



新天绿色能源股份有限公司
China Suntien Green Energy Corporation Limited

2017 Interim Results Announcement

Aug 2017
(0956.HK)

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1. 2017 Interim Results Overview

2. Business Review

3. Financial Highlights

4. Outlook





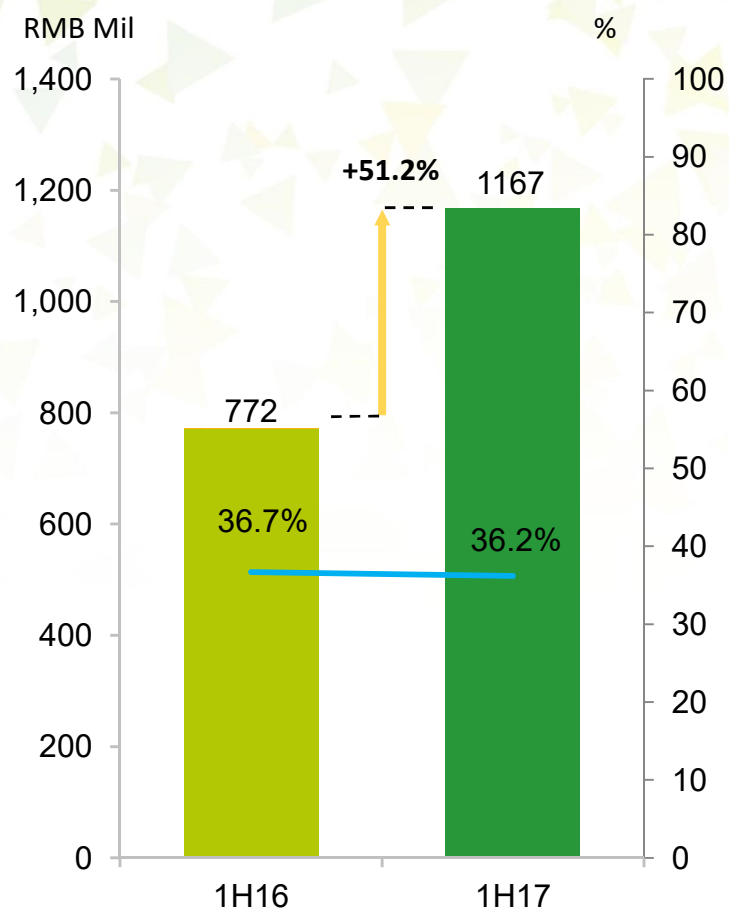
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1. 2017 Interim Results Overview

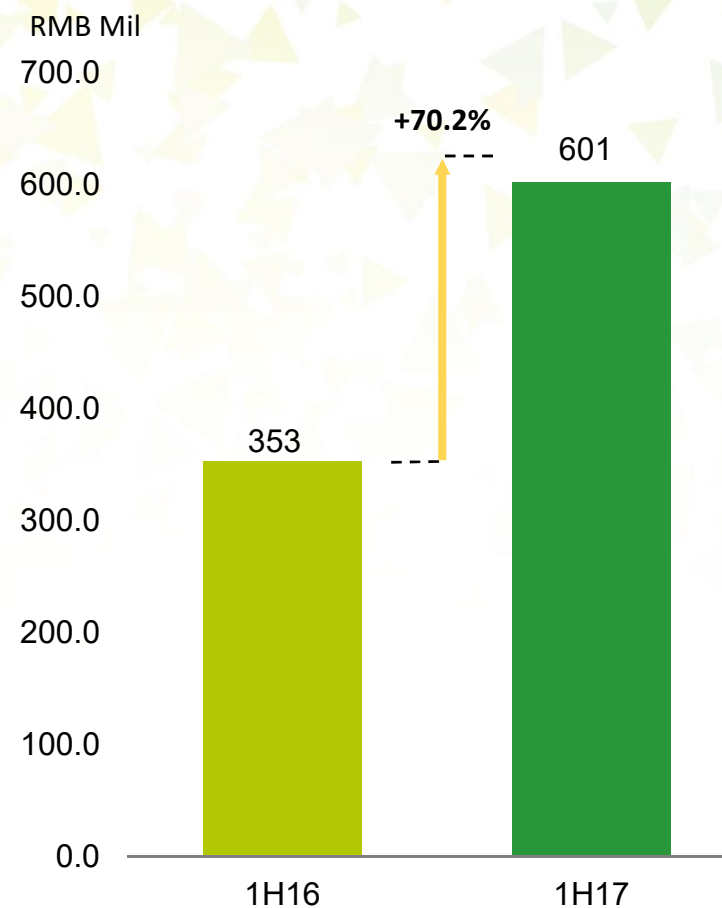
Results highlight

- The Group's Gross Profit in 1H17 was RMB1.17bn, up 51.2% yoy; Gross Profit margin was 36.2%, down 0.5ppt yoy
- Profit attributable to owners of the Company was RMB601mil, up 70.2% yoy

Gross Profit and Gross Profit Margin



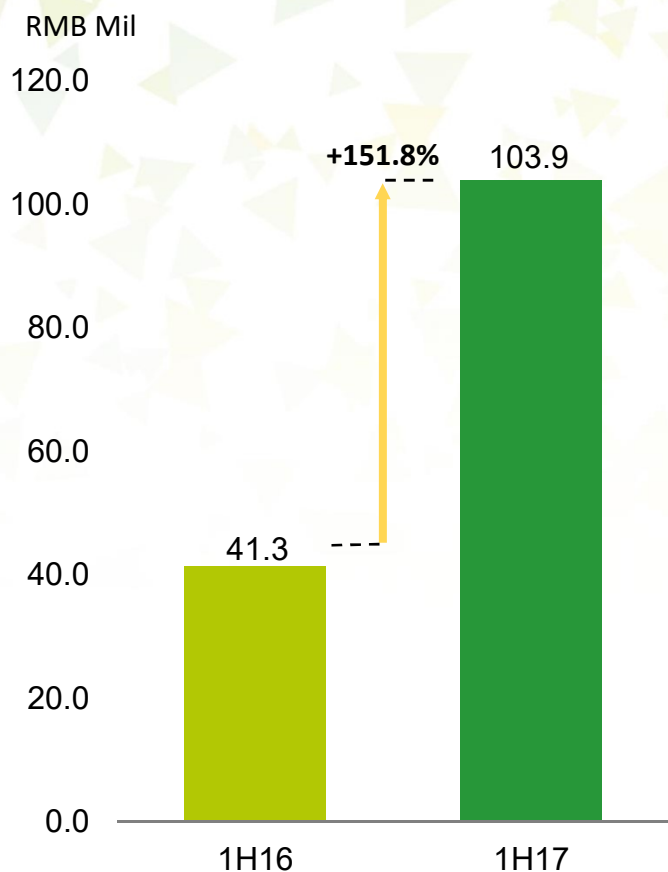
Profit attributable to owners of the Company



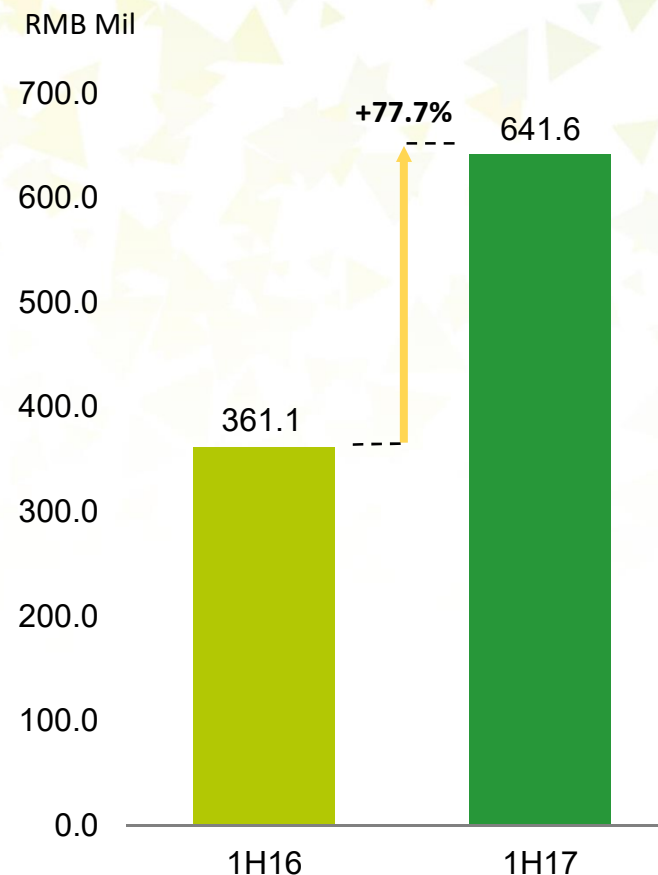
Results highlight

- Net Profit After Tax of Natural Gas Segment was RMB104 mil, up 151.8% yoy
- Net Profit After Tax of Wind and Solar Energy Segment was RMB642mil, up 77.7% yoy

