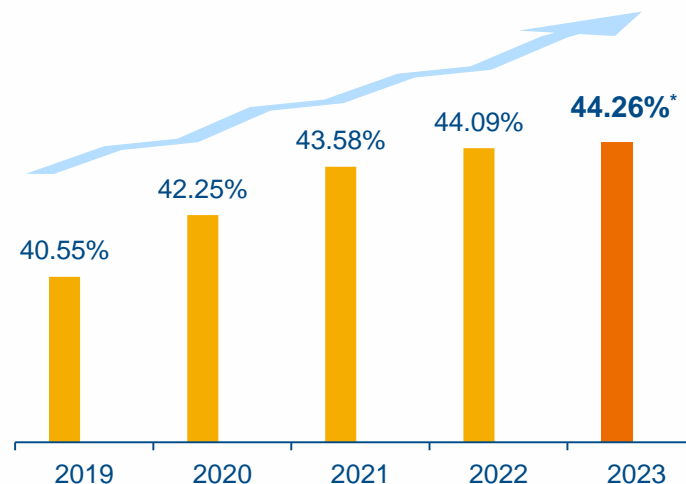
## Dividend Distribution Plan for 2021-2025

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%).

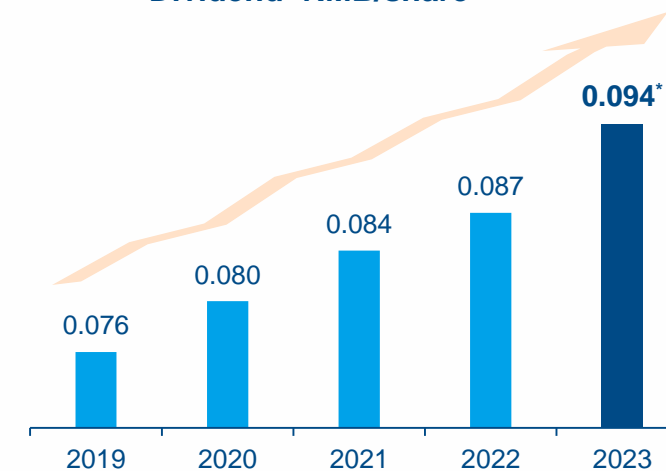
### Cumulative dividend payout since IPO

**27.217** Billion RMB

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



**Dividend RMB/share**



\*: Dividend of 2023 is subject to approval by 2023 AGM and is expected to be distributed in July 2024.



# Part II Business Review and Future Outlook



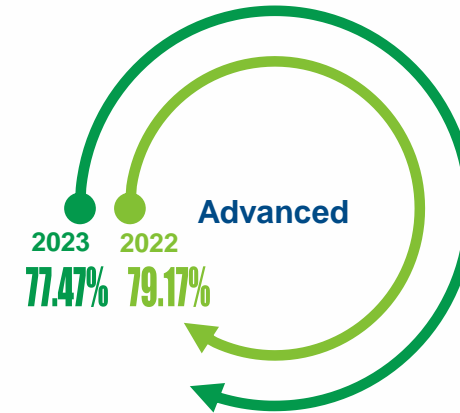


Nuclear safety is the cornerstone of the company's survival and development

Senior management  
on site for four  
consecutive years



The ratio of WANO<sup>1</sup> indicators achieving the world's advanced and excellent level remained leading among peers<sup>2</sup>



Achieving the world's top 1/4 level



Achieving the world's top 1/10 level

30 years

Daya Bay NPP has been operating  
safely for over 30 years<sup>3</sup>

99%

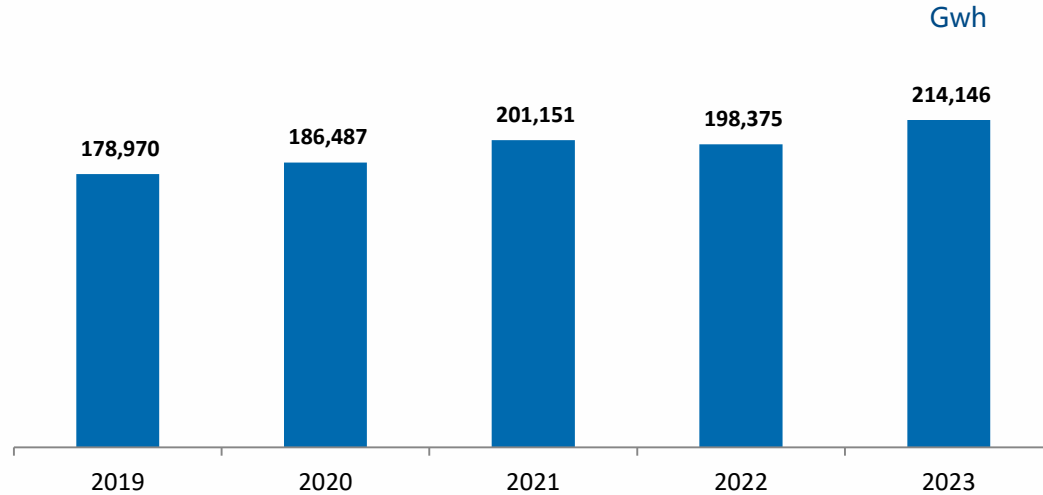
Over 99% annual completion rate of  
problem/hazard rectification as per  
plan

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.

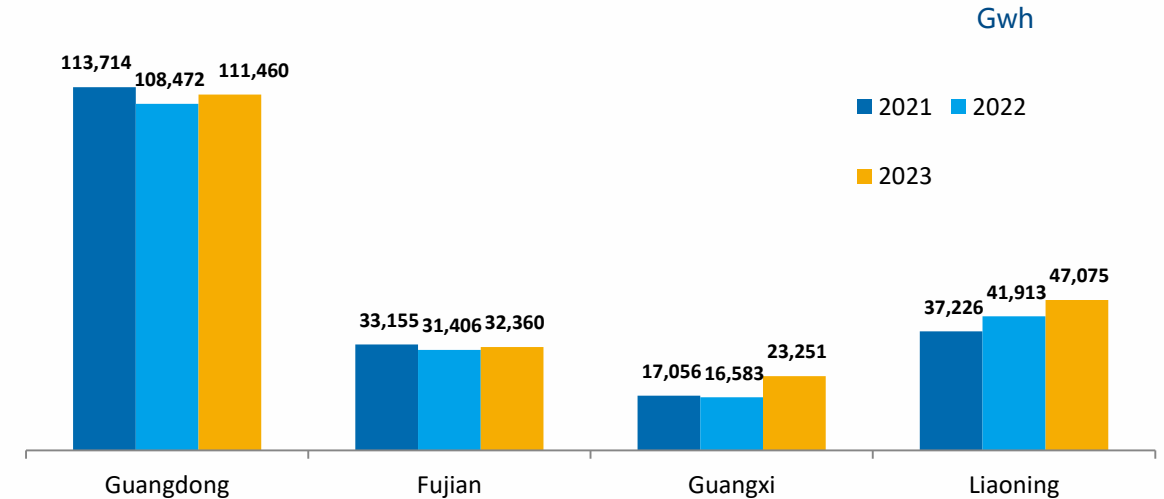
Note 2: The statistics of 2023 include 27 units. The statistics of 2022 include 26 units.

