



中國電力國際發展有限公司
China Power International Development Limited

China Power International Development Limited

2019 Interim Results Presentation

2380.HK



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Agenda

- **Interim Results Highlights**
- **Business Review**
- **Future Development and Prospects**
- **Financial Statements and Appendices**



Section 1

Interim Results Highlights



Results Highlights

Profitability (RMB '000)	1H 2019	1H 2018	Change
Revenue	13,843,958	10,824,171	27.9%
Less: Fuel Costs	5,477,394	5,034,203	8.8%
Less: Net Operating Expense other than Fuel Costs	4,651,978	3,657,470	27.2%
Operating Profit	3,714,586	2,132,498	74.2%
Profit Attributable to Owners	976,735	606,389	61.1%
Net Profit	1,811,379	908,370	99.4%
Basic EPS (RMB per share)	0.10	0.06	66.7%



Results Highlights

Gearing (RMB '000)	30 Jun 2019	31 Dec 2018	Change
Total Assets	132,091,261	124,956,727	5.7%
Total Liabilities	87,853,772	82,107,695	7.0%
- Long-term debts	52,172,736	49,582,494	5.2%
- Short-term debts	16,602,342	15,335,482	8.3%
Total Equity	44,237,489	42,849,032	3.2%
Total Liabilities to Total Assets (%)	66.5	65.7	0.8
Net Debts to Total Equity (%)	150	147	3
EBITDA to Finance Costs (x)	4.0	3.5	0.5



Section 2

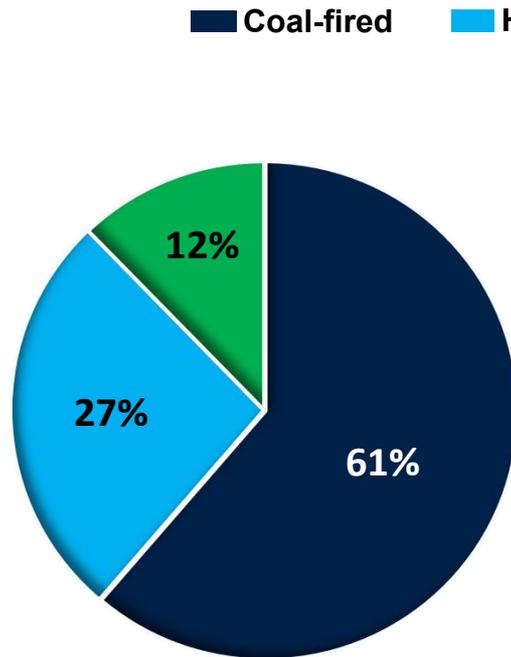
Business Review





Revenue and Profit Structure

Revenue

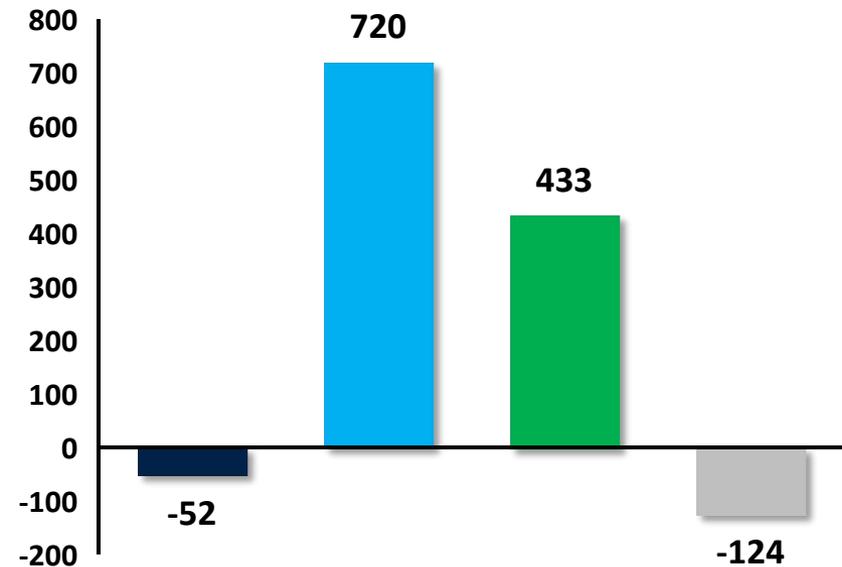


13,843,958
(RMB '000)

Profit Attributable to Owners of The Company

Coal-fired Hydro Wind & Solar Unallocated

Millions RMB



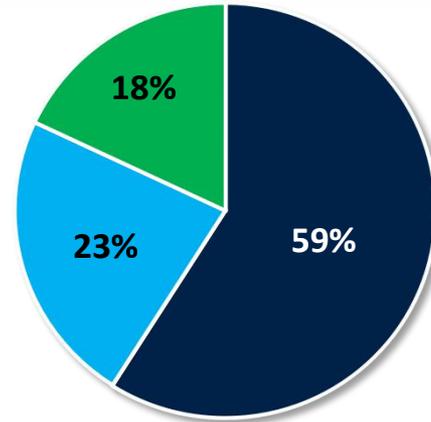
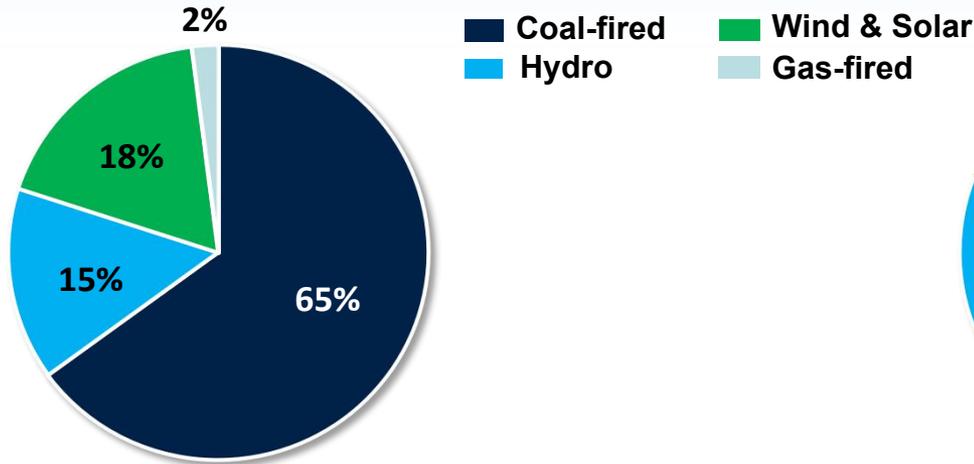
976,735
(RMB '000)