Net Profit After Tax of Natural Gas Segment



Net Profit After Tax of Wind and Solar Energy Segment



2017 Operating Data Overview



Wind Power

- Consolidated Gross Power Generation increased by 47.9% to 3,430 GWh;
- Utilization hours decreased by 46 hours to 1,230, which is higher than national average by 246 hours; curtailment rate was 7.35%, down 0.56ppts yoy
- Consolidated installed capacity of the wind farms was 3,159.6MW as at end of 1H17; projects under construction has a total capacity of 651.6MW
- Added 49.5 MW of newly approved capacity in the reporting period, the accumulative approved uncommenced project capacity reach 1,960 MW; acquired an agreed volume of new wind power of 3,800MW, resulting in total agreed volume of wind resources of the Group reaching 28,372.5MW in over 20 provinces across the country



Natural Gas

- Gas sales volume in 1H17 was 0.836bcm, up 54.9% yoy
- The Group added 133.1km km of pipelines in 1H17, as at the end of 1H17, total length of natural gas pipelines in operation reached 2,316.8 km
- The main part of the project of pipelines for ten counties in central Hebei Province (Phase II) has been completed and the construction of Xiaoxin Zhuang branch was almost completed. Shanxi Licheng-Hebei Shahe CBM Pipeline Project was almost completed and is expected to be put into trial operation in the second half of 2017
- Established a joint venture company together with Tianjin Energy Investment Co., Ltd. and Shanxi Guohua Energy Co., Ltd. and intended to build natural gas resource pipelines which connect Shanxi, Hebei and Tianjin



Other Renewable Energy

- 20MW photovoltaic power station projects in Ningjiang and Lizhi, Tailai County, Heilongjiang Province were put into operation; accumulated operating capacity amounted to 81 MW
- Agreed capacity of the new photovoltaic projects amounted to 70MW and the accumulated agreed capacity amounted to 4,509MW





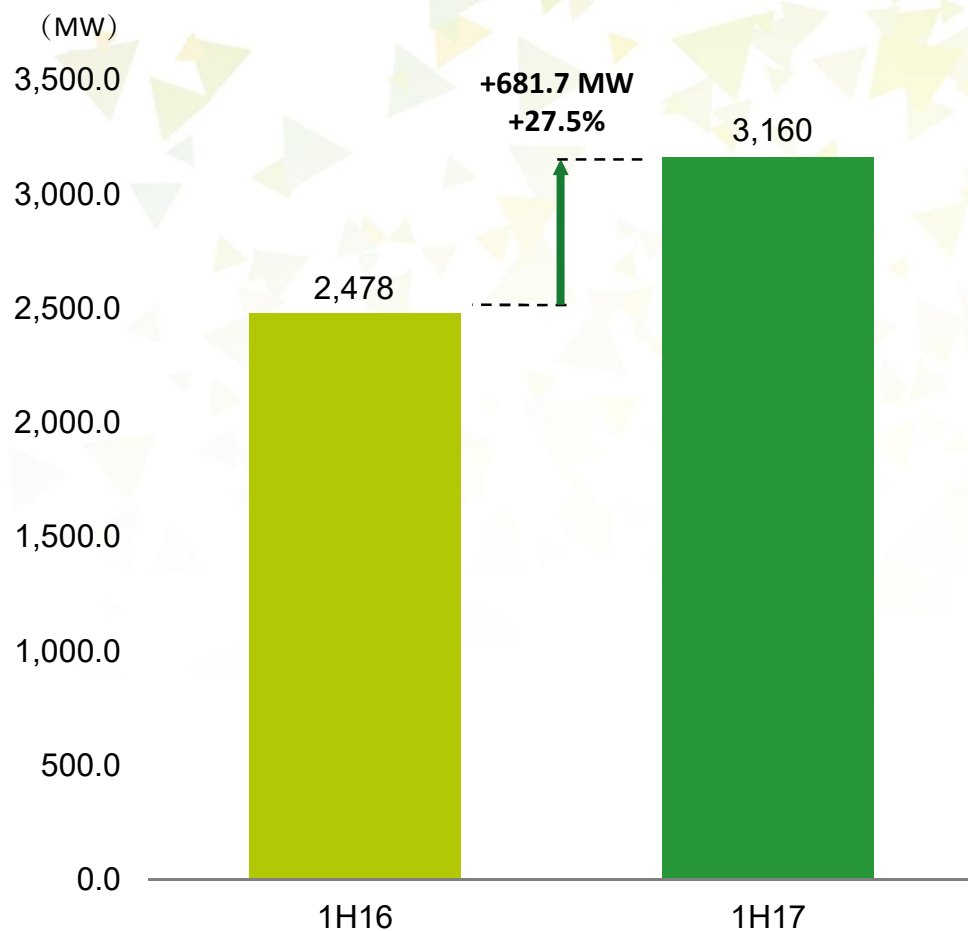
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2. Business Review

Wind Power Segment Review



Consolidated Wind Power Installed Capacity

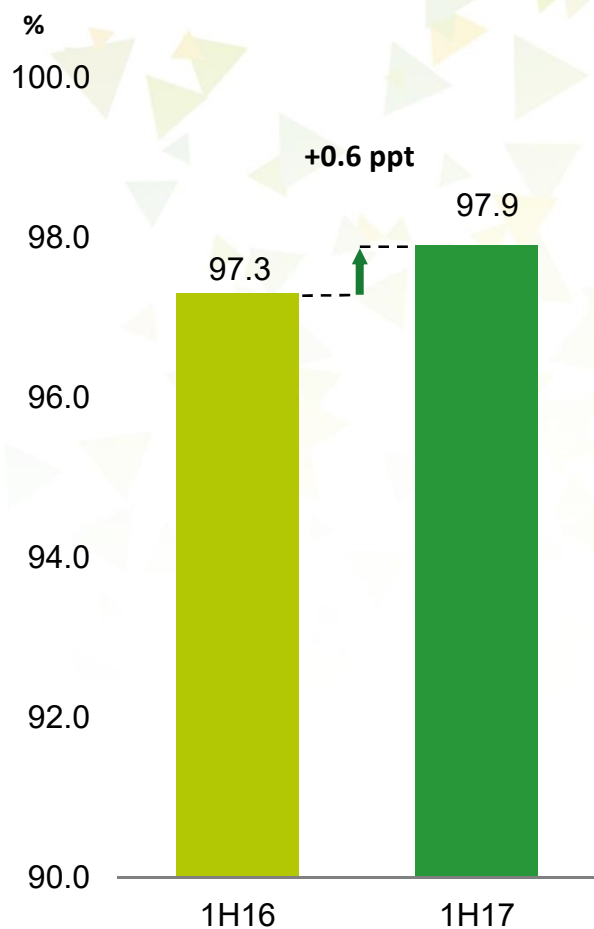


Consolidated Gross Power Generation

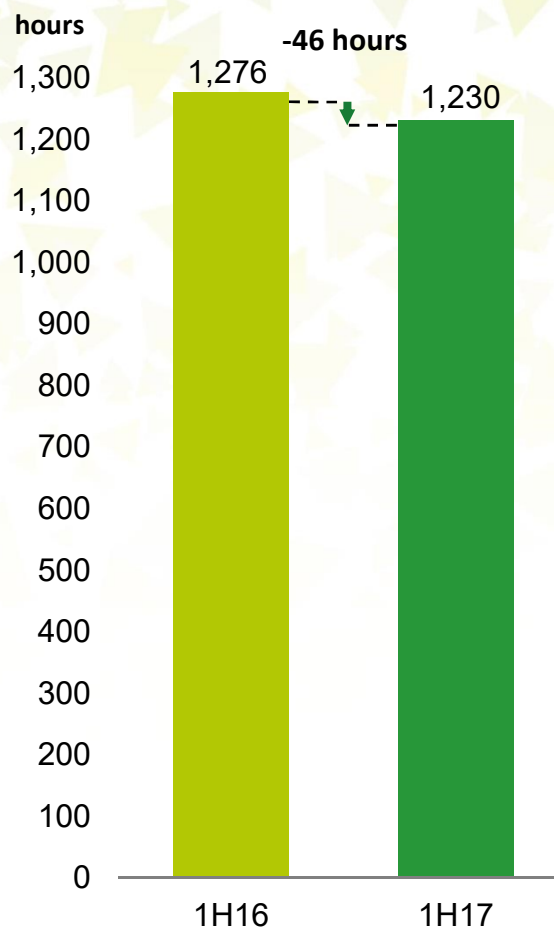


Wind Power Segment Review (Con't)