Note 3: Daya Bay Unit 1 was put into operation on 1<sup>st</sup> February, 1994.

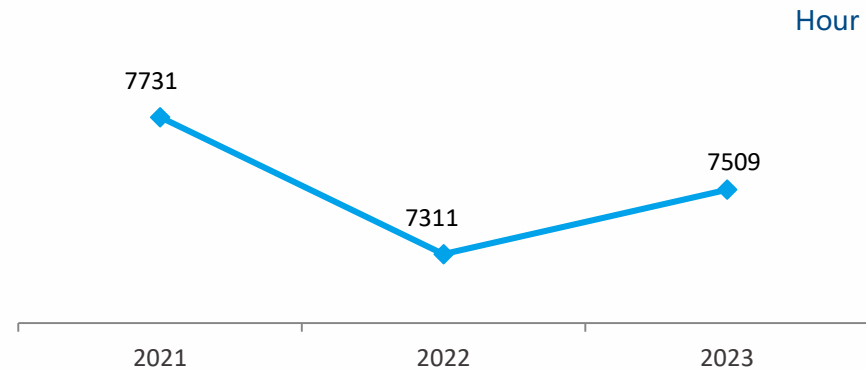
## 2019-2023 Total On-grid Power Generation



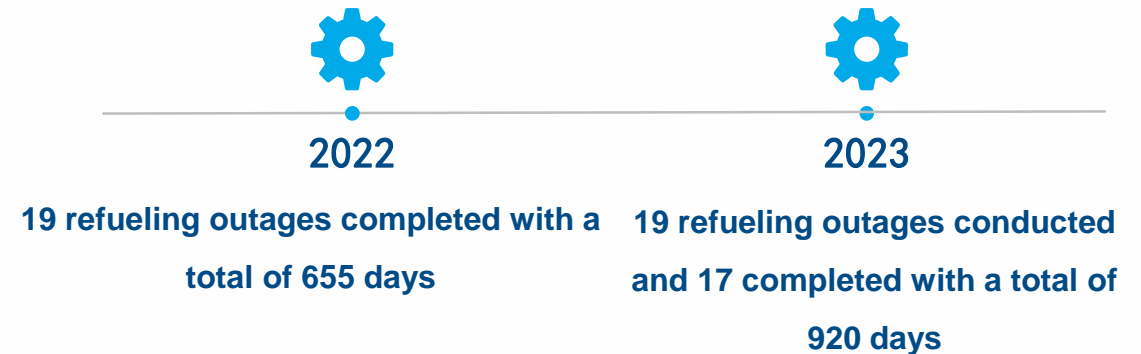
## On-grid Power Generation by Region



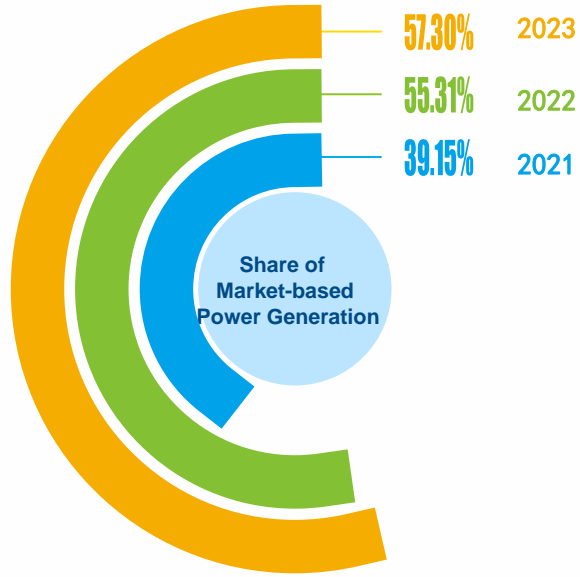
## Average Utilization Hours



## Refueling Outages



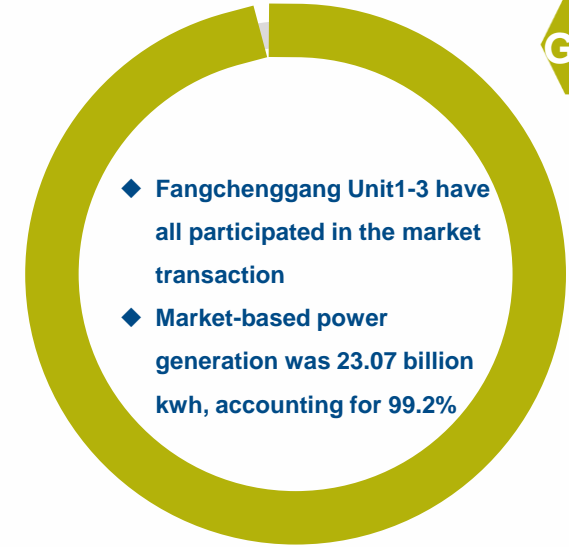




Guangdong

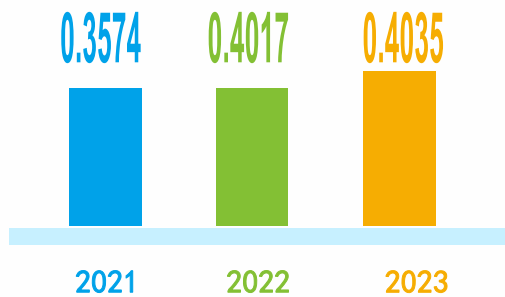


Guangxi

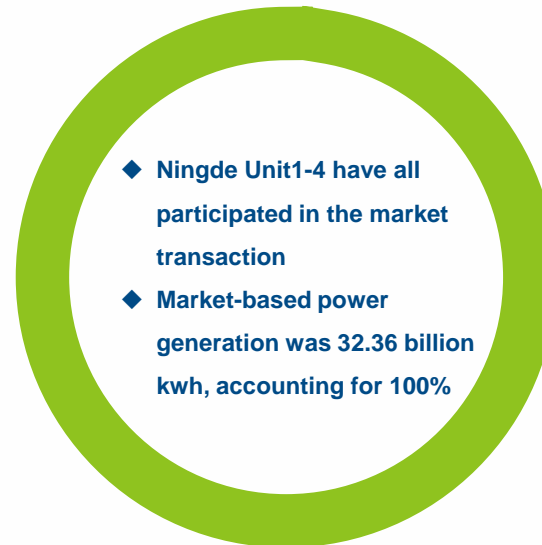


### Average Market-based Power Tariff (Tax Inclusive)

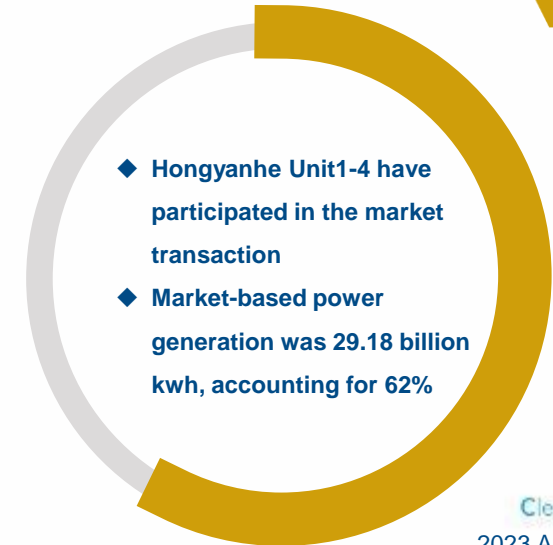
RMB/kwh














Fujian



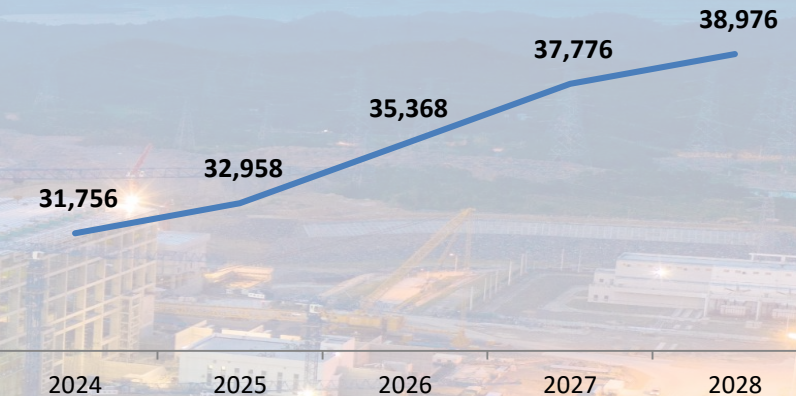
Liaoning



Units	FCD Preparation	Civil Construction	Equipment Installation	Commissioning	Grid Connection	Expected COD
<u>Fangchenggang Nuclear</u>						
Unit 4						2024H1
<u>Lufeng Nuclear</u>						
Unit 5						2027
Unit 6						2028
<u>Ningde Nuclear</u>						
Unit 5						—
Unit 6						—
<u>Huizhou Nuclear<sup>1</sup></u>						
Unit 1						2025
Unit 2						2026
Unit 3						—
Unit 4						—
<u>Cangnan Nuclear<sup>1</sup></u>						