Capacity

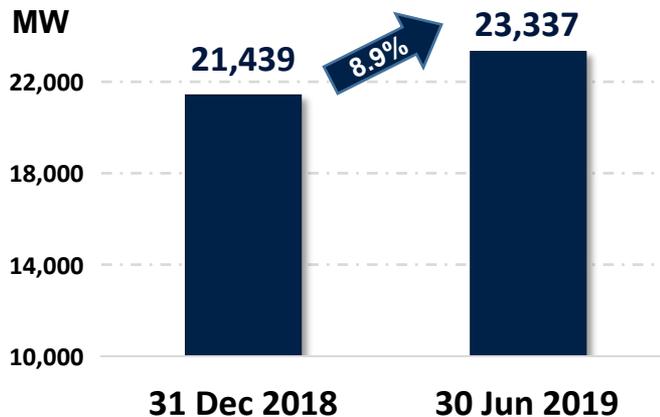
Attributable Capacity: 20,642.4MW

Consolidated Capacity: 23,337.1MW



※ All gas power capacity contributed by Shanghai Power

Consolidated Capacity Change



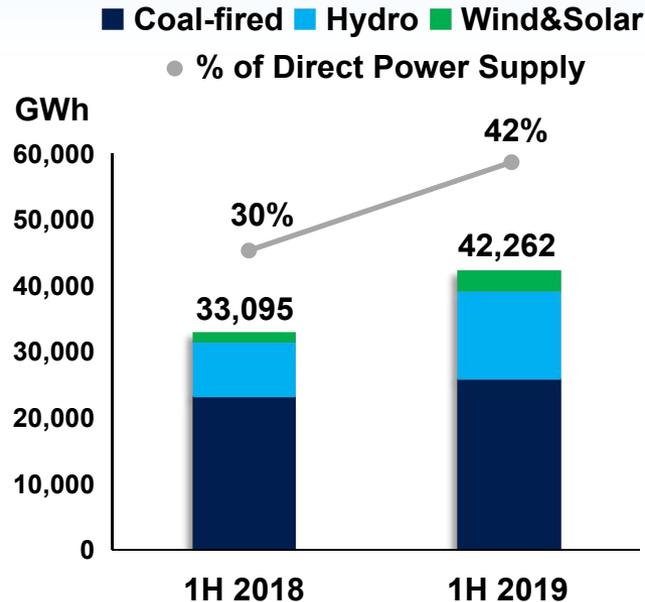
Newly Added Capacity in 1H 2019

Type	Capacity (MW)	Location
Coal-fired	1,010	Guizhou, Henan
Hydro	32	Sichuan
Wind	152	Hunan, Shandong
Solar	704	Shanxi, Hubei, etc.

