



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

2022 Annual Results Announcement



00956.HK&600956.SH

March 2023

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Agenda

1. 2022 Industries Overview

2. 2022 Business Review

3. 2022 Financial Highlights

4. Business Outlook



新天绿色能源股份有限公司
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SECTION 1

2022 Industries Overview



Operating Environment for the Wind Power & Photovoltaic Industry

(1) Continuous growth of social electricity consumption and steady expansion of renewable energy installed capacity

- According to the statistics published by NEA, the nationwide power consumption in 2022 was 8,637.2 billion kWh, representing an increase of 3.6%.
- In 2022, the newly installed grid-connected capacity of wind power in China was 37.63 GW, and total installed capacity reached 365 GW, representing an increase of 11.2% as compared with 2021. The newly installed photovoltaic capacity was 87.41 GW, and total installed photovoltaic capacity reached 393 GW, representing an increase of 28.1% as compared with 2021.

(2) Utilization of renewable energy remained at a high level

- In 2022, the utilization of renewable energy in China remained at a high level, of which, the wind power average utilization rate was 96.8%, representing an increase of 0.1 percentage point as compared with the same period of 2021. The photovoltaic power utilization rate was 98.3%, representing an increase of 0.3 percentage point as compared with the same period of 2021.

Operating Environment for the Wind Power & Photovoltaic Industry

(3) On 24 March 2022, the National Development and Reform Commission, the National Energy Administration and the Ministry of Finance jointly issued the Notice on Carrying out the Self-Financing of Renewable Energy Power Generation Subsidy Work

- The Notice proposes to carry out the verification of renewable energy power generation subsidies nationwide to further clarify the subsidy base, and the scope of self-inspection is full-caliber renewable energy power generation projects that have been connected to the grid with subsidy demand by the end of 2021, mainly wind power, centralized photovoltaic power plants and biomass power generation projects. The first batch of 7,334 projects confirmed by verification have been announced on 28 October 2022. The verification is still ongoing.

(4) On 1 June 2022, the “14th Five-Year Plan for Renewable Energy Development was jointly released by nine authorities including the NDRC

- The plan proposes : the development and utilization of renewable energy power generation, and expand the scale of utilization of renewable energy in areas other than power generation, in accordance with the requirements for the task of increasing the proportion of non-fossil energy consumption to approximately 20% by 2025.

Operating Environment for the Wind Power & Photovoltaic Industry

(5) On 28 November 2022, the National Energy Administration issued the Notice of the Comprehensive Department of the National Energy Administration on Promoting the Connection of New Energy Power Generation Facilities to the Grid

- The notice proposes that on the premise of ensuring the security and stability of the power grid and the orderly supply of electricity, all power grid enterprises should take effective measures to ensure the timely grid connection of wind power and photovoltaic power generation projects that meet the grid connection conditions in accordance with the principle of “merging as much as possible and as soon as possible”. It also stipulates that grid connection in batches is permitted, and the completion of full capacity shall not be considered a prerequisite for the grid connection of renewable energy projects.

Operating Environment for the Natural Gas Industry

(1) Steady growth of total demand for natural gas

- According to the statistics disclosed by the NDRC and the National Energy Administration, in 2022, 217.8 billion cubic meters of natural gas were produced, representing an increase of 6.4% as compared with the same period of last year; 109.25 million tons of natural gas were imported, representing a decrease of 9.9% as compared with 2021. In 2022, the national apparent consumption of natural gas amounted to 366.3 billion cubic meters, representing a decrease of 1.7% as compared with the same period of 2021.

(2) On May 20, 2022, the NDRC issued the Guiding Opinions on Improving the Pricing Mechanism of Gasification Services at Imported LNG Receiving Stations

- To guide local governments to further improve the pricing mechanism for gasification services, standardize pricing practice and ensure reasonable pricing. The Guiding Opinions is conducive to promoting the fair and transparent operation of receiving stations. Meanwhile, the implementation of a relatively flexible government-guided price management mode is conducive to streamlining the operation of receiving stations, and better playing the role of price leverage in regulating supply and demand.

Operating Environment for the Natural Gas Industry

(3) The “Action Plan for Peak Carbon Emissions by 2030” issued by the State Council

- The guidance will be given on natural gas consumption in an orderly manner, and the structure of utilization will be optimized with priority being given to ensuring the gas supply for the livelihood of its people. It also states that integrated development of natural gas and various energy sources will be vigorously promoted by building power stations for adjusting the peak of natural gas consumption according to local conditions, and guidance will be given on gas consumption for industrial purposes and chemical raw materials in a reasonable manner by supporting the use of LNG as fuel for vehicles and vessels.