Unit 1						2026
Unit 2						2027

**Expected installed capacity in operation managed by the Company in the next five years<sup>2</sup>**

Mw



FCD Preparation phase: refers to the process from the project approval to FCD

Civil construction phase: refers to the process from the 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.

Construction Progress as of December 31, 2023

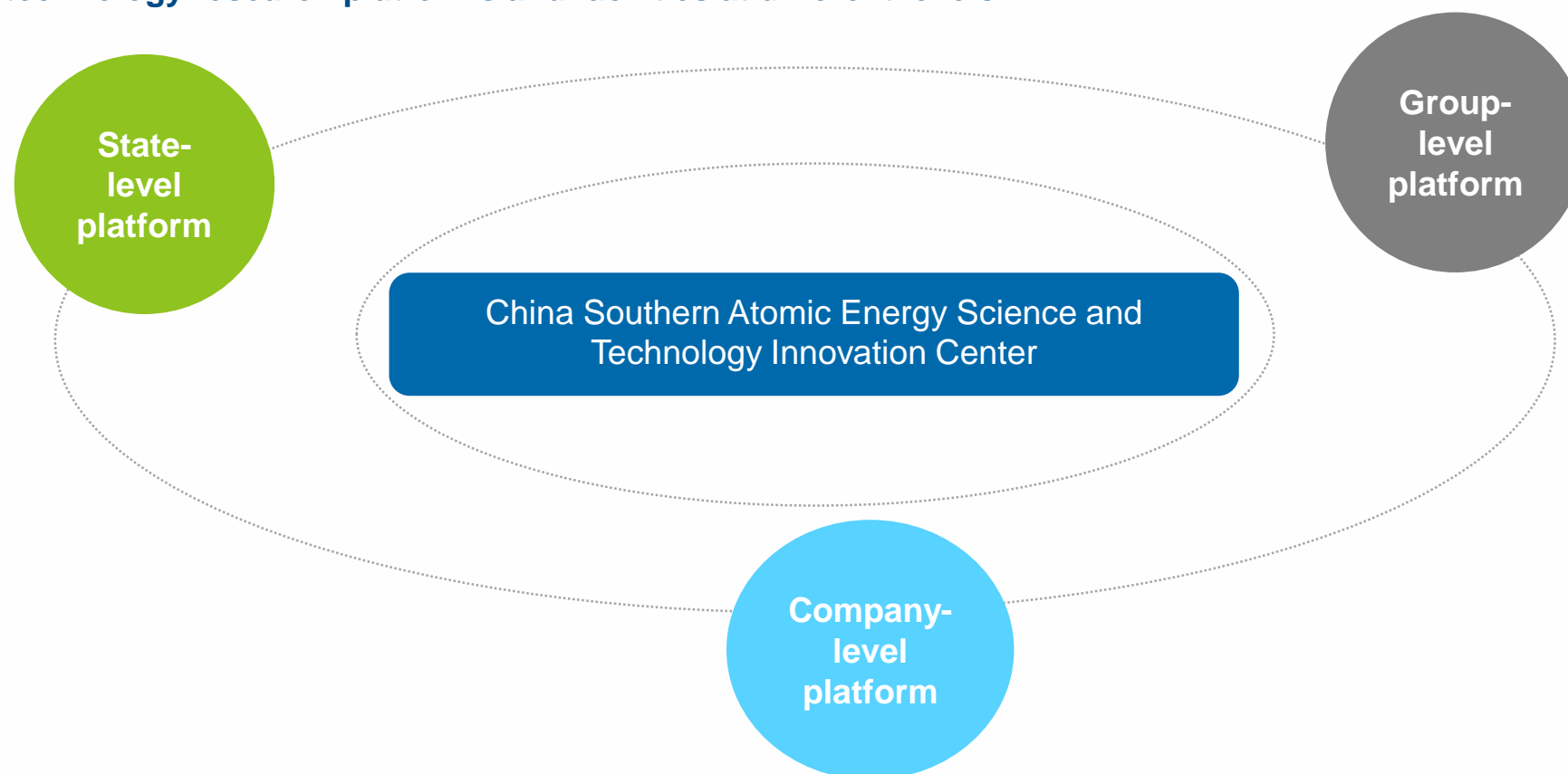
1: Huizhou Unit 1-4 and Cangnan Unit 1, Unit 2 are units under construction managed by the Company as entrusted by the controlling shareholder.

2: Installed capacity in operation managed by the Company in the future will consist of units entrusted by the controlling shareholder for management.



## Technology R&D

Leveraging the geographical advantages, and combining the national regional development strategy and the Group's technological innovation needs, we have established an overall plan with the Southern Center as the core and the integrated operation of technology research platforms and facilities at different levels.