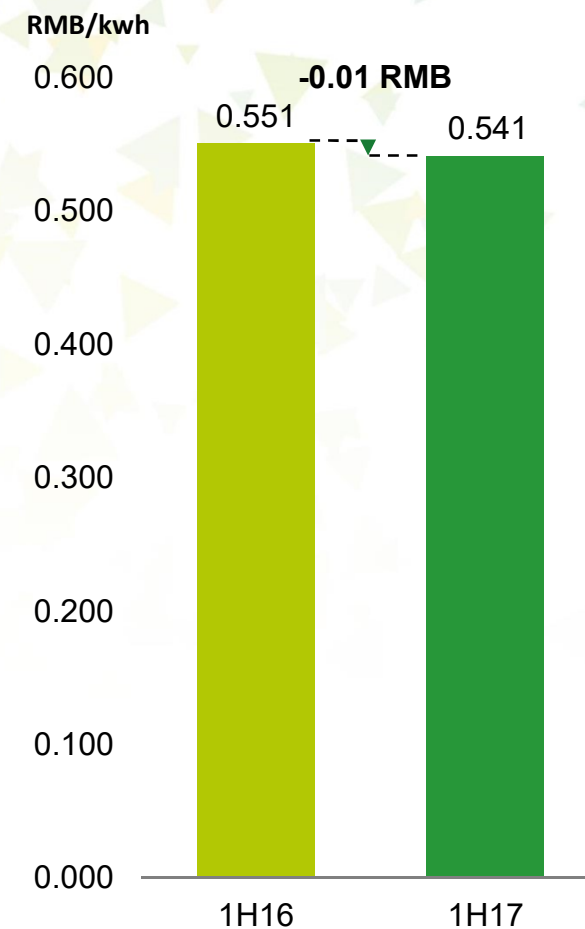
Availability Factor ⁽¹⁾



Average Utilization Hours



Average On-grid Tariff (VAT included)



Notes

1. The amount of time that a power plant is able to produce electricity over a certain period divided by the amount of time in such period



Wind Power Projects in Hebei

Wind Power Development in Hebei

- Added 275.8 MW of consolidated installed capacity in Hebei in 1H17; As of end-1H17, total consolidated installed capacity was 2,629.9MW, or 83.2% of the Group's total
- No associate wind power capacity added in the year. As of end-1H17, total associate wind power capacity was 247.5MW



Distribution of Consolidated and Associate Installed Wind Power Capacity in Hebei



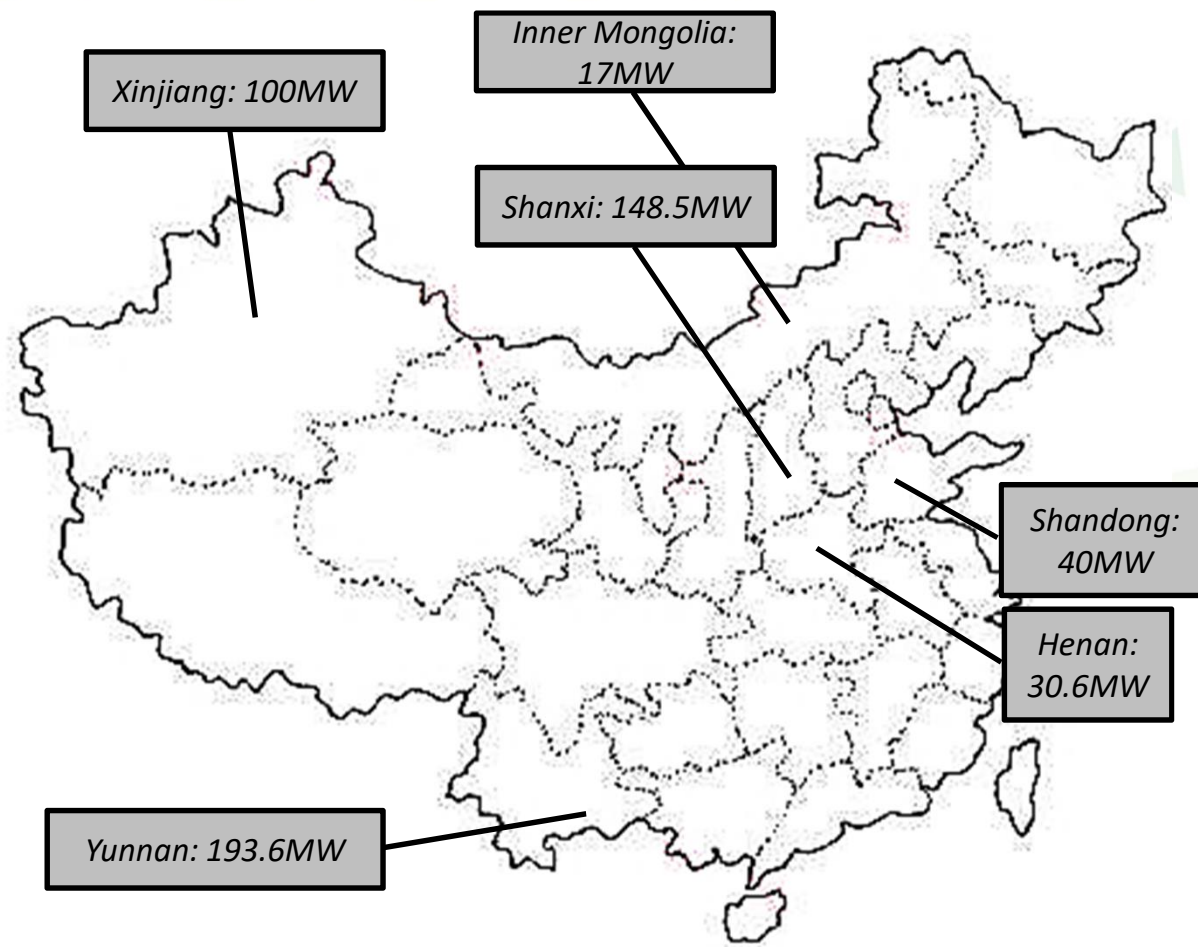
Wind Power Projects in Other Provinces

Wind Power Development Outside Hebei

In 1H17:

- Added 87.6 MW of newly installed capacity in other provinces, including 17MW in Inner Mongolia, 40 MW in Shandong, 30.6 MW in Henan
- As at end of 1H17, consolidated installed capacity in other provinces was 529.7 MW, or 16.8% of the Group's total