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SECTION 2

2022 Business Review



2022 Operating Data Overview

Wind Power

- Consolidated gross power generation increased by 4.17% to 14.031 billion kWh.
- utilization hours of the Group's consolidated wind farms were 2,485 hours, largely remained at the same level as in 2021.
- Consolidated installed capacity was 5,811.85 MW, increased by 138 MW yoy. Accumulative installed capacity under management of 6,072.45 MW , increased by 203 MW yoy. Commercial operation project capacity was 5,667.25 MW, increased by 304.1 MW yoy.
- The total designed capacity of projects under construction was 516.4 MW.
- Approved capacity increased by 771.5 MW, and the accumulative approved capacity of projects not yet commenced was 2,020 MW. Agreed wind power capacity increased by 14,200 MW.

Natural Gas

- Natural gas transmission volume was 4.501 billion cubic meters, up 8.27% yoy.
- In 2022 Group operated pipeline increased by 742.49 km to 8,347.23 km which includes 1,260.67 km of long-distance transmission pipeline and 7,086.56 km of city gas pipeline.
- The Group vigorously developed its terminal user and resulted in an increase of 78,112 customers from different categories. By the end of 2022, the Group had an aggregate of 559,048 customers.

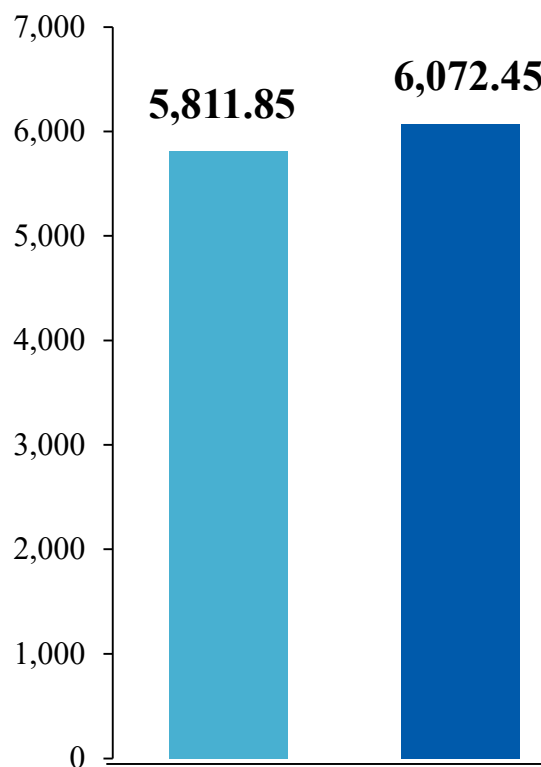
Photovoltaic Power

- Accumulated operating capacity was 120.32 MW and accumulated installed capacity under management of 296.12 MW.
- Power generation was 167 GWh with 1,404 utilization hours.
- Approved capacity of photovoltaic projects increased 320.08 MW, and the accumulative approved capacity of projects not yet commenced was 607.2 MW.
- Agreed capacity of photovoltaic projects increased by 7,260 MW.

New Energy Segment Review

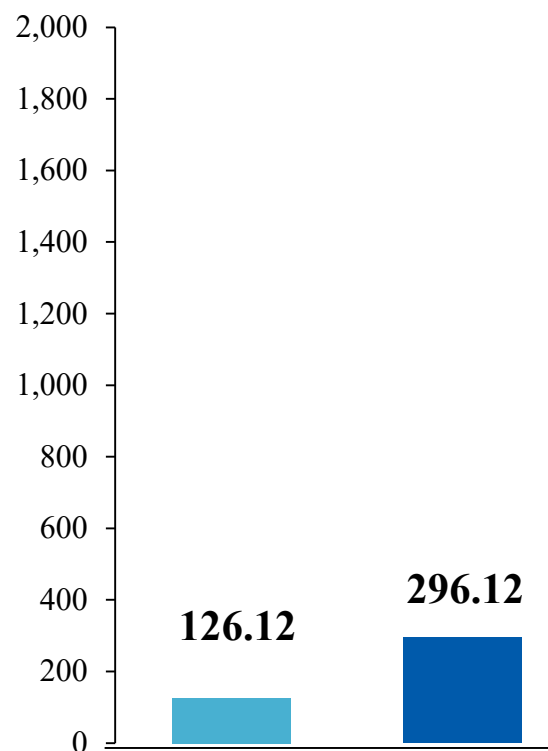
Wind Power Installed Capacity

(MW)