# Technology Innovation Platform



## State key laboratory

- State Key Laboratory of Nuclear Power Safety Technology and Equipment

## State-level engineering and technology research center

- State Nuclear Power Plant Safety and Reliability Engineering Technology Research Center



## Intellectual property

- 1668 patents applied
- 1 China Patent Gold Award, 4 China Patent Excellence Awards



## Five state-level energy R&D centers

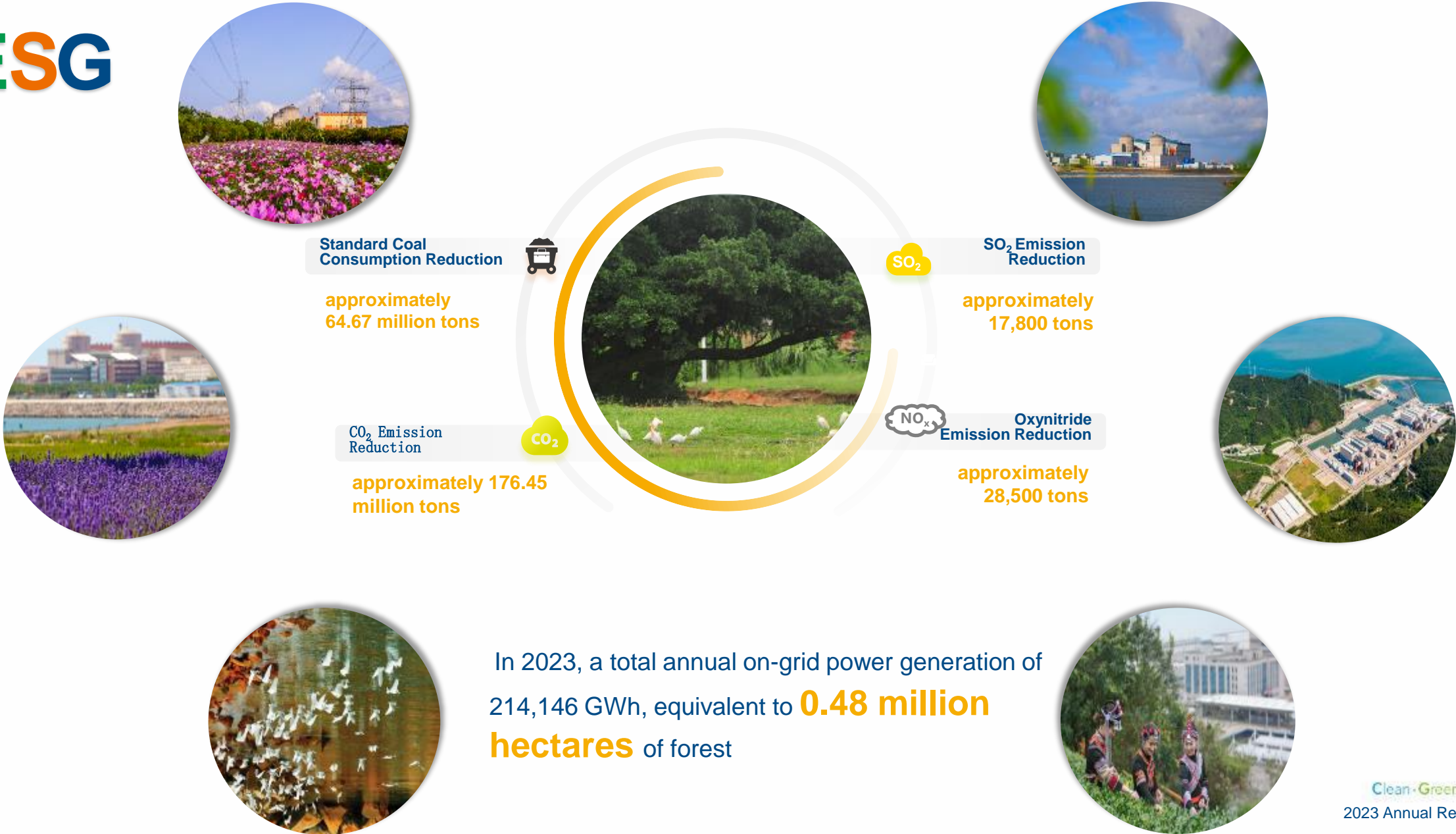
- State Energy Nuclear-grade Equipment R&D Center
- State Energy NPP Digital Instrumentation and Control System R&D Center
- State Energy Nuclear Power Engineering & Construction Technology R & D (Experiment) Center
- State Energy Nuclear Power Operation and Life-cycle Management Technology R&D Center
- State Energy Ocean Nuclear Power Platform Technology R&D Center



## Group-level R&D Platform

- Nuclear Power Plant In-service Inspection Technology R&D Center
- Nuclear Power Simulation Technology R&D Center
- R&D Center for Decommissioning of Nuclear Facilities and Radioactive Waste Management Engineering Technology

ESG



# ESG

**Diversity:** The new board members have a variety of professional backgrounds, including **power industry management, financial and accounting management, law, safety management, supervision and management of state-owned enterprises**, with representation of **two** female directors.

**Independence of independent directors:** The Audit and Risk Management Committee of the Board consists **entirely** of independent non-executive directors.

- Transparent public communication, win-win community development
- Healthy working environment, continuous supplier empowerment





# ESG

## ESG Rating

### Overseas

- ✓ S&P rating: 43
- ✓ FTSE rating: 2.4
- ✓ MSCI rating: BB
- ✓ Morningstar risk rating: 30.6

### Domestic

- ✓ CNI Index ESG rating: AAA
- ✓ CSI Index ESG rating: AAA
- ✓ Wind ESG rating: AA
- ✓ IIGF rating: A+
- ✓ SynTao Green Finance rating: A-

## ESG Awards

Rating A by  
Shenzhen Stock  
Exchange for  
information  
disclosure for three  
consecutive years

LCAP Platinum  
Award for  
annual report  
and ESG report

Best Practices of  
Corporate Governance  
and ESG Award,  
Excellent Case for  
Boards of Directors by  
CAPCO

China Securities Golden  
Bauhinia Award  
“Outstanding Listed  
Company for High-quality  
Development”

New Fortune Best  
IR HK-listed  
Company(A+H  
shares)

Golden Bull Award  
for Listed  
Companies “Best  
Investment Value  
Award”

**Safety First  
Quality Foremost  
Pursuit of Excellence**

## Main tasks in 2024



**01** To further develop safety system and ensure absolute safety in nuclear development



**03** To maintain safe and stable operation of in-service units and conduct 18 refueling outages



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



**07** To follow changes in external environment and ensure stable development of the company



**02** To push forward construction of units as planned and achieve high quality commercial operation of F4



**04** To follow the market changes closely and strengthen marketing capabilities



**06** To strengthen implementation of SCS strategy and lean management





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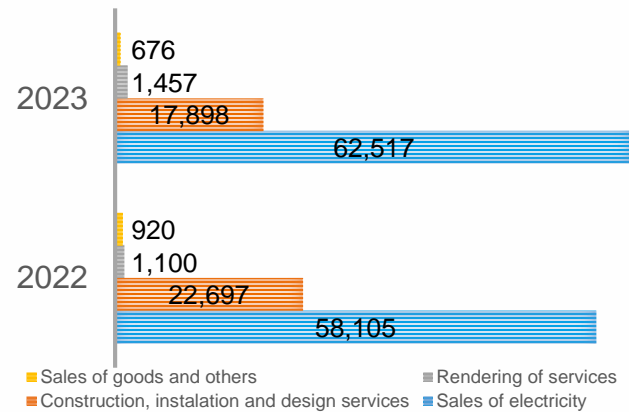
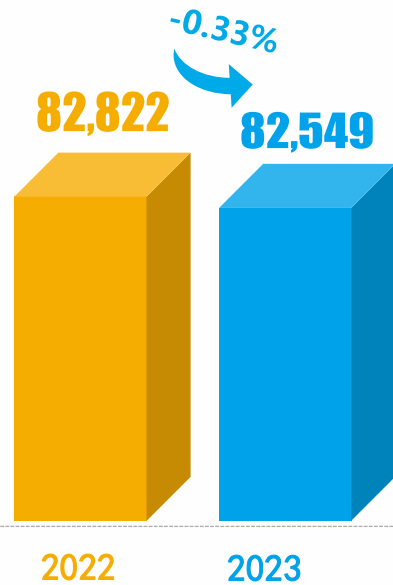
## Part III Financial Review