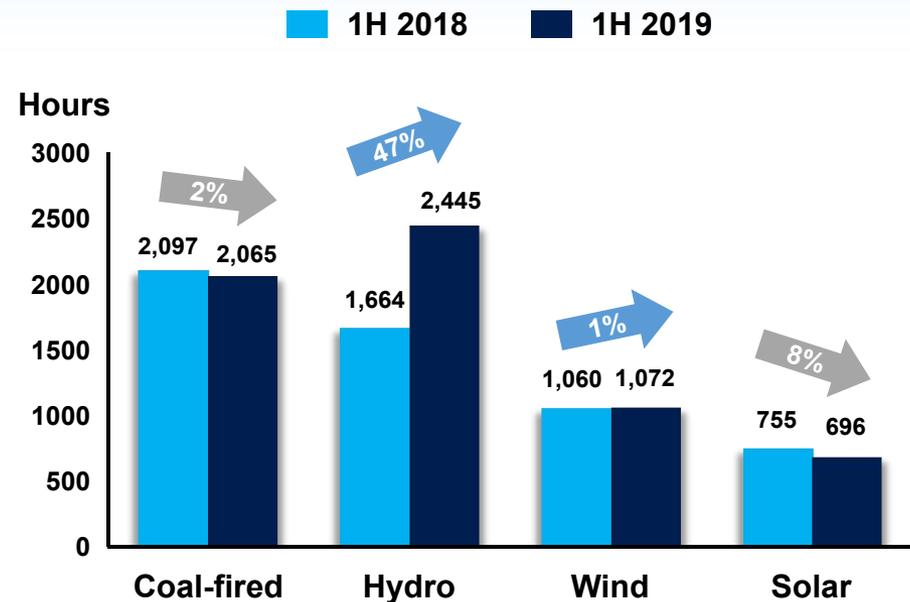


Generation

Net Power Generation



Average Utilization Hours

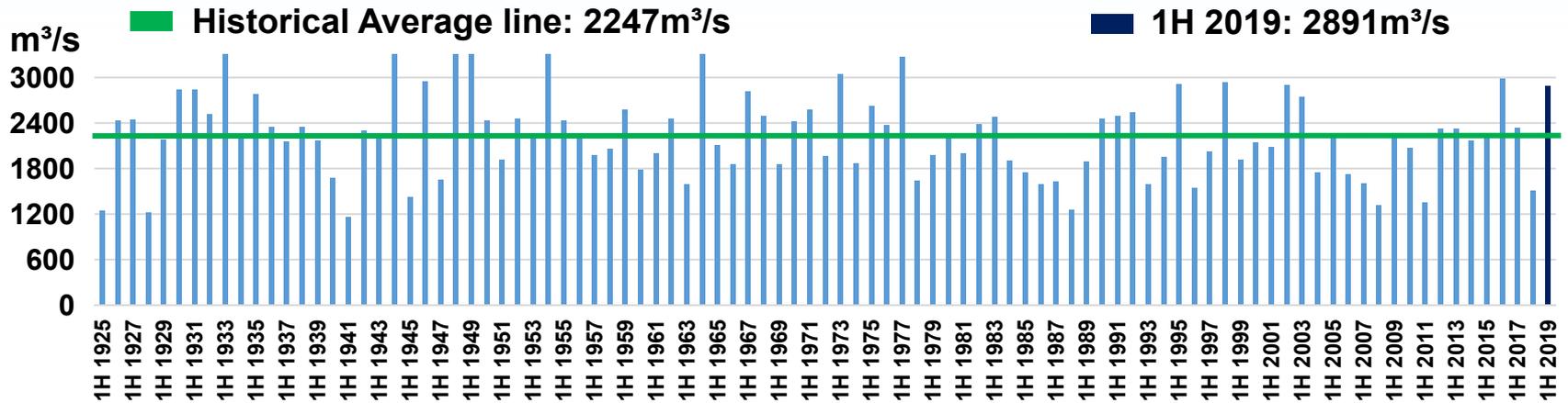


1. The coal-fired power utilization hours declined slightly due to the slowdown of growth rate of national total electricity consumption yoy.
2. The hydropower utilization hours increased significantly as a result of substantial rainfall in the river basins where most of hydropower plants are located.
3. The wind power utilization hours increased by 1% yoy. The solar power utilization hours decreased by 8% yoy.

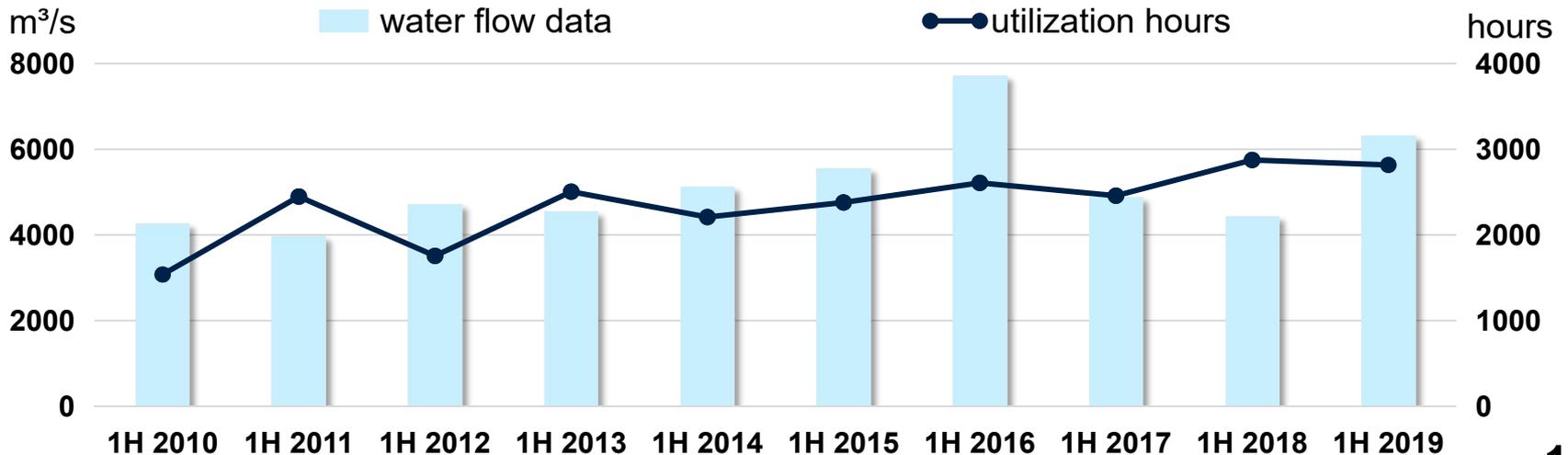


Hydropower

Water Flow data of Yuanjiang River at Wuqiangxi (Hunan) Power Station (1H 1925 - 1H 2019)



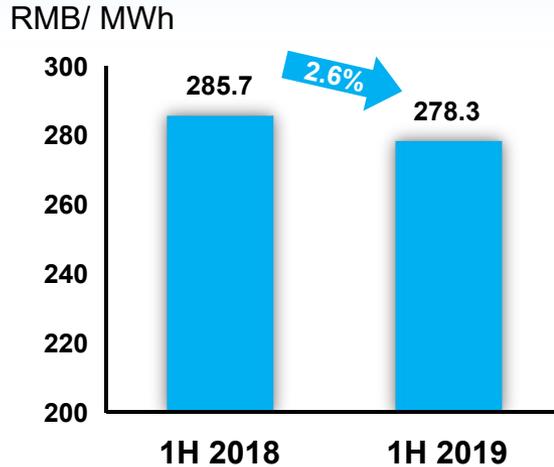
Changzhou (Guangxi) Power Station (1H 2010 - 1H 2019)



