

Summary of the Annual Report of Shenzhen Nanshan Power Co., Ltd. of 2022

I. Important notes

The summary is abstract from full text of the annual report. For more details of operating results, financial condition and future development plan of the Company, investors should refer to the full text of the annual report published on media designated by CSRC.

Except independent director Mr. Chen Zetong was unable to personally attend the Board Meeting to review annual report due to work reasons, authorized independent director Mr. Du Wei to attend the meeting and exercise voting rights on his behalf. All other directors attended the Board Meeting for annual report deliberation.

Prompt of non-standard audit opinion

Applicable Not applicable

Profit distribution pre-plan of common stock or capitalizing of common reserves pre-plan deliberated by the Board in the reporting period

Applicable Not applicable

The Company plans not to pay cash dividends, issue bonus shares and increase share capital by converting from public reserves this year.

Profit distribution pre-plan of preferred stock deliberated and approved by the Board in the reporting period

Applicable Not Applicable

II. Company information

1. Company profile

Stock abbreviation	000037, 200037	Stock code	Shen Nan Dian A, Shen Nan Dian B
Stock exchange for listing	Shenzhen Stock Exchange		
Person/Way to contact	Secretary of the Board of Directors	Securities affairs representative	
Name	Zou Yi		
Office address	16/F-17/F, Hantang Building, OCT, Nanshan District, Shenzhen, Guangdong Province		
Fax	0755-26003684		
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Email	investor@nspower.com.cn		

2. Main business or product introduction in the reporting period

The main business of the Company is production and operation of power supply and heating, as well as technical consulting and service related to power station (plants). At the end of reporting period, the Company holds two wholly-owned and holding gas turbine plants, which equipped with five sets of 9E gas steam combined cycle power generating units, with total installed capacity up to 900,000 KW (Nanshan Power Factory: 3×180,000KW, Zhongshan Nanlang Power Plant: 2×180,000KW). The two gas turbine plants are located in the power-load center of the Pearl River Delta, and it is the main peak-regulating power supply in the region which is currently in normal production and operation state.

On February 21, 2022, after deliberation and approval at the 5th extraordinary meeting of the 9th Board of Directors of the Company, the Company started the shutdown and decommissioning of two 9E gas turbines of Shen Nan Dian Zhongshan Company, and submitted its application for shutdown and decommissioning to the Guangdong Province Energy Bureau on November 24, 2022. Shen Nan Dian Zhongshan Company will continue its power generation business before obtaining the approval, which will not have a significant impact on the current production and operation of the Company and Shen Nan Dian Zhongshan Company.

During the reporting period, the electricity business faced many challenges, such as repeated Covid-19 epidemic, fierce electric power market competition and high fuel prices. In order to minimize the negative impact of the external environment on the Company's operating performance, the Company implemented a series of business layout and management changes with innovative thinking and tenacious perseverance, defined the annual business objectives and guidelines, took major targeted measures, constantly strengthened the economic operations management on the basis of continuously intensifying work safety management. Complying with the accelerating trend of electric power market reform in Guangdong province, the Company organized two subordinate power plants to actively participate in the electricity market-oriented marketing competition and achieved good results, and made contributions to reduce losses.

During the reporting period, the Company's non-electricity business also faced tremendous pressures and challenges. The Shen Nan Dian Engineering Company continues to develop technical consulting and technical services for domestic gas turbine power plant construction while resisting the pressure of epidemic control and prevention and promoting overseas projects. The Shen Nan Dian

Environment Protection Company has shifted its focus to exploring the path of business transformation and upgrading due to the environmental protection pressure and the adjustment of Shenzhen municipal sludge disposal route.

3. Main accounting data and financial indexes

(1) Main accounting data and financial indexes for recently three years

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes No

Unit: RMB

	Year end of 2022	Year end of 2021	Increase/decrease y-o-y	Year end of 2020
Total assets	2,606,216,345.99	2,790,002,824.41	-6.59%	3,020,830,930.06
Net assets attributable to shareholders of the listed company	1,455,129,894.84	1,615,293,135.51	-9.92%	2,054,741,847.64
	2022	2021	Changes in the current year over the previous year (+,-)	2020
Operating income	694,227,657.28	757,175,743.41	-8.31%	985,253,831.58
Net profit attributable to shareholders of the listed company	-160,163,240.67	-439,448,712.13	63.55%	64,024,291.32
Net profit attributable to shareholders of the listed Company after deducting non-recurring gains and losses	-225,967,573.71	-514,142,213.75	56.05%	7,601,038.59
Net cash flows from operating activities	207,168,402.26	-39,258,302.07	627.71%	260,725,409.02
Basic earnings per share (RMB/share)	-0.2657	-0.7291	63.56%	0.1062
Diluted earnings per share (RMB/share)	-0.2657	-0.7291	63.56%	0.1062
Return on weighted average net assets	-10.43%	-23.95%	Up 13.52 percentage points	3.15%

(2) Quarterly main accounting data

Unit: RMB

	Q1	Q2	Q3	Q4
Operating income	75,090,604.86	154,152,937.21	296,803,666.77	168,180,448.44
Net profit attributable to shareholders of the listed company	-38,834,600.08	-55,263,549.01	-48,481,519.82	-17,583,571.76
Net profit attributable to shareholders of the listed Company after deducting non-recurring gains and losses	-53,403,178.00	-74,102,376.48	-65,686,340.91	-32,775,678.32
Net cash flows from operating activities	-34,049,453.61	234,637,536.91	18,368,492.90	-11,788,173.94

Whether there are significant differences between the above-mentioned financial indexes or its total number and the relevant financial indexes disclosed in the Company's quarterly report and semi-annual report