Consolidated Wind Power Installed Capacity Outside Hebei

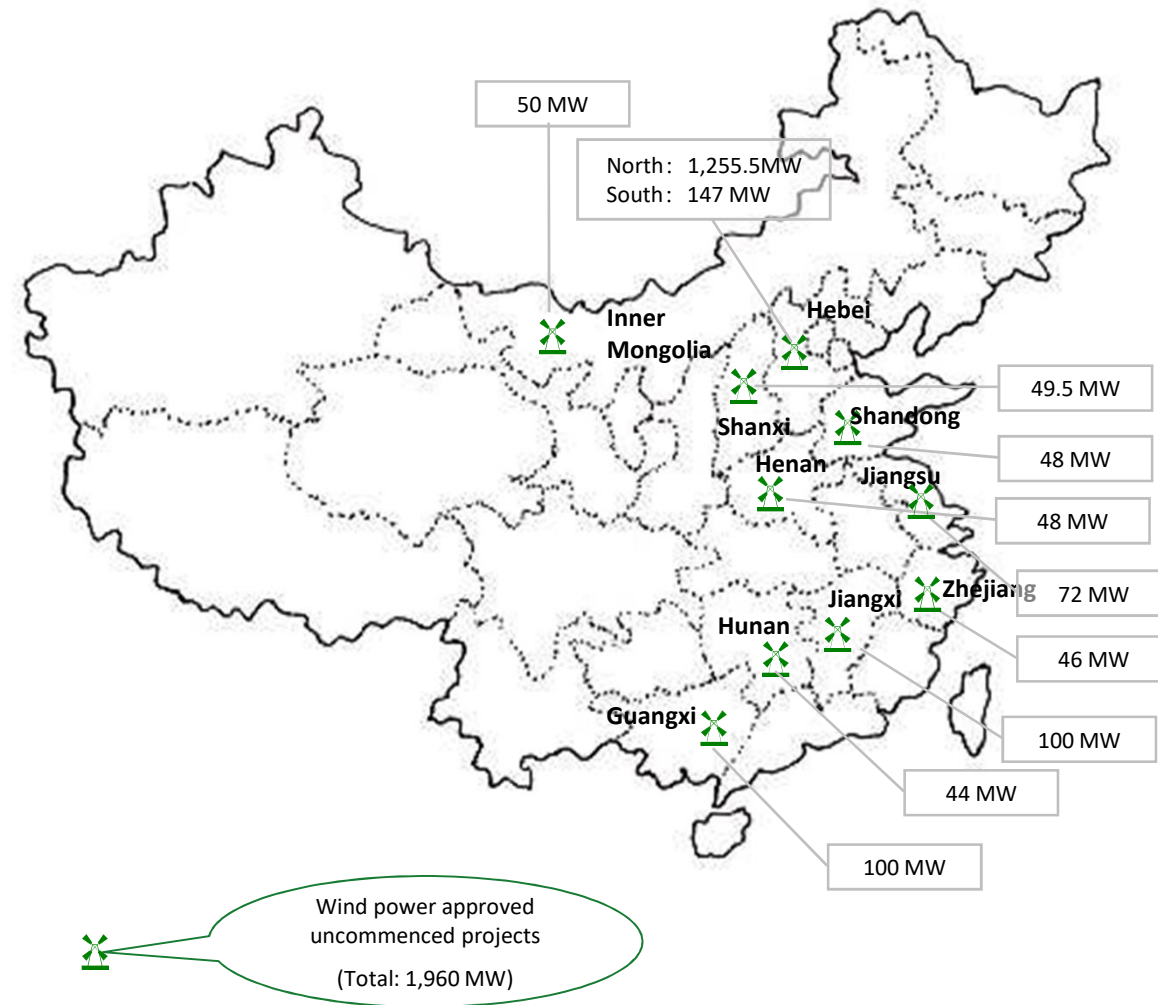


Project Approvals

Wind Power Project Approvals

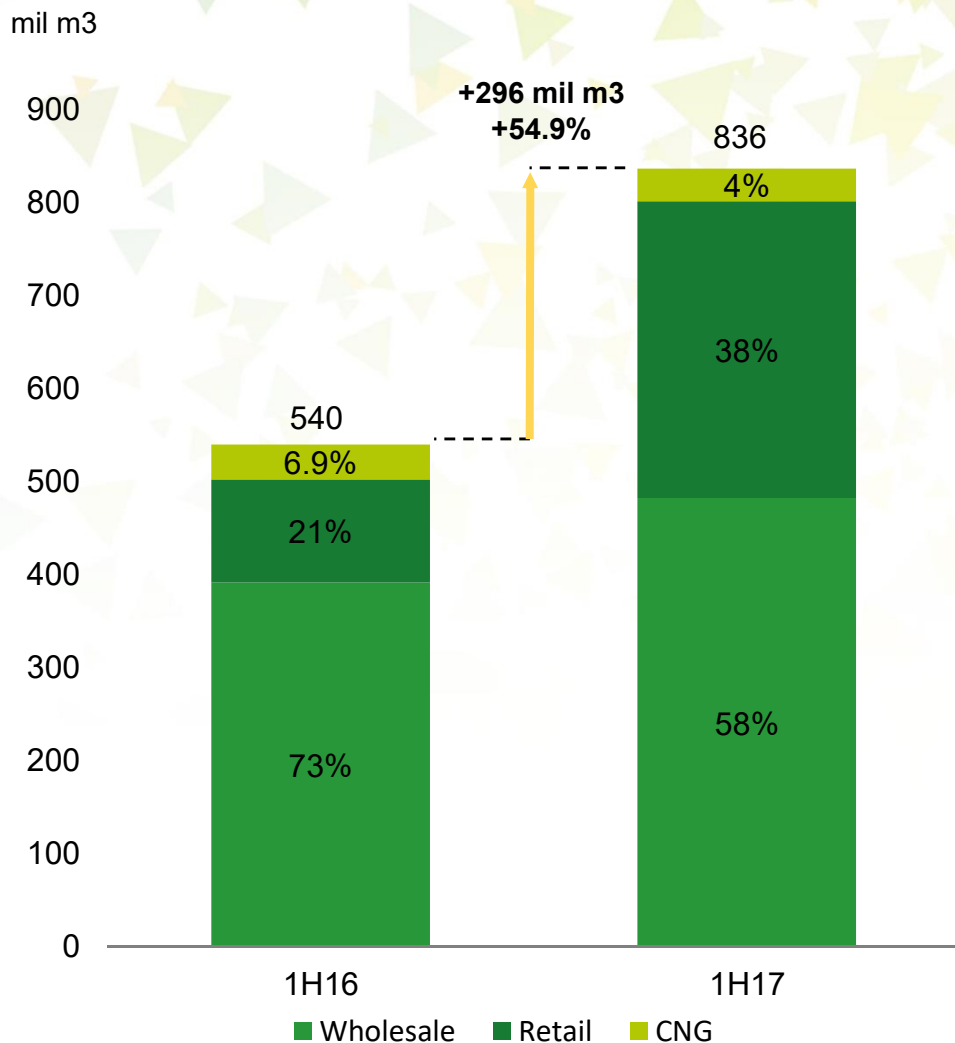
- In 1H17, the Group added 49.5 MW approved capacity; accumulated approved uncommenced projects capacity was 1,960 MW as at end of 1H17
- In 1H17, the newly approved capacity of the Group amounted to 697MW. As at the end of 1H17, the accumulative national approved capacity of the Group reached 5,948.8MW, spreading over 12 provinces across the country
- In 1H17, the Group acquired an agreed volume of new wind power of 3,800MW, resulting in total agreed volume of wind resources of the Group reaching 28,372.5MW in over 20 provinces across the country