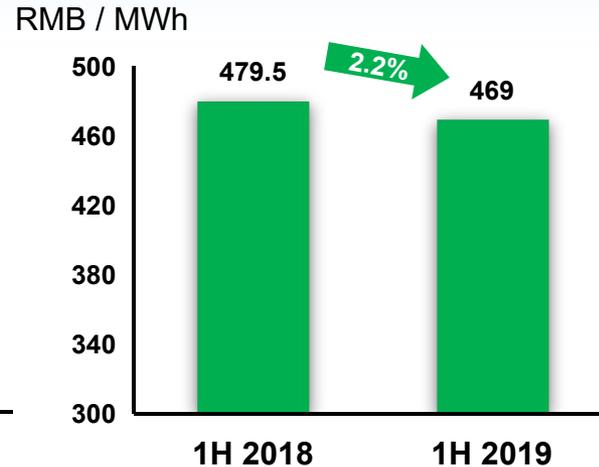


Tariffs and Unit Fuel Cost

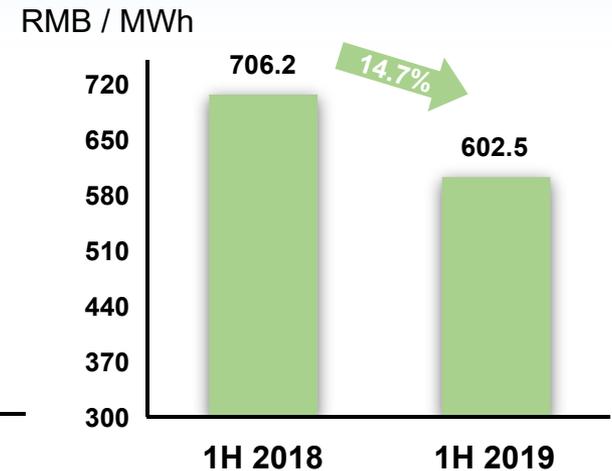
Average Hydro Power Tariff



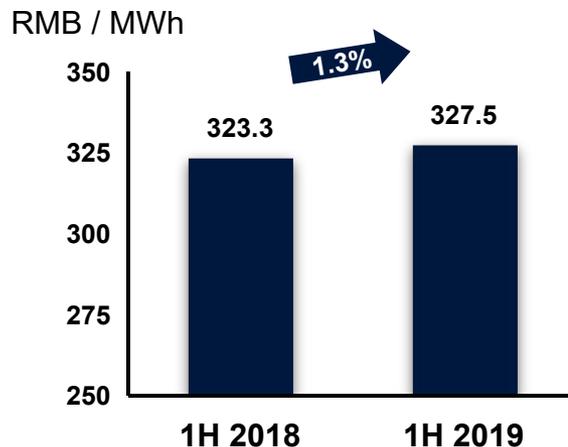
Average Wind Power Tariff



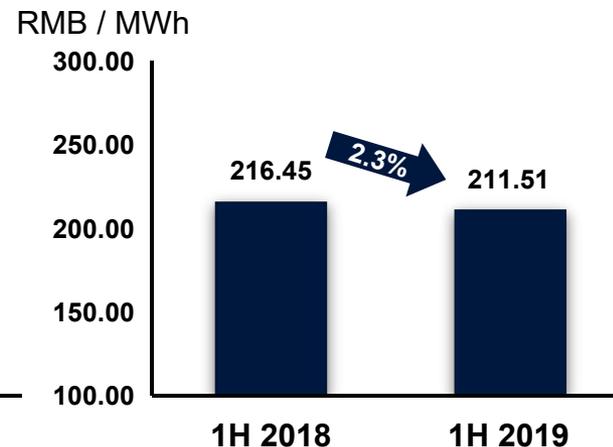
Average Solar Power Tariff



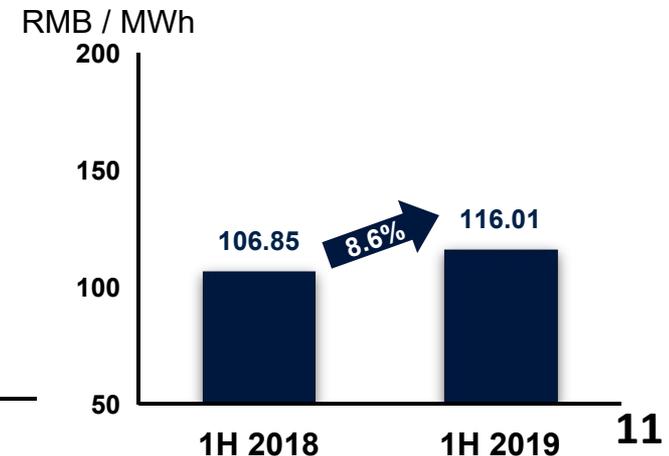
Average Coal-fired Power Tariff



Unit Fuel Cost of Coal-fired Power



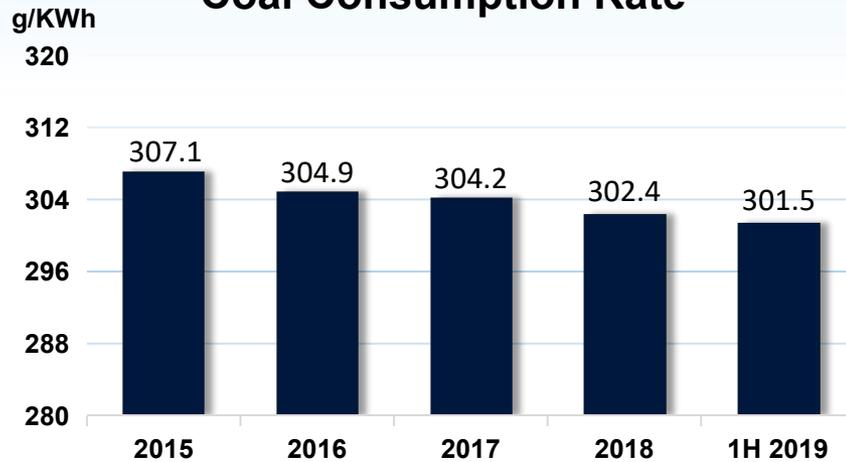
Dark Spread of Coal-fired Power



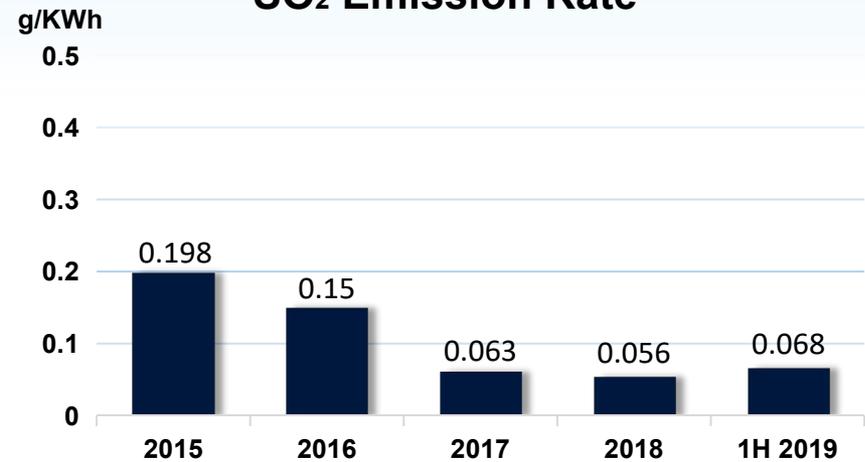


Energy Saving and Emission Reduction