Yes No

4. Shares and shareholders**(1) Particulars about ordinary shareholders, preferred shareholders with voting rights recovered and top ten shareholders**

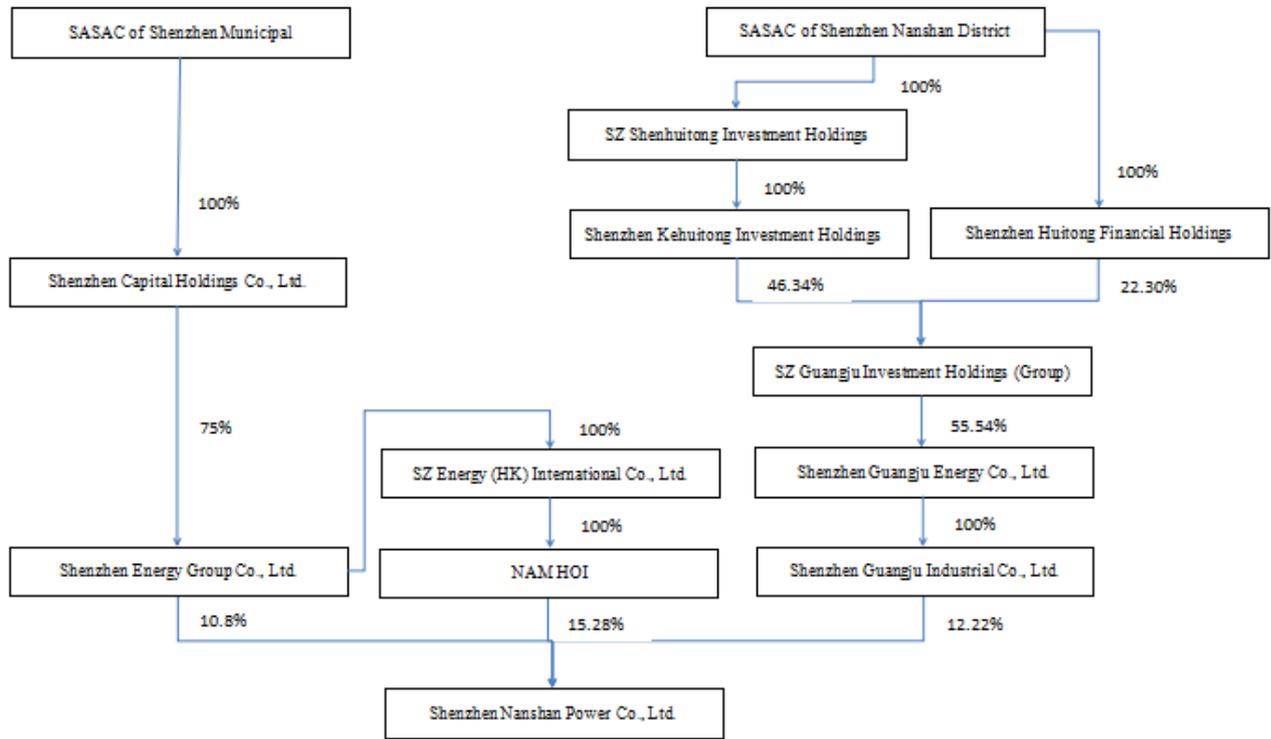
Unit: share

Total number of shareholders in the ordinary shares at the end of the period	42,912	Total number of ordinary shareholders as of the end of the month preceding the date of annual report disclosed	38,525	Total number of preferred shareholders whose voting rights were restored at end of the reporting period	0	Total number of preferred shareholders whose voting rights were restored at the end of the month prior to the date of annual report disclosed	0
Top ten shareholders							
Shareholders' name	Nature of shareholders	Shareholding ratio	Number of shares held	Number of shares held with restrictive conditions for sales	Pledge, marking or freezing		
					State of share	Quantity	
HONG KONG NAM HOI (INTERNATIONAL) LTD.	Overseas legal person	15.28%	92,123,248				
Shenzhen Guangju Industrial Co., Ltd.	State-owned legal person	12.22%	73,666,824				
Shenzhen Energy Group Co., Ltd.	State-owned legal person	10.80%	65,106,130				
BOCI SECURITIES LIMITED	Overseas legal person	2.34%	14,109,038				
Zeng Ying	Domestic natural persons	1.19%	7,159,600				
China Merchants Securities (HK) Co., Ltd.	Overseas legal person	0.90%	5,430,728				
Meiyi Investment Real Estate Co., Ltd.	Domestic non-state-owned legal person	0.87%	5,223,200				
Haitong International Securities Company Limited-Account Client	Overseas legal person	0.65%	3,908,357				
Huang Yilong	Domestic natural persons	0.64%	3,866,500				
Li Baoqin	Domestic natural persons	0.51%	3,048,150				
Explanation of the association or acting in concert of the above-mentioned shareholders	1. The Shenzhen Energy Group Co., Ltd. holds 100% equity in the HONG KONG NAM HOI (INTERNATIONAL) LTD.. 2. The company does not know whether the above-mentioned other public shareholders have any association or are persons acting in concert.						
Shareholders involving margin business (if applicable)	No						

(2) Total preferred shareholders of the Company and shares held by top ten preferred shareholders□Applicable Not applicable

The Company has no preferred shareholders during the reporting period.

(3) Disclosure of the Company's property rights and control relationships in the form of a block chart



5. Bonds in existence as of the approval date of the annual report

Applicable Not applicable

III. Important matters

During the reporting period, there are no significant changes in the Company's operating conditions. For other important matters, please refer to the full text of the Annual Report 2022 of the Company.