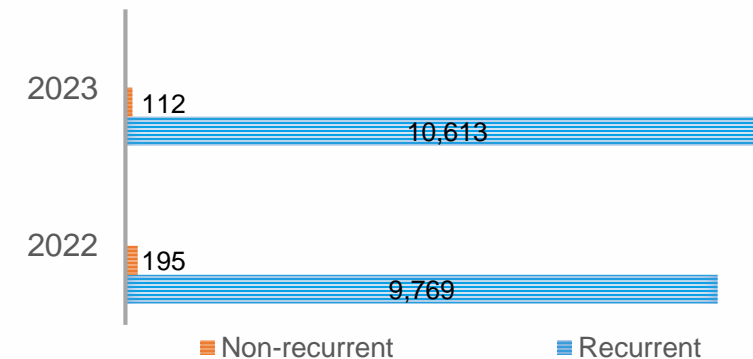
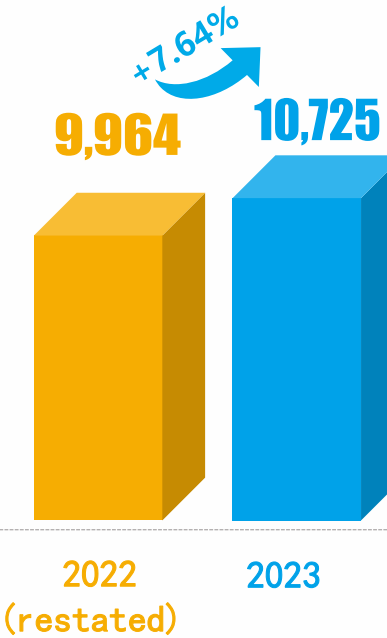
## Revenue\*

RMB M



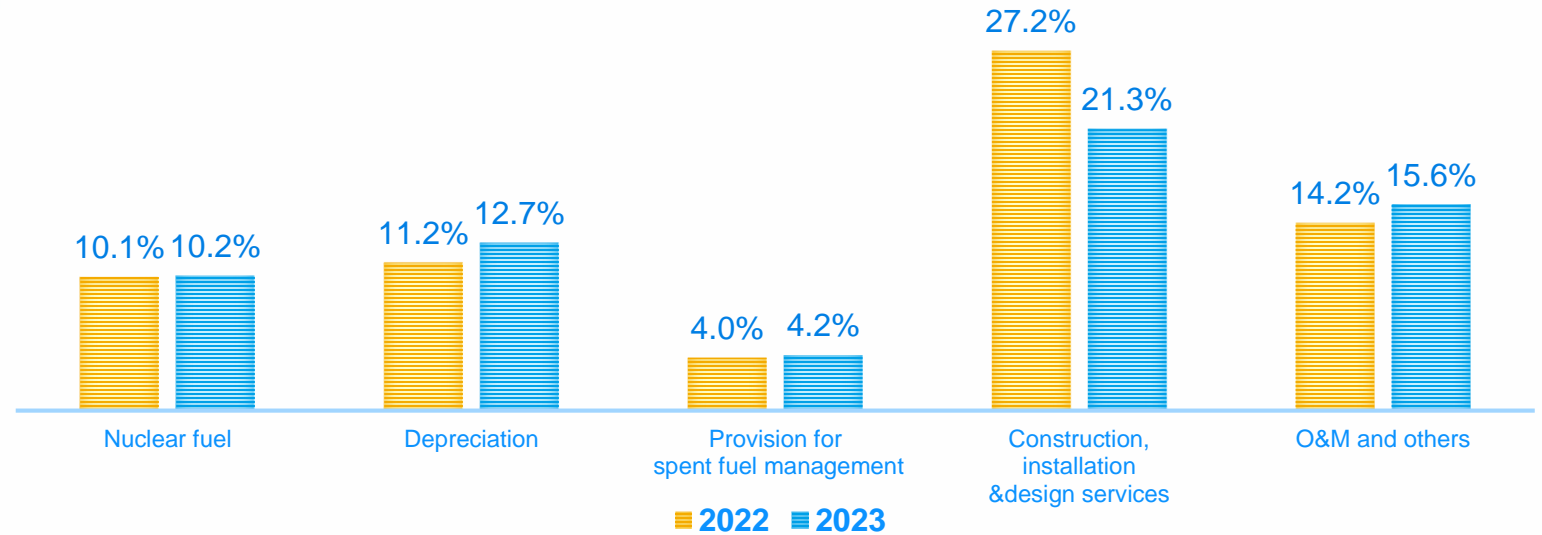
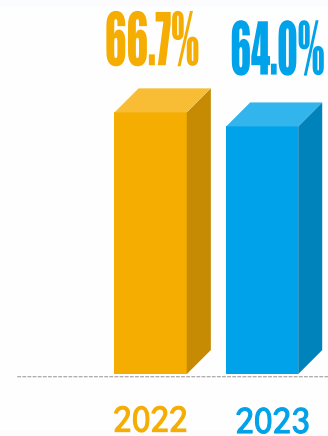
## Profit Attributable to Shareholders of the Parent Company

RMB M

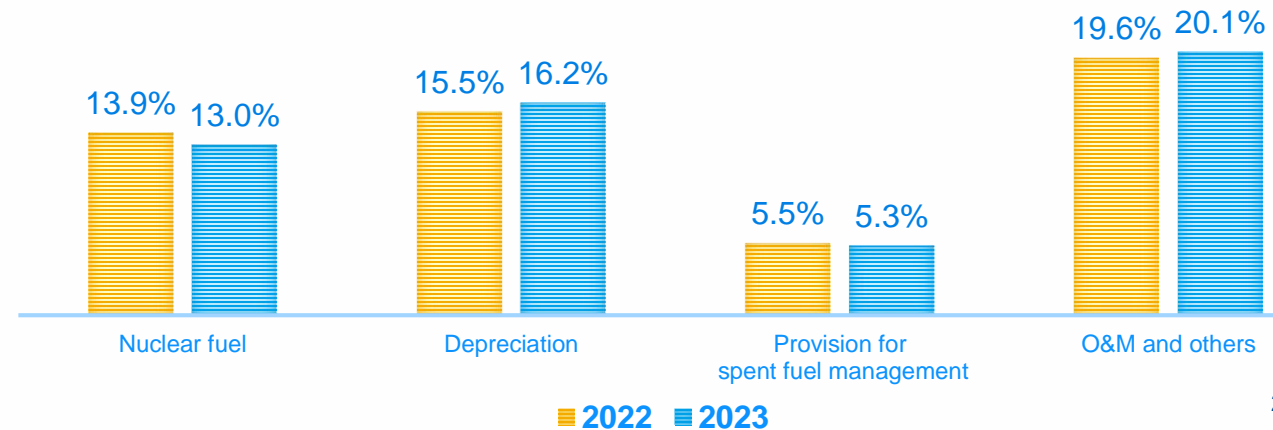
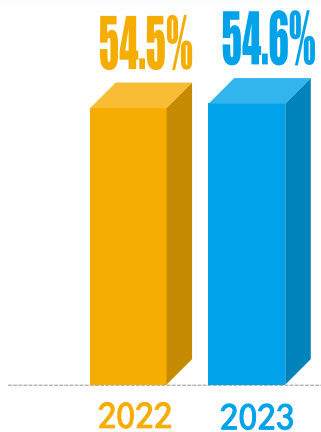


\*: Hongyanhe Nuclear is not included in the consolidated financial statements, therefore the revenue of Hongyanhe NPP is not included in the Company's revenue.