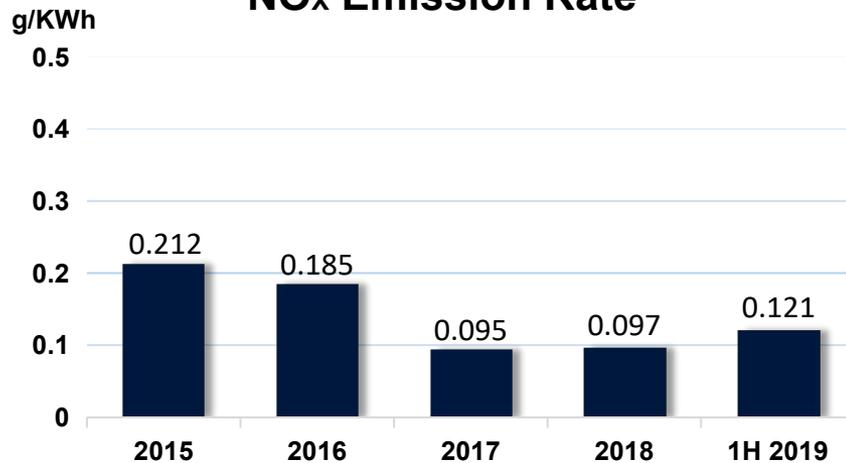
Coal Consumption Rate



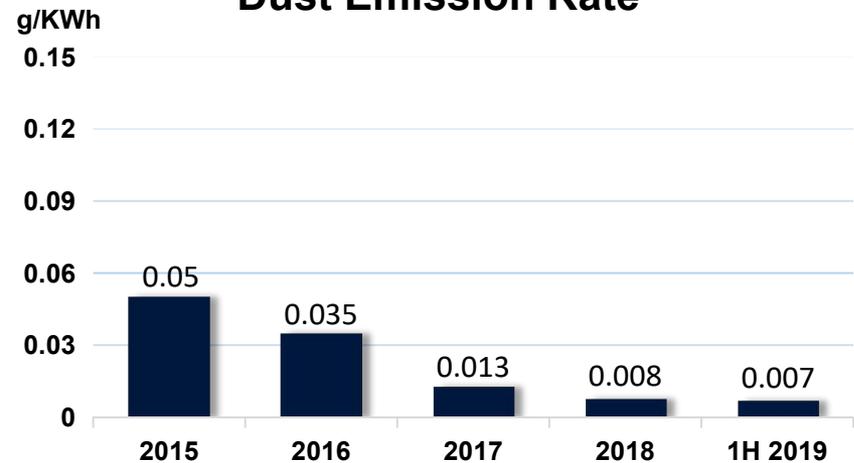
SO₂ Emission Rate



NO_x Emission Rate



Dust Emission Rate

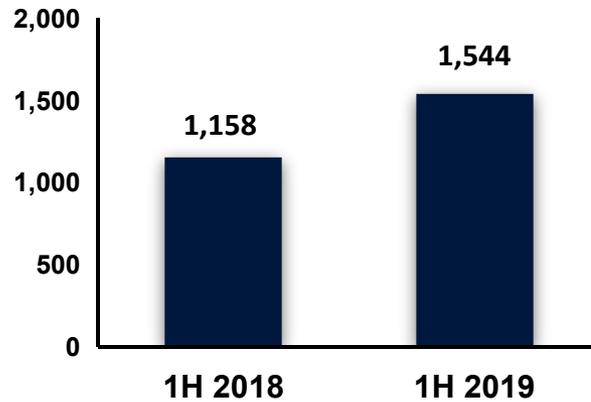




Financial Control

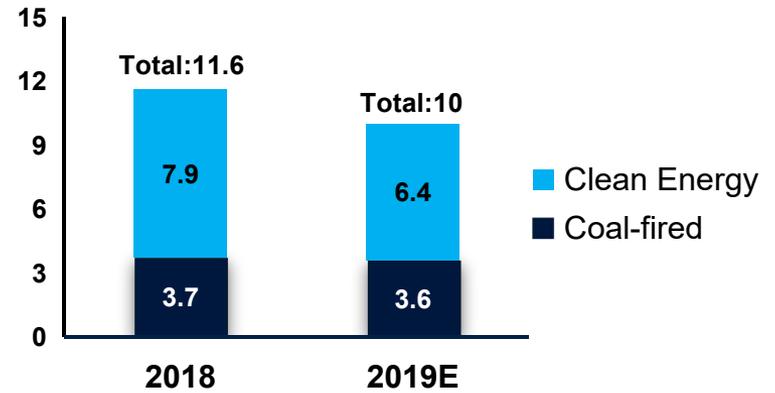
Finance Costs

Millions RMB

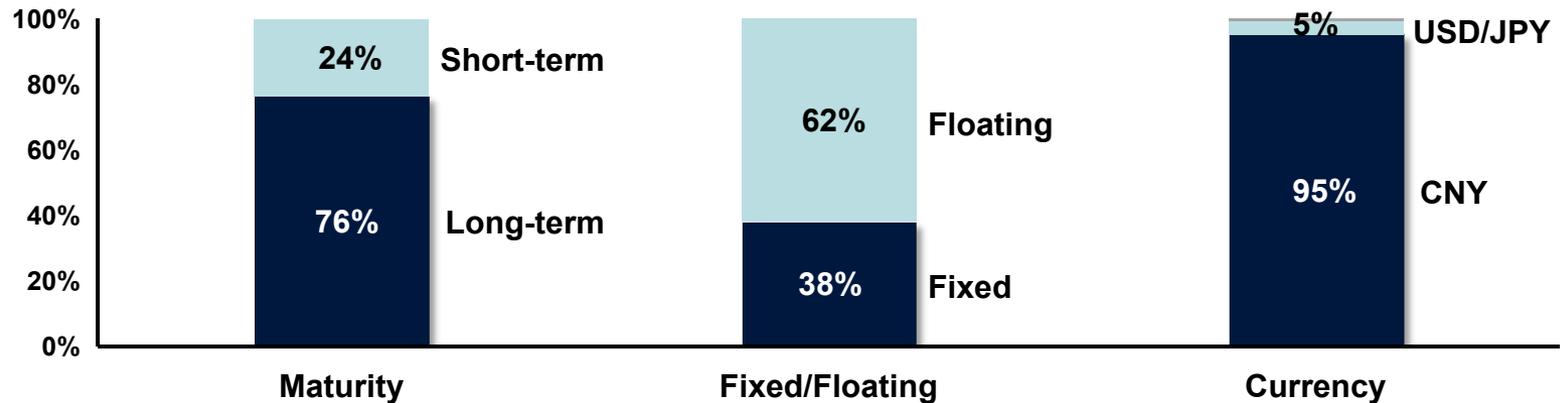


Capital Expenditure

Billions RMB



Debt Profile





Section 3

Future Development and Prospects



Transforming to Clean Energy Group

I . Develop High-quality Clean Energy Projects