Distribution of approved uncommenced projects

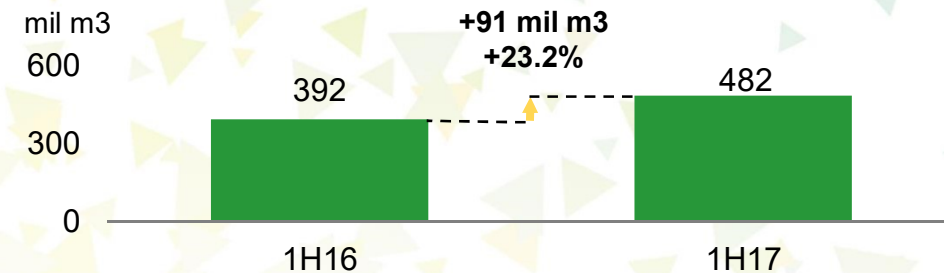


Natural Gas Segment Review

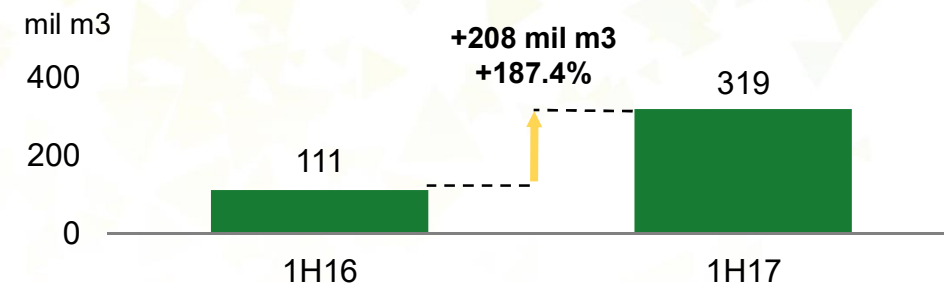
Gas Sales Volume



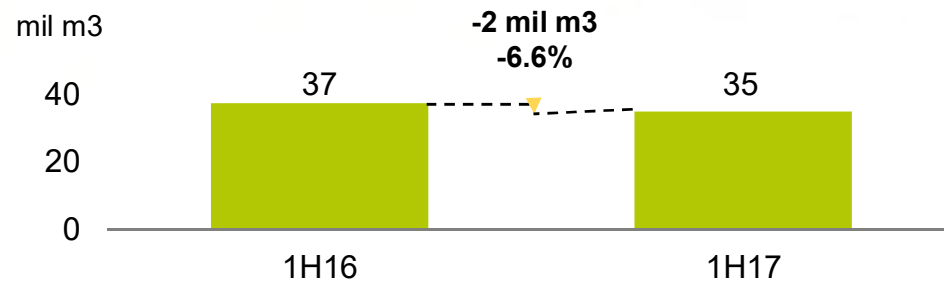
Wholesale



Retail

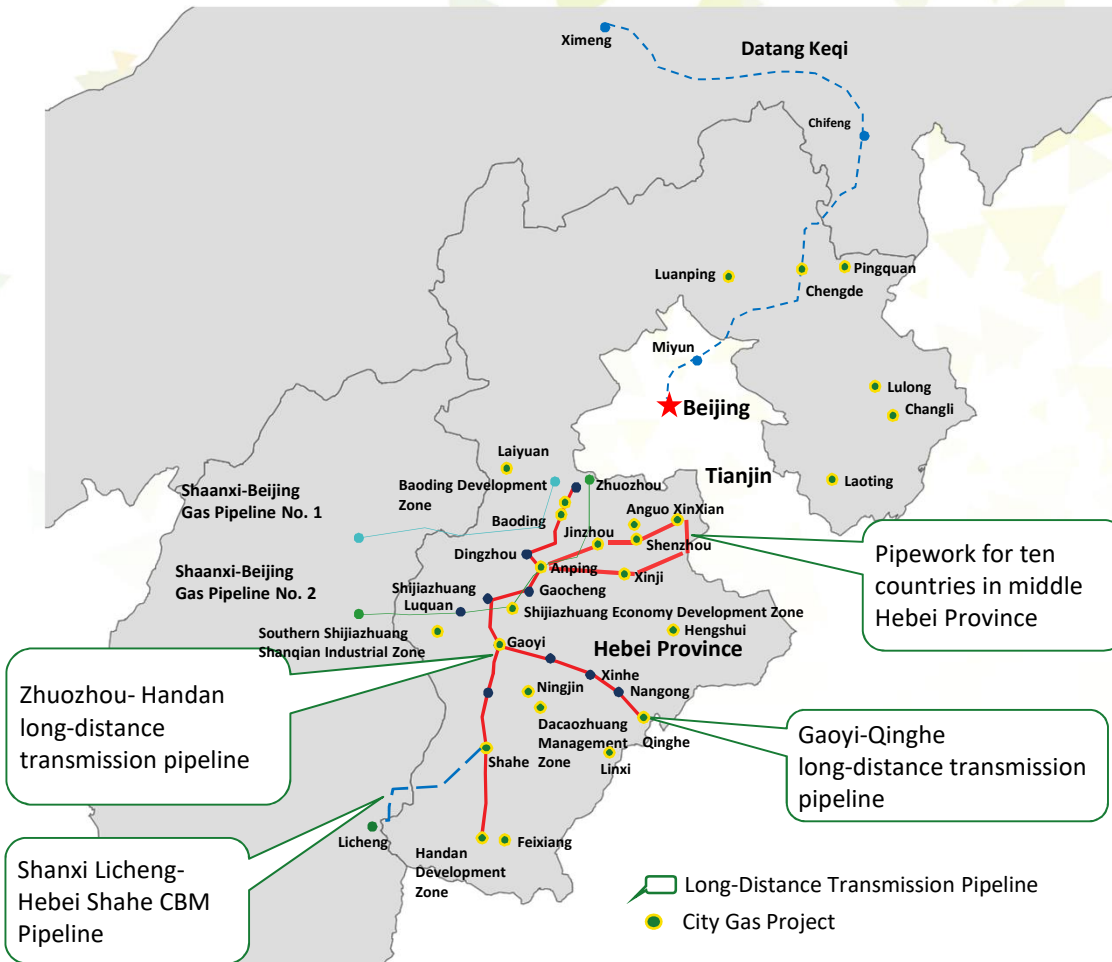


CNG



Natural Gas Segment Review (Con't)

Locations of Natural Gas Pipelines



Construction of Natural Gas Pipeline Projects

- Added 133.1km km of pipelines in 1H17, as at the end of 1H17, total length of natural gas pipelines in operation reached 2,316.8 km
- Main part of the project of pipelines for ten counties in central Hebei Province (Phase II) has been completed and the construction of Xiaoxinzhuang branch was almost completed
- Shanxi Licheng-Hebei Shahe CBM Pipeline Project was almost completed and is expected to be put into trial operation in 2H17

Natural Gas Segment Review (Con't)



Upstream Gas Supply

- Established a joint venture company together with Tianjin Energy Investment Co., Ltd. and Shanxi Guohua Energy Co., Ltd. and intended to build natural gas resource pipelines which connect Shanxi, Hebei and Tianjin

Downstream Business

- Non-residential users increased by 148 (including 78 small business users) to a total of 2,162 users (including 1,399 small business users). Residential users increased by 11,157 to a total of 184,106 users

Development of CNG/LNG Stations

- In 1H17, the Group has developed 7 CNG/LNG projects
- Construction of Anping compression primary station was completed and it was put into operation
- 7 CNG primary refilling stations, 7 CNG refilling stations and 1 LNG refilling station of the Group were in operation



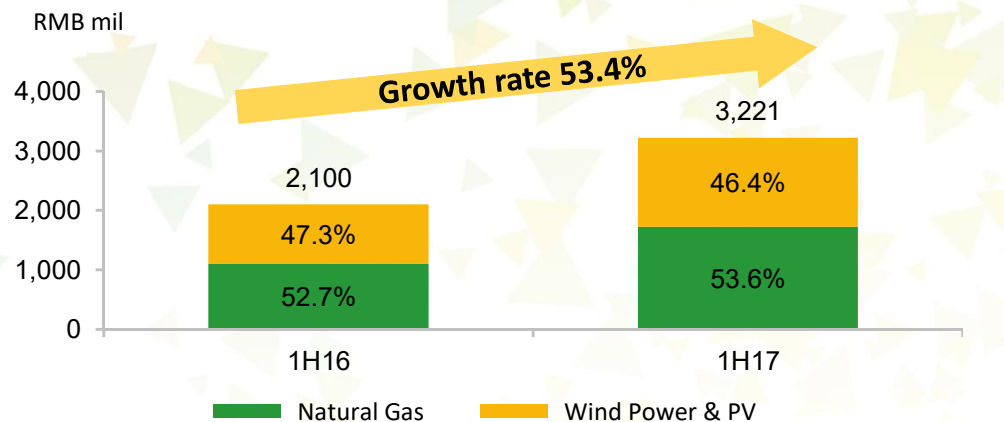


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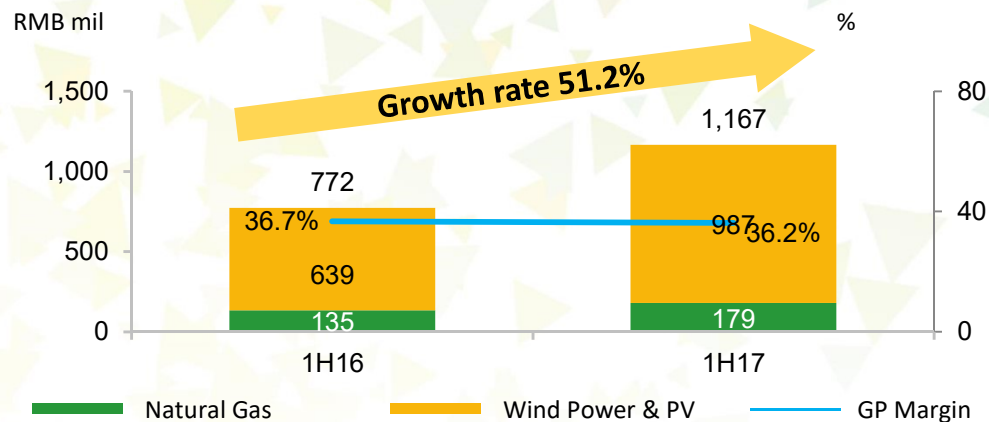
3. Financial Highlights