## Cost as % of Revenue

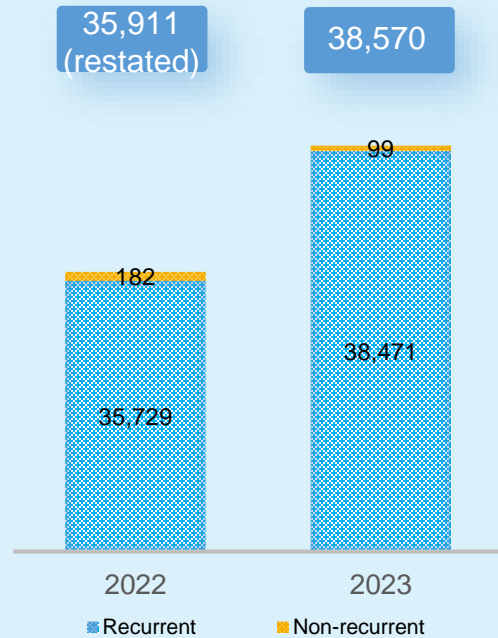


## Cost as % of Revenue (Excluding Construction, Installation and Design Services)

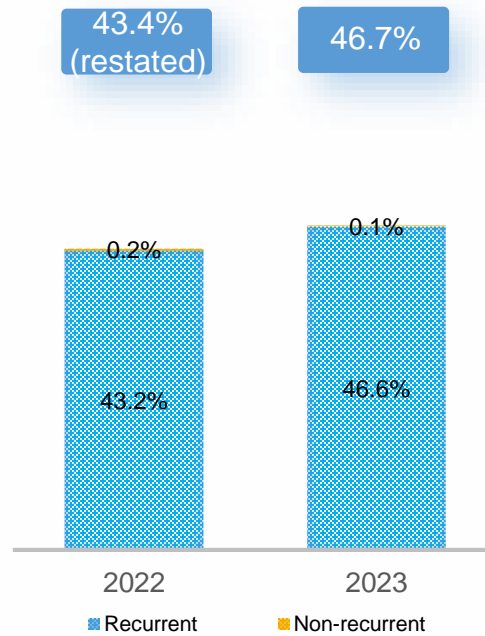


## EBITDA<sup>1</sup>

RMB M

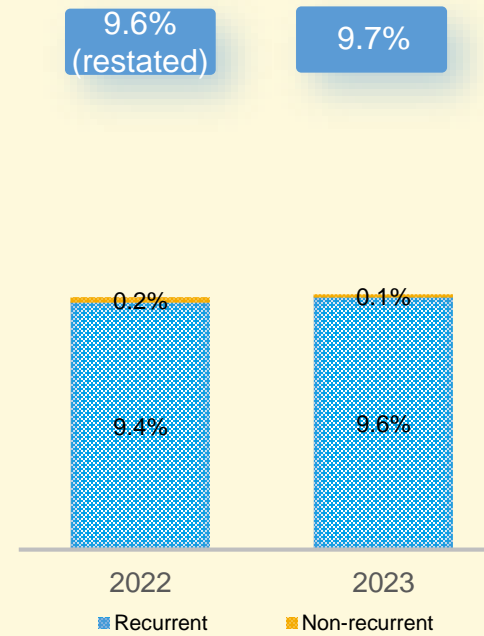


## EBITDA Margin<sup>2</sup>

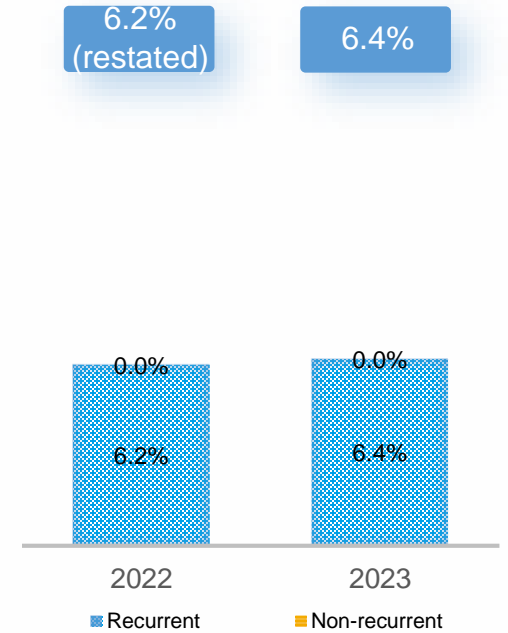


## ROE<sup>3</sup>

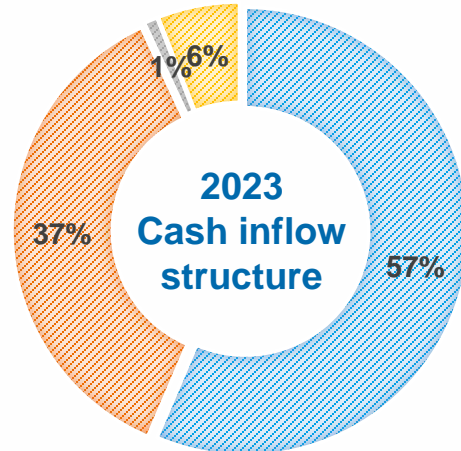
Excluding Non-controlling Interests



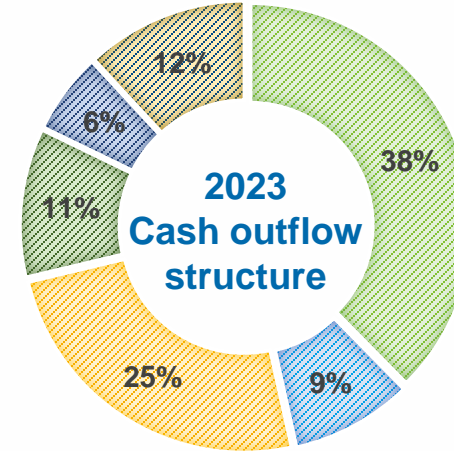
## ROA<sup>4</sup>







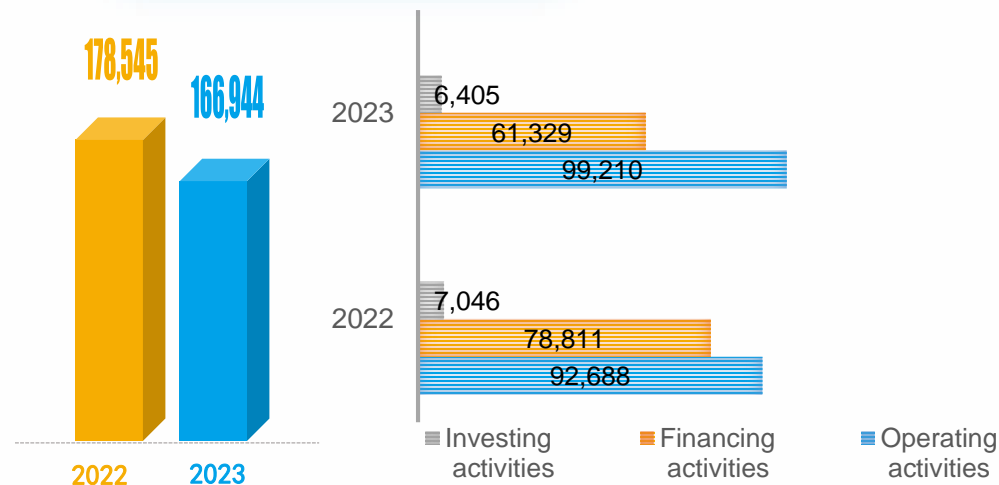
- Sales of electricity & construction, installation and design services
- Cash received from loans
- Tax refund
- Others