- Increase clean energy mix to 50% by the end of 2020
- Limited resources allocated to development of high-quality clean energy projects with better earning quality and cash flow e.g. Chaoyang grid parity solar farm (500MW)
- Improve profit and cashflow of clean energy section

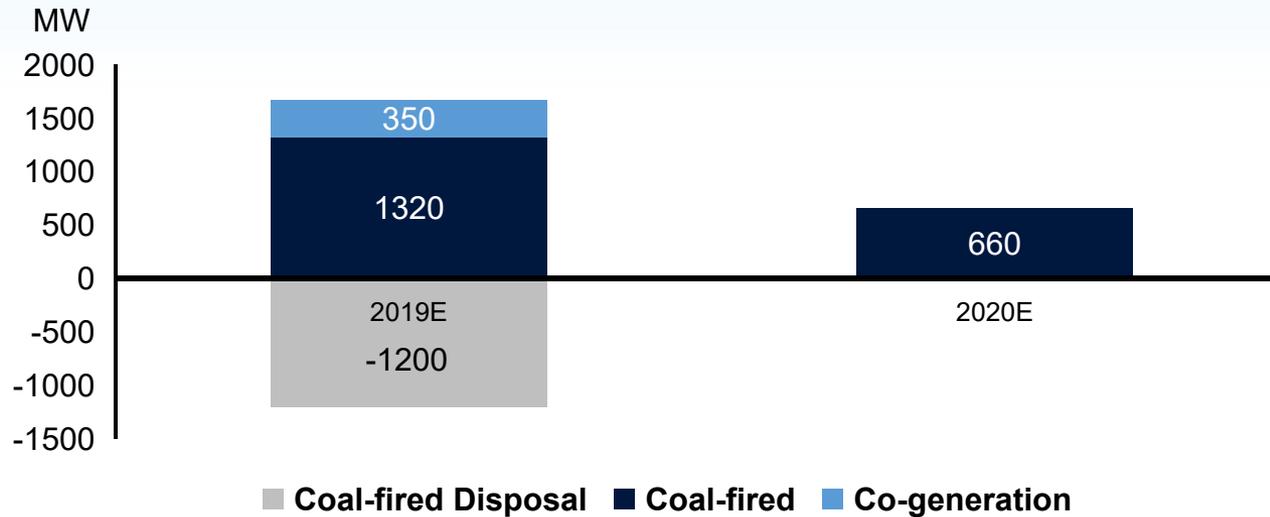
II . Reducing Coal-fired Power Proportion

- Reduce stakes in existing coal-fired power plants
- Potential disposal of coal-fired power plants

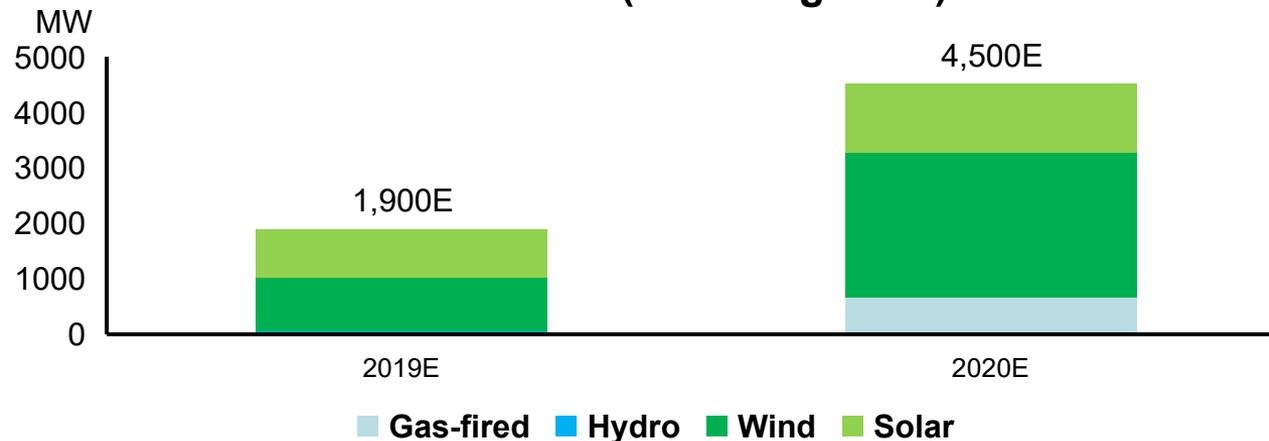


Pipeline Projects

Estimated capacity changes in 2019E-2020E (Coal-fired)