Group Financial Highlights

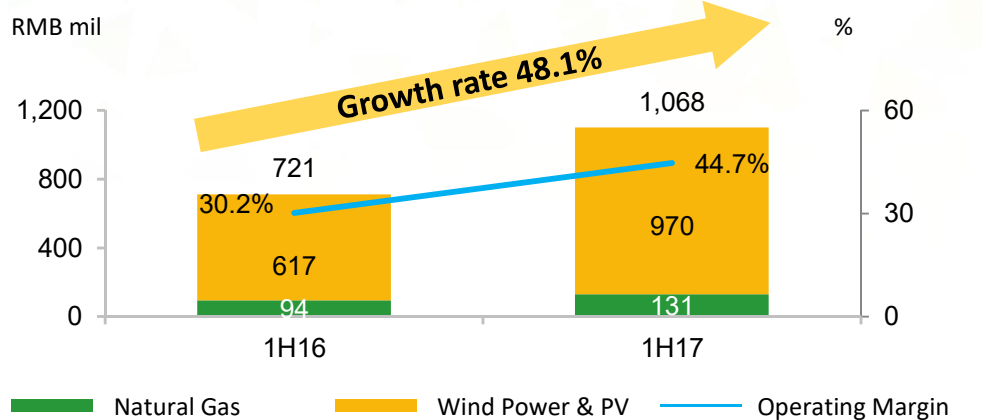
Revenue



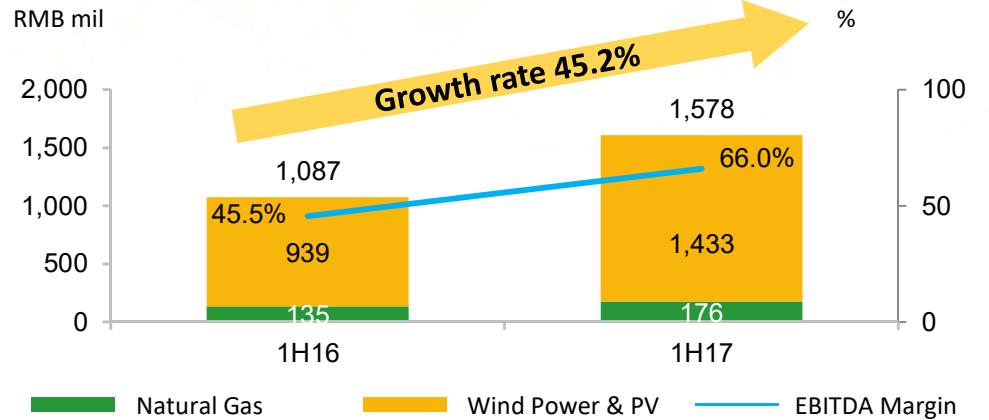
Gross Profit



Operating Profit⁽²⁾



EBITDA^{(1) (2)}

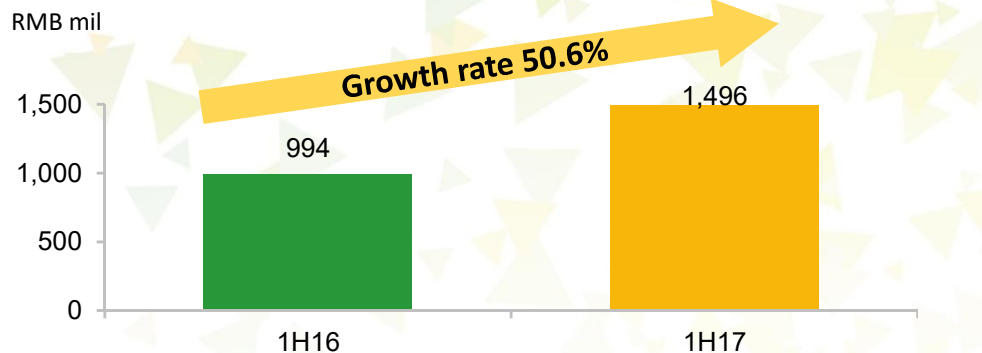


Notes

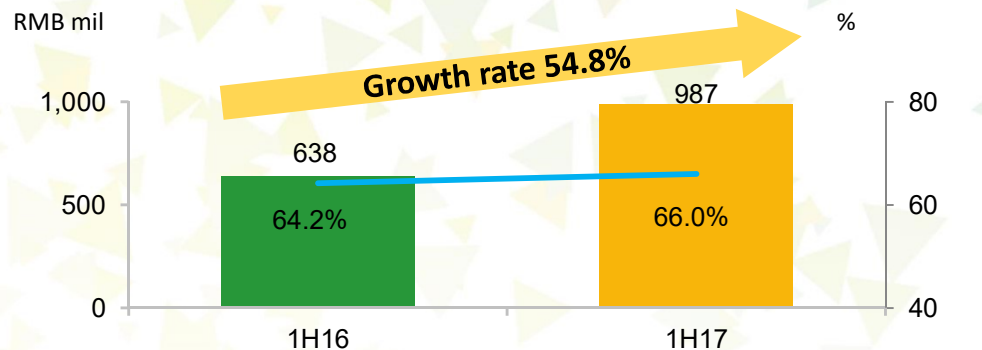
1. Including other revenue such as CER revenue, VAT refund, and bank interest income, excluding share of profit from associates
2. Sum of two segments is after inter-company elimination and excluding share of profits of associates

