

30 November 2016

CLP Signs Conditional Agreement to Acquire CGN Power's 17% Shareholding in Yangjiang Nuclear

CLP Group (CLP) is pleased to announce that it entered into a conditional Equity Transfer Agreement with CGN Power today to acquire a 17% equity stake in Yangjiang Nuclear Power Co., Ltd. (Yangjiang Nuclear).

Yangjiang Nuclear owns and operates Yangjiang Nuclear Power Station located in Yangjiang City in Guangdong Province, approximately 220 kilometres southwest of Hong Kong. The station comprises six 1,086MW nuclear power generating units: three units are in commercial operation and three are under construction with targeted commissioning dates spreading over 2017 to 2019. Yangjiang Nuclear Power Station supplies all its electricity to the local power grid company, Guangdong Power Grid Co., Ltd. The six generating units employ the pressurised water reactor technology, which is the mature and standardised second generation technology used in most nuclear power units in the world.

“This is a valuable opportunity for us to invest in cost-efficient, non-carbon emitting generation while further enhancing our presence in Guangdong Province of Mainland China, being a key strategic market for CLP. It will also represent a significant acceleration in our progress towards CLP’s Climate Vision 2050, particularly our milestone targets for 2020,” said Mr Richard Lancaster, Chief Executive Officer of CLP Holdings. (Please click [here](#) for details on CLP’s Climate Vision 2050)

Yangjiang Nuclear Power Station, upon full commissioning of all six units, will add over 1,100MW (on a 17% equity basis) of non-carbon emitting generation capacity to CLP’s portfolio. As three generating units of the station are already in operation, the acquisition is expected to have a positive impact on the future earnings of CLP from completion of the transaction onward.

“Our investment underscores CLP’s confidence in the important role of nuclear power in China’s transition towards a low-carbon economy. As a part owner of Daya Bay Nuclear Power Station, we have been a pioneer in the development of China’s nuclear power programme going way back to the mid-1980s. We are pleased that the acquisition will enable CLP and CGN Power to build on that successful and proven long-term partnership,” added Mr Lancaster.

The Equity Transfer Agreement was entered into after CGN Power had conducted a public tender process through the China Beijing Equity Exchange. CLP’s successful bid price was RMB5.0 billion (approximately HK\$5.6 billion). We estimate that our total investment will be approximately RMB7.0 billion (approximately HK\$7.8 billion) which will include the bid

price, an audited completion payment and post completion additional equity contributions. Completion of the transaction is subject to various conditions, including regulatory approvals in Mainland China, and is targeted to be achieved in the first half of 2017.

For further details, please click [here](#) to download CLP's announcement to the Stock Exchange of Hong Kong.

About CLP Group

CLP Holdings Limited, a company listed on the Stock Exchange of Hong Kong, is the holding company for the CLP Group, one of the largest investor-owned power businesses in Asia Pacific. Through CLP Power Hong Kong Limited, it operates a vertically-integrated electricity supply business providing a highly-reliable supply of electricity to 80% of Hong Kong's population.

Outside Hong Kong, CLP holds investment in the energy sector in Mainland China, India, Southeast Asia, Taiwan and Australia. Its diversified portfolio of generating assets uses a wide range of fuels including coal, gas, nuclear and renewable sources. CLP is one of the largest external investors in the Mainland's renewable energy sector. In India, it is one of the biggest renewable energy producers and among the largest foreign investors in the electricity sector. In Australia, its wholly-owned subsidiary EnergyAustralia is one of the largest integrated energy companies, providing gas and electricity to over 2.6 million households and businesses.

CLP is listed on the Global Dow – a 150-stock index of the world's leading blue-chips, the Dow Jones Sustainability Asia Pacific Index (DJSI Asia Pacific), the Dow Jones Sustainability Asia Pacific 40 Index (DJSI Asia Pacific 40), Hang Seng Corporate Sustainability Index Series and MSCI Global Sustainability Index Series.

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Media Contact

Ms Justine Lau
Public Affairs Manager
CLP Power Hong Kong Limited
Tel: (852) 2678 8963
Pager: (852) 7116 3131 A/C 7736
Email: justine.lau@clp.com.hk

Analysts Contact

Mr Angus Guthrie
Director – Investor Relations
CLP Holdings Limited
Email: ir@clp.com.hk