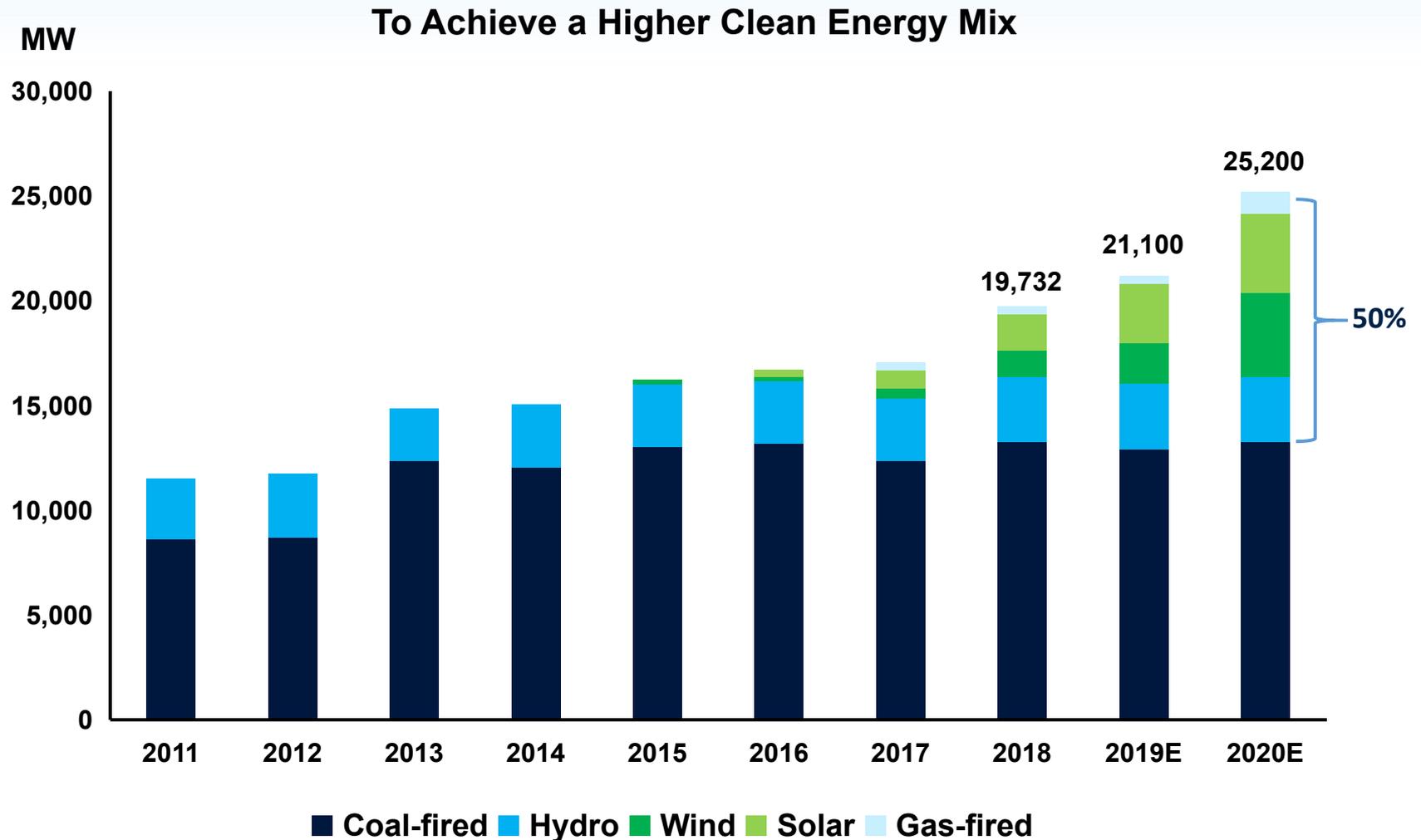


Estimated capacity consolidation in 2019E-2020E (Clean energy) (Including M&A)





Attributable Capacity Growth





High-quality Development

I . Improving earnings quality

- Increase income and rise profit mix from cash generating operation
- Reduce the number of loss-making power plants

II . Capex discipline

- Control new coal-fired construction
- Selectively develop grid-parity and bidding renewable projects

III. Reform

- Implement “Plan-Budget-Assessment-Incentive” system and attach great importance to “Net profit” and “Free Cash Flow”



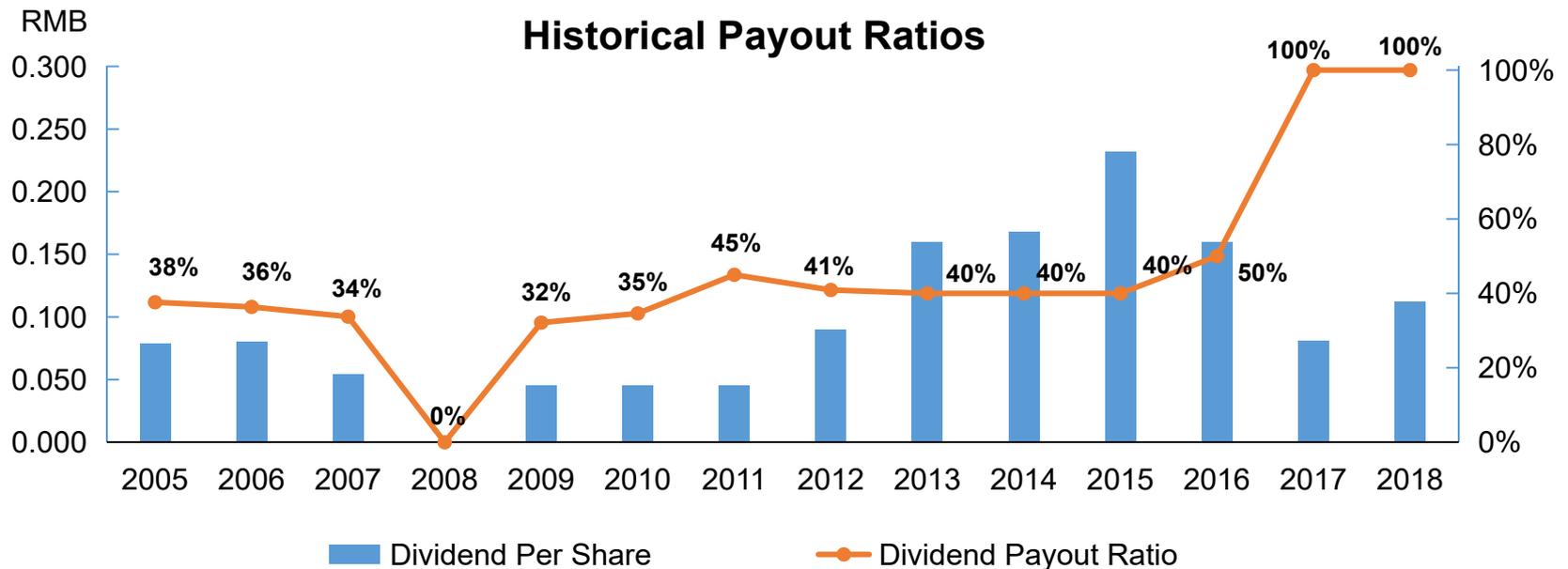
Dividend Policy & Guidance

1

Annual cash dividends in an amount representing not less than 50% (previously 25%) of the profit attributable to owners of the Company.