Wind and Photovoltaic Segment Financial Highlights

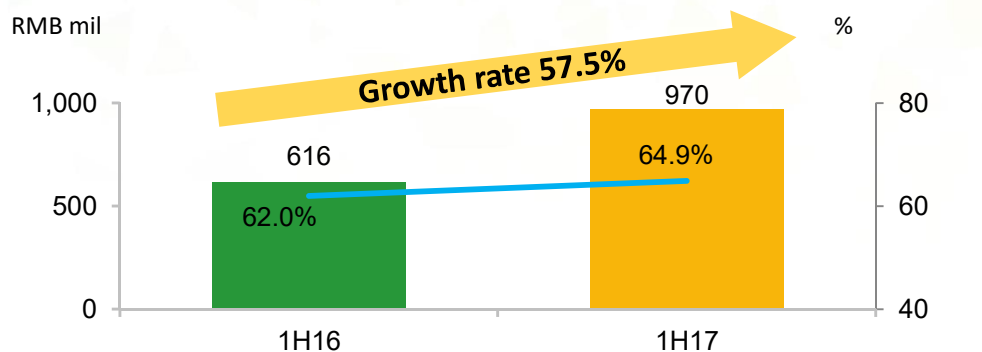
Revenue



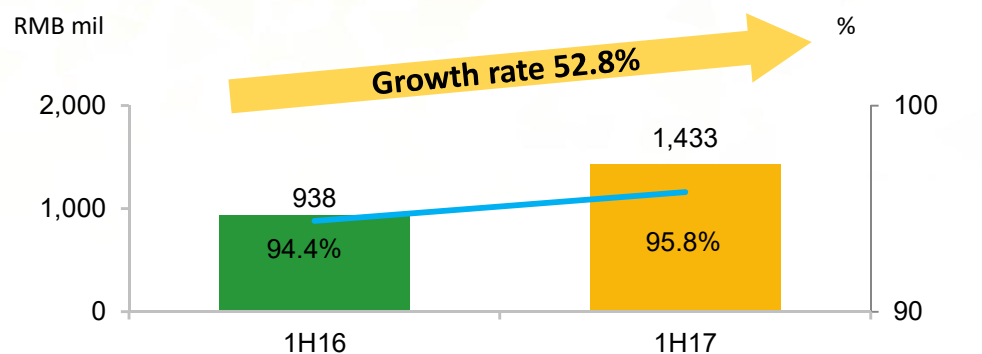
Gross Profit



Operating Profit



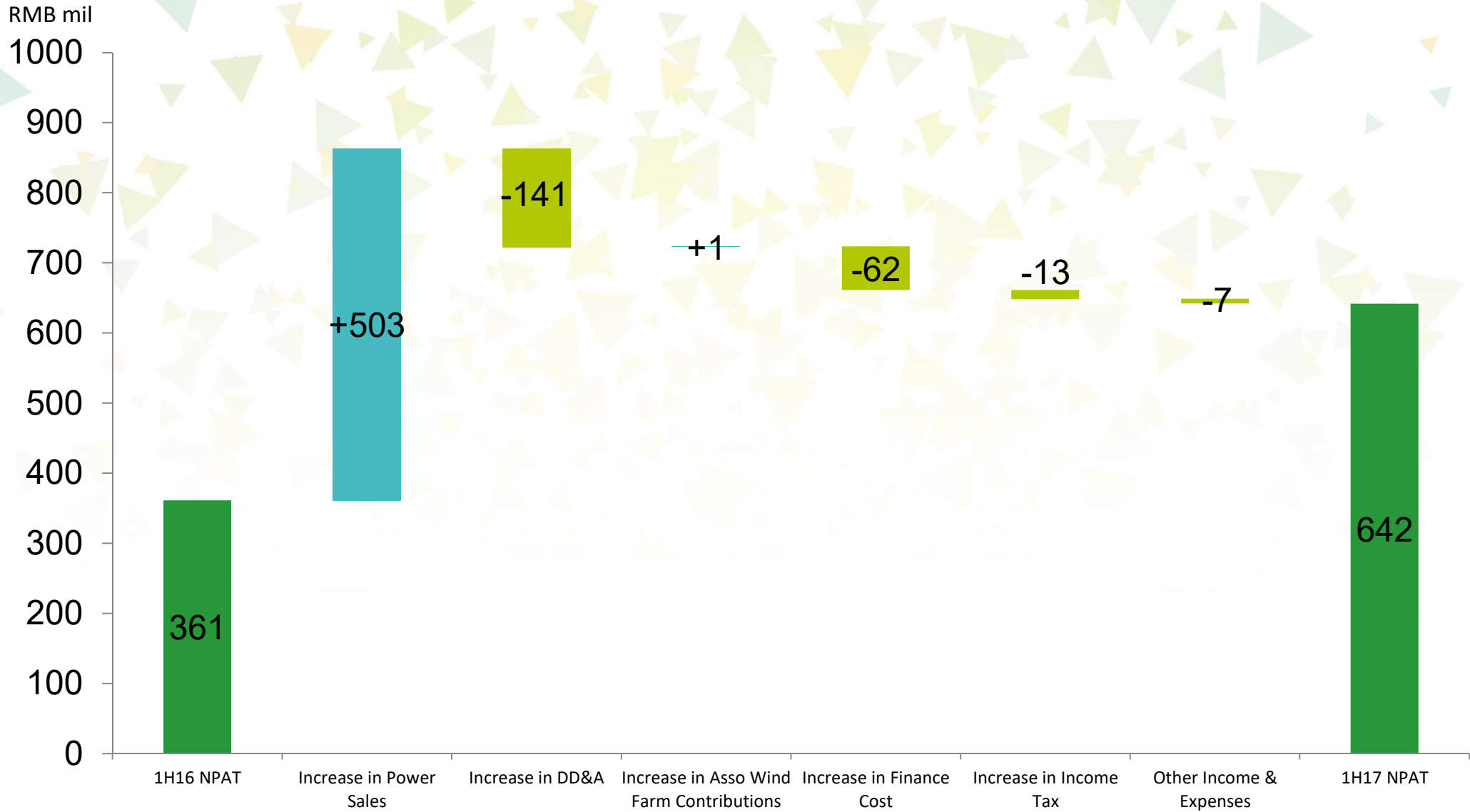
EBITDA (1)



Note:

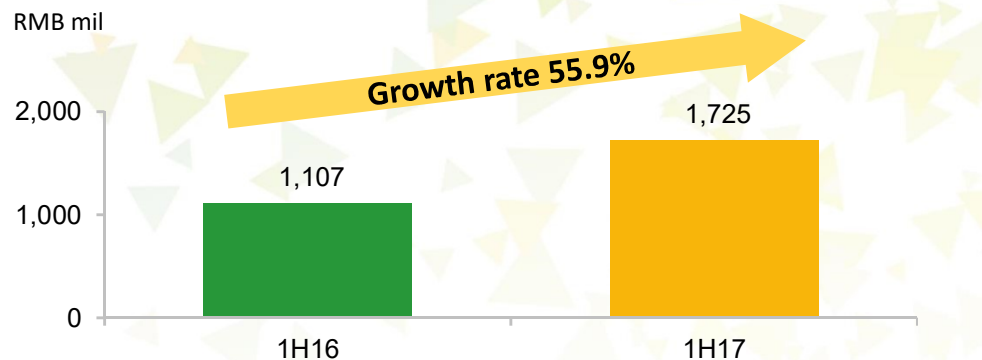
1. Including other revenue such as CER revenue, VAT refund, and bank interest income, excluding share of profit from associates