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

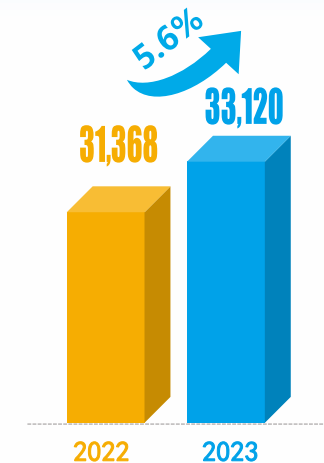
### Cash inflow in 2023

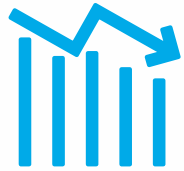
RMB M



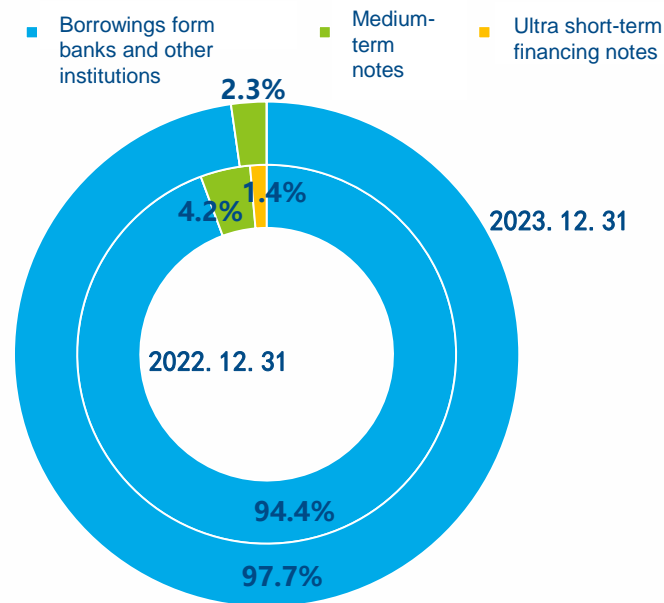
### Net Operating Cash Flow in 2023

RMB M

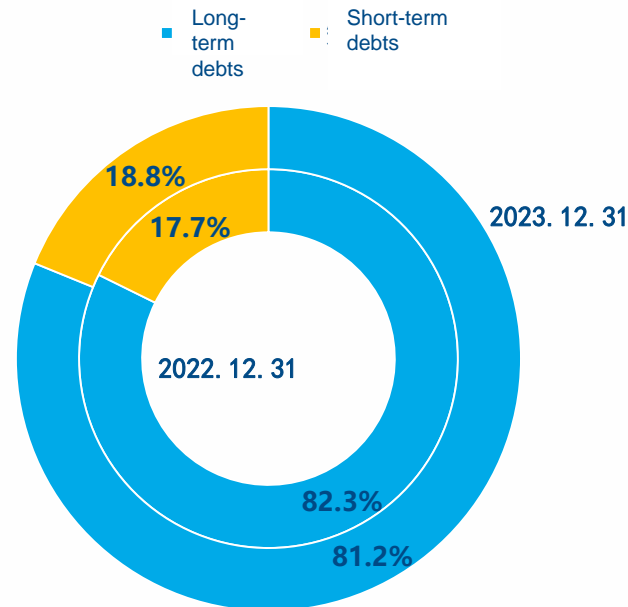




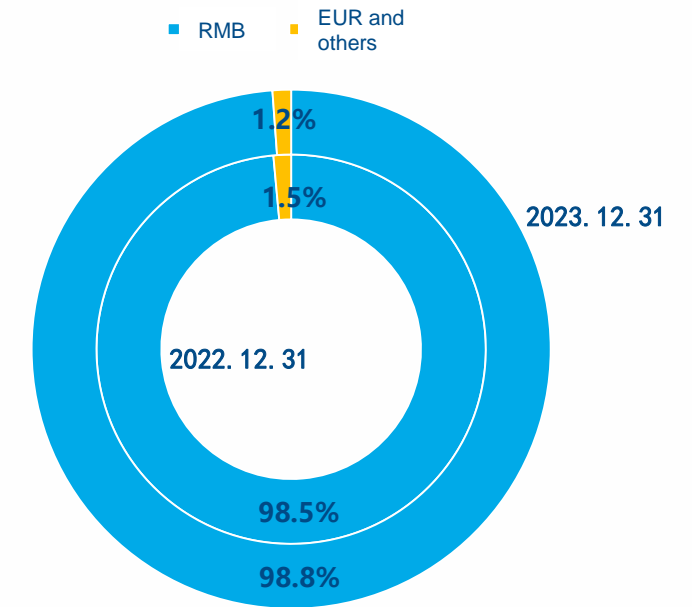
In 2023, the Company continued to strengthen communication with its banking partners, seizing the advantages of phrasal credit financing to meet capital needs and replace due debts with bank borrowing at a better interest rate, thereby reducing financing costs. Average financing costs in 2023 fell by about 52BP year on year.