2

Maintaining a relatively stable dividend per share for three consecutive years starting from 2018, with the principle of not less than that declared in 2017.





Section 4

Financial Statements and Appendices



Operating Highlights

	1H 2019	1H 2018	Change
Attributable capacity (MW)	20,642	18,484	11.7%
Consolidated capacity (MW)	23,337	19,407	20.3%
— coal-fired	13,720	11,700	17.3%
— clean energy	9,617	7,707	24.8%
Gross generation (MWh)	43,949,665	34,511,594	27.3%
— coal-fired	27,370,320	24,535,661	11.6%
— clean energy	16,579,345	9,975,933	66.2%
Average utilization hours			
— coal-fired	2,065	2,097	-1.5%
— hydro	2,445	1,664	46.9%
Average realized tariffs (RMB/MWh)			
— coal-fired	327.52	323.30	1.3%
— hydro	278.34	285.66	-2.6%
Net coal consumption rate(g/KWh)	301.47	301.45	0.02



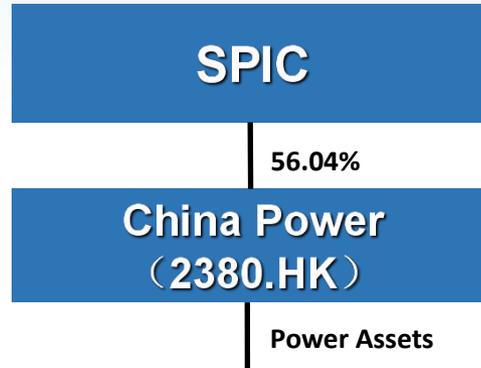
Income Statement

<i>(RMB'000)</i>	1H 2019	1H 2018	Change
Revenue	13,843,958	10,824,171	27.9%
Fuel costs	-5,477,394	-5,034,203	8.8%
Net Operating expense other than fuel costs	-4,651,978	-3,657,470	27.2%
Operating profit	3,714,586	2,132,498	74.2%
Finance income	68,854	65,291	5.5%
Finance costs	-1,543,906	-1,157,616	33.4%
Share of profits of associates	125,335	65,168	92.3%
Share of profits of joint ventures	-1,683	-5,038	-66.6%
Pre-tax profit	2,363,186	1,100,303	114.8%
Taxation	-551,807	-191,933	187.5%
Profit for the period	1,811,379	908,370	99.4%
Profit attributable to equity holders	976,735	606,389	61.1%
EPS <i>(RMB per share)</i>	0.10	0.06	66.7%



Corporate Structure

SPIC is the only comprehensive energy corporation which owns nuclear, hydro, thermal and other types of clean energy assets in China.



Total conventional energy of SPIC includes:

Hydro	23.0 GW
Wind	17.4 GW
Solar	16.0 GW
Thermal	79.4 GW

Capacity (MW)	Power Plants	Power Assets							
		Wuling Power	Guangxi Power	Shandong Power	Anhui Power	Hubei Power	SEP (600021.SH)	SichuanEI (1713.HK)	
		50-100%	63%	100%	100%	100%	100%	13.88%	9.13%
Thermal	17,640	600	-	-	-	-	-	-	-
Hydro	-	4,826	630	-	-	-	-	-	-
Wind	-	768	646	201	-	-	-	-	-
Solar	1,262	701	20	66	250	323	-	-	
Total	18,902	6,894	1,296	267	250	323	13,665	139	



Thermal Power Plants Distribution

- Existing Plant Location
- Plants under construction
- SEP



Plants	Capacity (MW)	Equity	Location
In Operation			
Pingwei	2×630	60%	Anhui
Pingwei II	2×640	60%	Anhui
Pingwei III	2×1,000	60%	Anhui
Yaomeng	3×300+2×630	100%	Henan
Dabieshan	2×640	51%	Hubei
Fuxi	2×600	51%	Sichuan
CP Shentou	2×600	80%	Shanxi
Wuhu	2×660	100%	Anhui
Pu'an	2×660	95%	Guizhou
Shangqiu (co-gen)	2×350	100%	Henan
Changshu	2×1,000+4×330	50%	Jiangsu
Xintang (co-gen)	2×300	50%	Guangdong
Liyujiang	2×300	25%	Hunan
Under Construction			
Dabieshan II	2×660	51%	Hubei
SX Shentou	2×1,000	80%	Shanxi
Shanghai Electric Power			
● SEP:	7,426	13.88%	East China



Hydropower Plants Distribution

- Existing Plant Location
- Plants under construction



Plants	Capacity(MW)	Equity	Locations
In Operation			
Wuqiangxi:	1,200	63%	Hunan
Sanbanxi:	1,000	63%	Guizhou
Tuokou:	830	37.2%	Hunan
Changzhou:	630	65%	Guangxi
Baishi:	420	59.9%	Guizhou
Lingjintan:	270	63%	Hunan
Hongjiang:	270	37.2%	Hunan
Wanmipo:	240	63%	Hunan
Others:	595.7	59.9-100%	
Under Construction			
Luoshuidong:	35	63%	Hunan
Wuqiangxi :	500	63%	Hunan



Wind & Solar Power Plants Distribution

■ Existing Wind and Solar Farms Location

● Plants under construction



Plants	Capacity(MW)	Equity	Locations
Wind Farms in Operation			
Shibanling	120	95%	Guangxi
Jinzishan	99	51%	Guangxi
Tuokexun	49.5	63%	Xinjiang
Shanshan	99	63%	Xinjiang
Yaoposhan	50	63%	Hunan
Donggangling	50	63%	Hunan
Gulang:	100	44.1%	Gansu
...			
Total:	1,614	32-95%	
Solar Farms in Operation			
Solar Farms:	2,547.4	44.1-100%	
Wind and Solar Farms Under Construction			
Wind Farms:	1,527	44.1-100%	
Solar Farms:	70.9	44.1-100%	



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Thank you!