Wind and Photovoltaic Segment NPAT Analysis

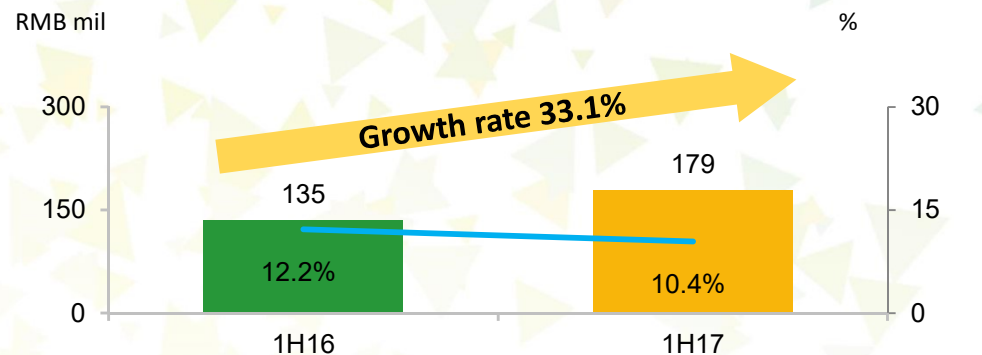


Natural Gas Segment Financial Highlights

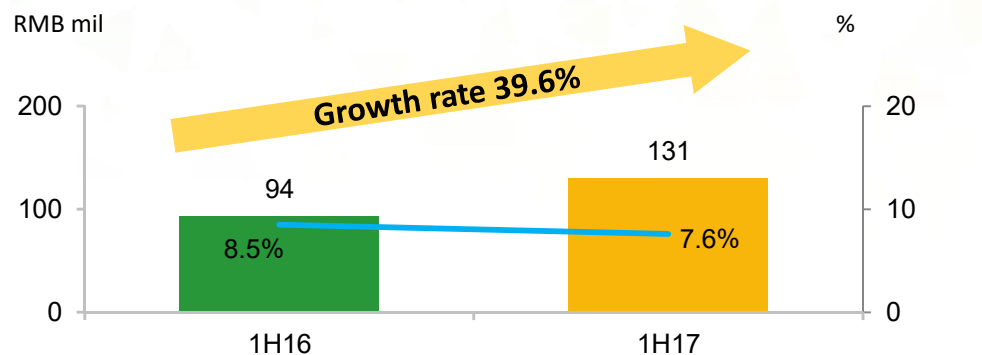
Revenue



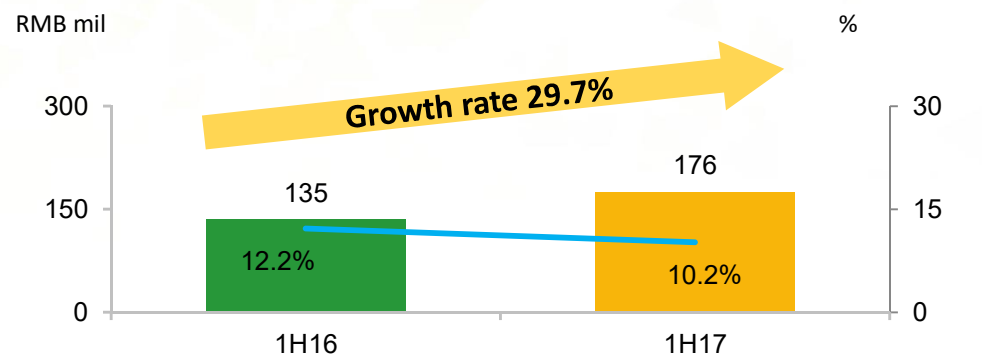
Gross Profit



Operating Profit



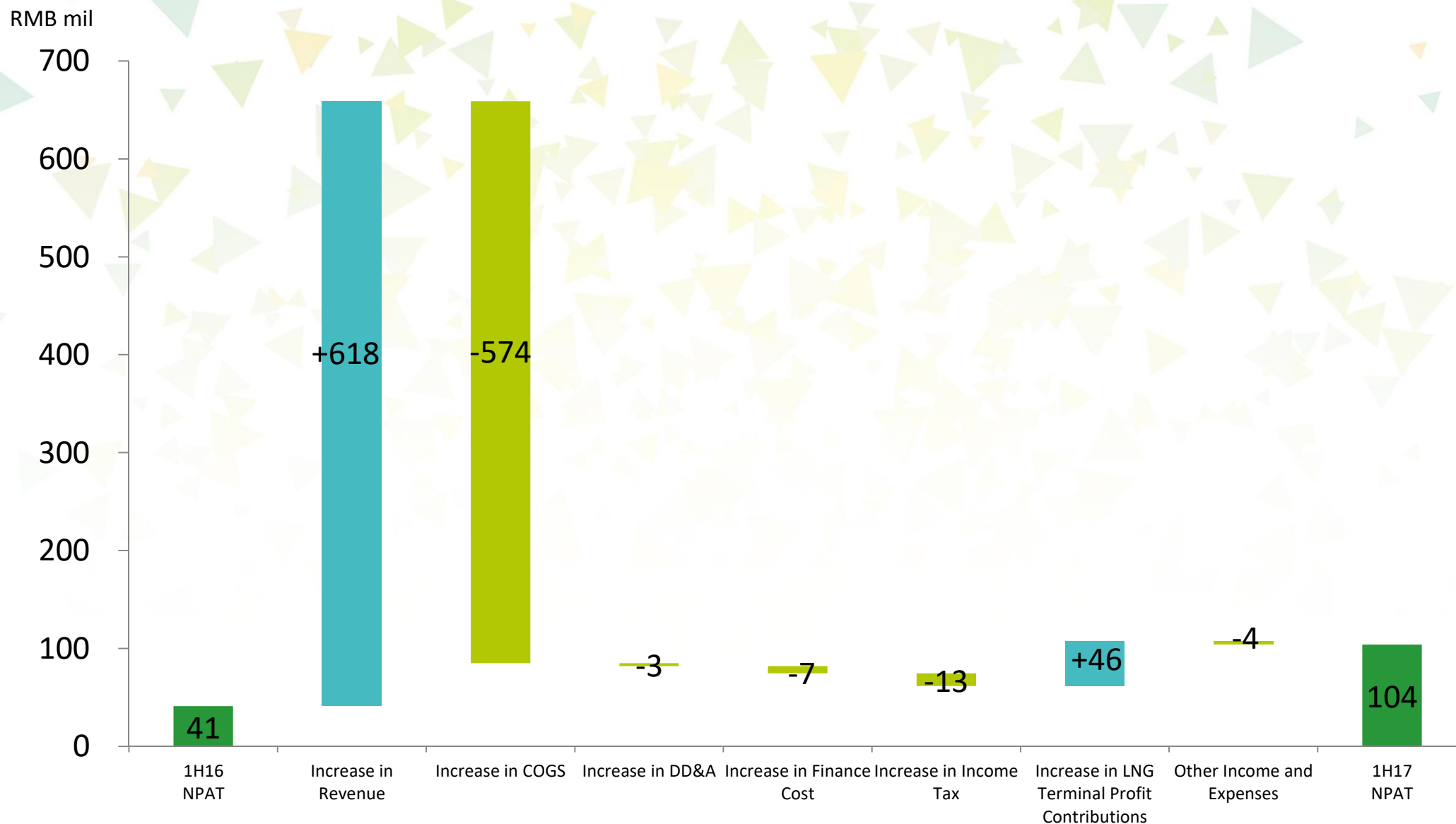
EBITDA (1)



Note

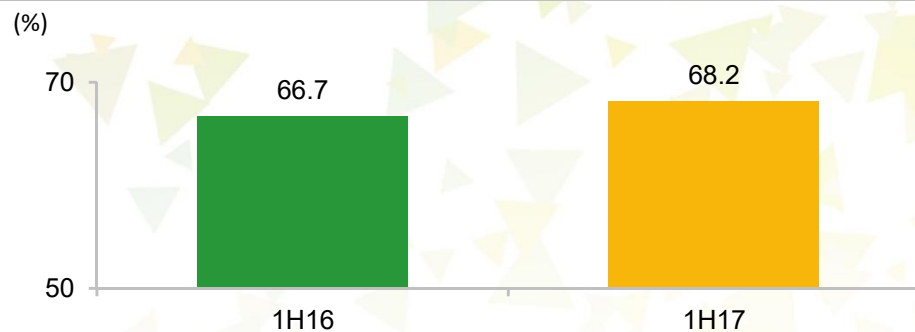
1. Including other revenue, but excluding share of profit from associates

Natural Gas Segment NPAT Analysis

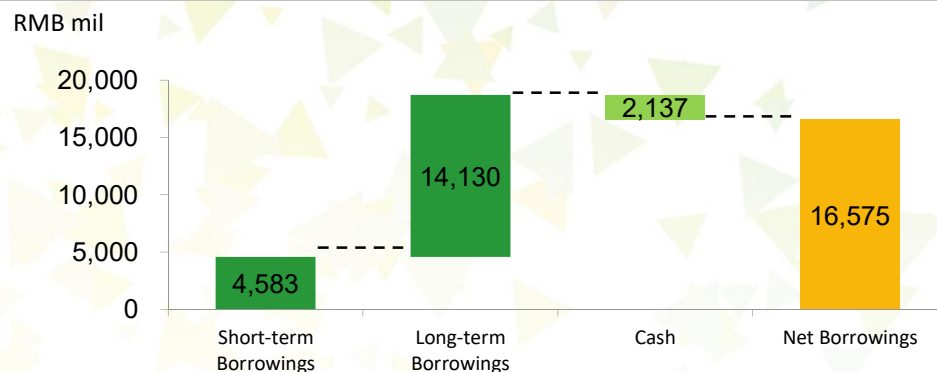


Capital Structure

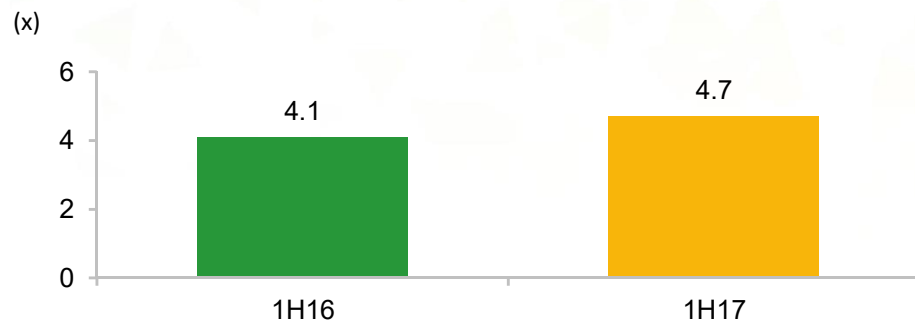
Total Liabilities / Total Assets



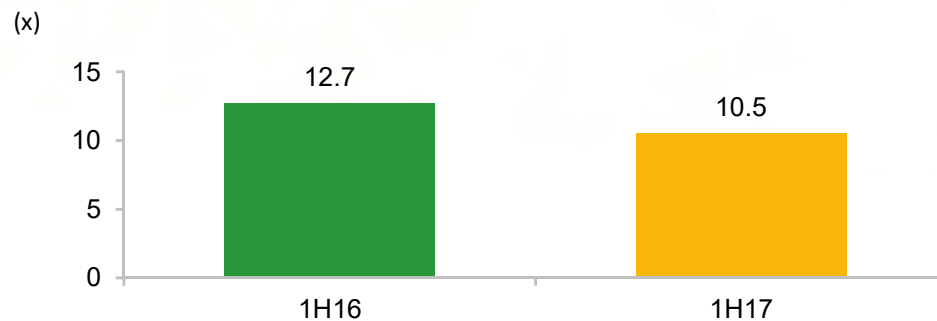
1H17 Net Borrowing Breakdown



Interest Coverage (EBITDA/Finance Cost)



Net Debts/EBITDA





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4. 2H17 Outlook

2H17 Outlook

In 2H17, the Group will keep a wide horizon and capture opportunities for strategic development so as to devote every effort in facilitating various projects and promoting business development

The following continuous measures will be taken by the Group:

1. Exploring cooperation mechanisms in depth, taking use of high-quality wind power resources in the Central and Eastern regions, well-preparing the preliminary work for the occupied resources and striving to obtain early approval for the projects
2. Taking advantages of the integrated development of Beijing-Tianjin-Hebei Region, policies for “replacing coal by gas” and development opportunities from construction of Xiongan New Area, strengthening its existing market exploration and focusing on the planning of the gas market structure
3. Closely monitoring the construction projects, optimizing project management, overseeing the progress of key projects, ensuring the construction and operation of projects on schedule and achieving early operation of projects for early generation of revenues
4. Paying close attention to monetary policies of China for preparation of overall capital arrangement, continuously creating innovative financing models, refining capital management, enhancing utilization efficiency of capital, reducing capital precipitation and lowering capital cost
5. Continuously optimizing and perfecting the management system of regulations, enhancing the deployment of talents, strengthening awareness on support to function management and elevating corporate governance standard with the use of information technology
6. Further enhancing the standard of the fine safety management of the Company, conducting regular inspection and maintenance by taking advantages of seasonal characteristics in summer, the low gas-consumption period and low wind season for identification and removal of weakness and hazards, and making preparation for production in winter, the peak gas-consumption period and high wind season





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5. Q&A