Debts are mainly from bank borrowings

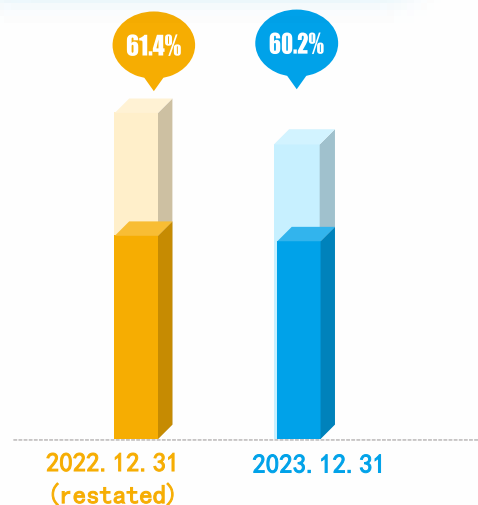


Long-term debt predominates

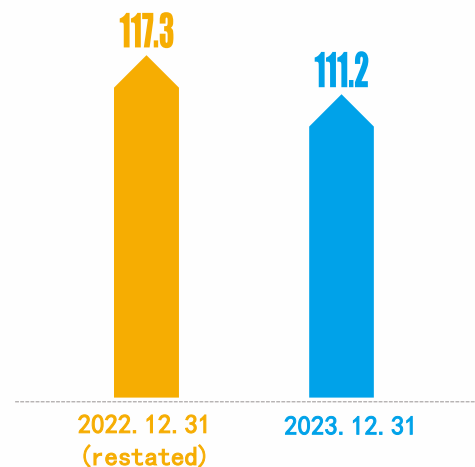


RMB debt predominates

Asset-Liability Ratio %<sup>1</sup>

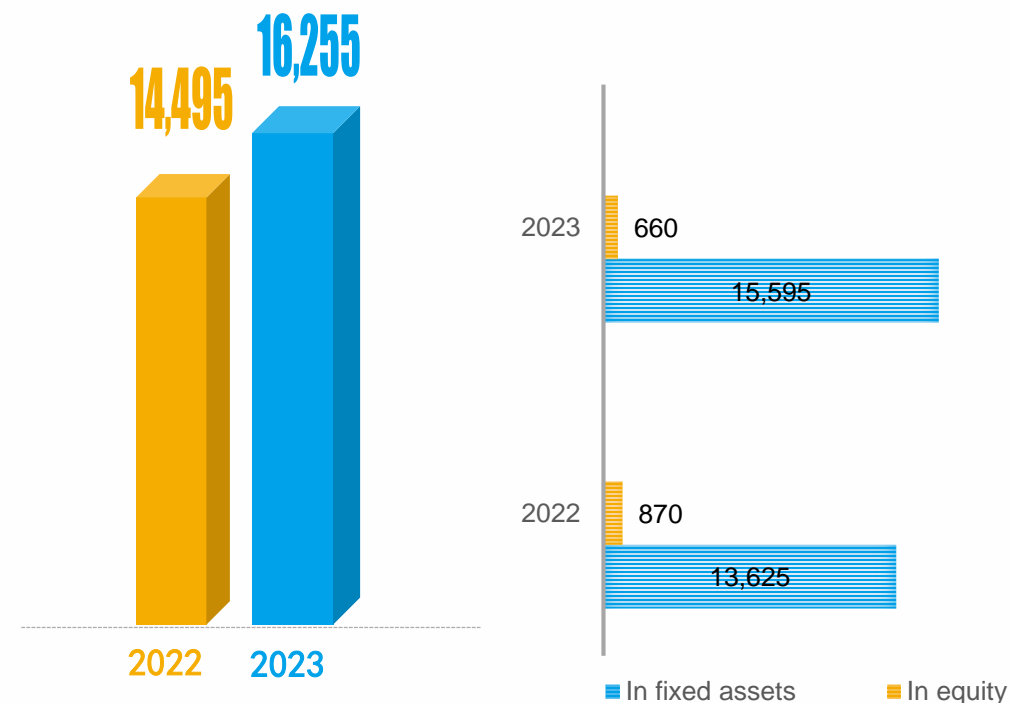


Debt to Equity Ratio %<sup>2</sup>

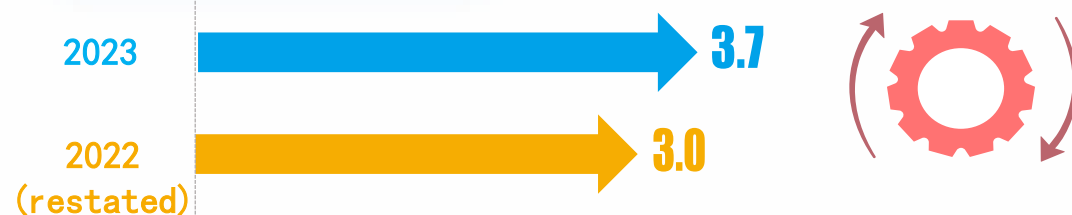


Capital Expenditure<sup>3</sup>

RMB M



Interest Coverage<sup>4</sup>



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

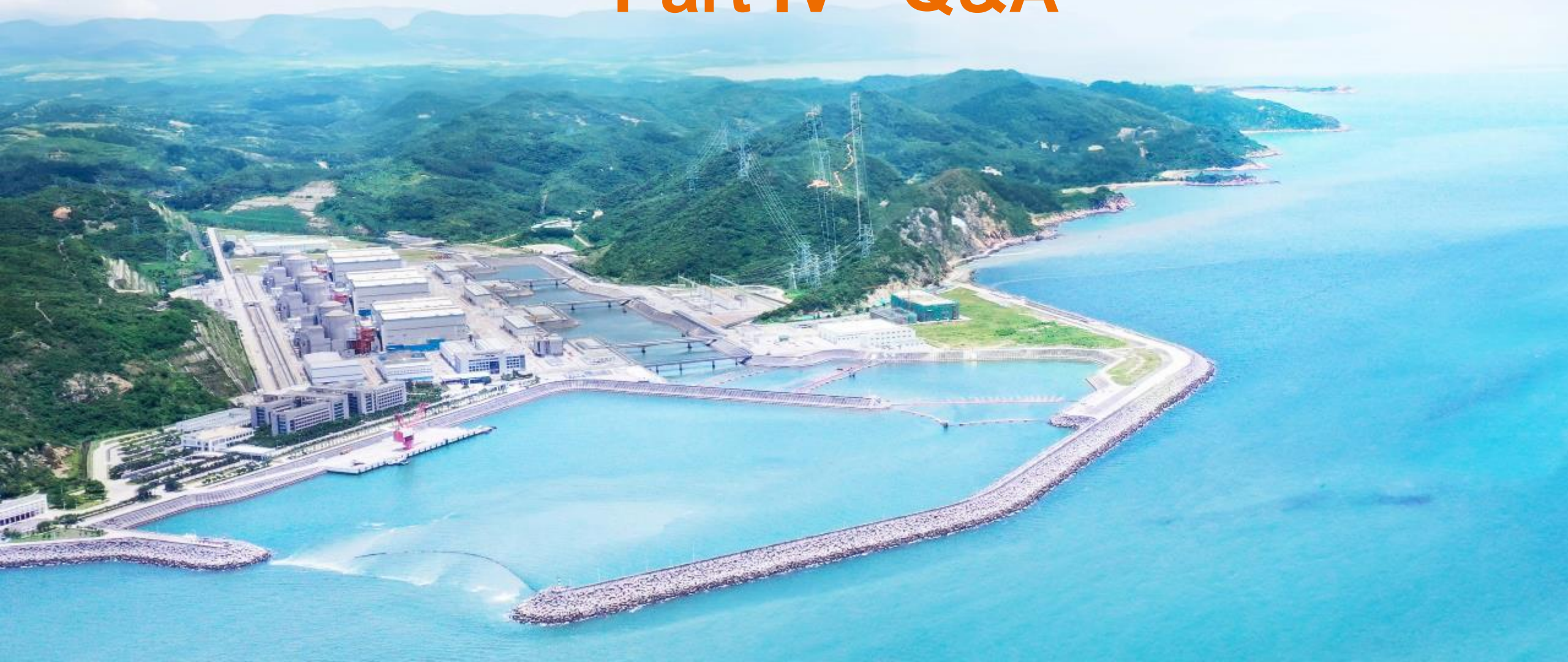
Note2: Debt to equity ratio=Net debt (the total amount of bank and other borrowings less cash and cash equivalents and other deposits over three months)/Total shareholders' equity\*100%

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)



# Part IV Q&A





中广核  CGN

中国广核电力股份有限公司  
CGN Power Co., Ltd.

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Thank you!