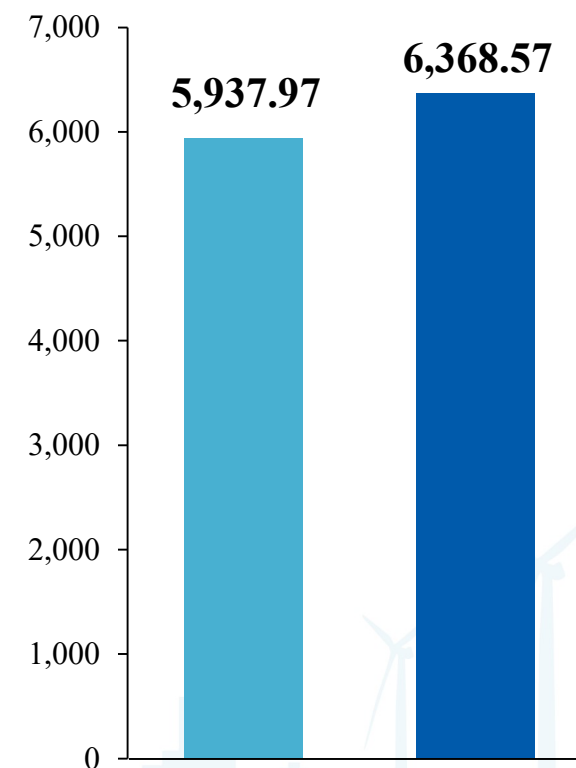
Photovoltaic Installed Capacity

(MW)



Total Installed Capacity of New Energy

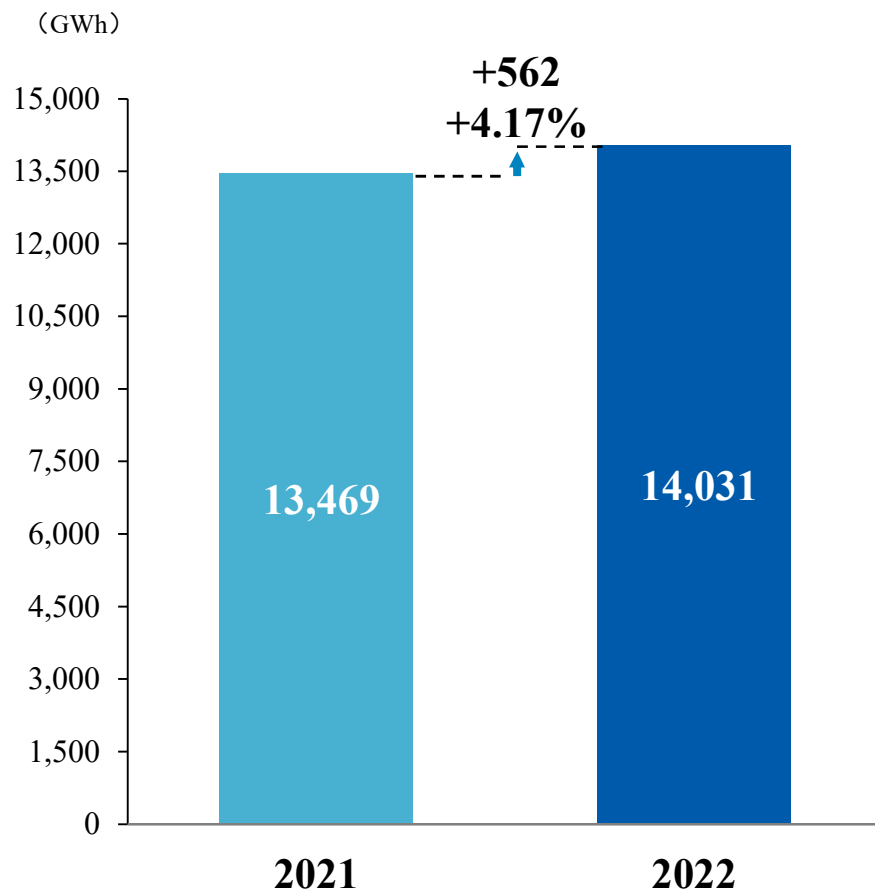
(MW)



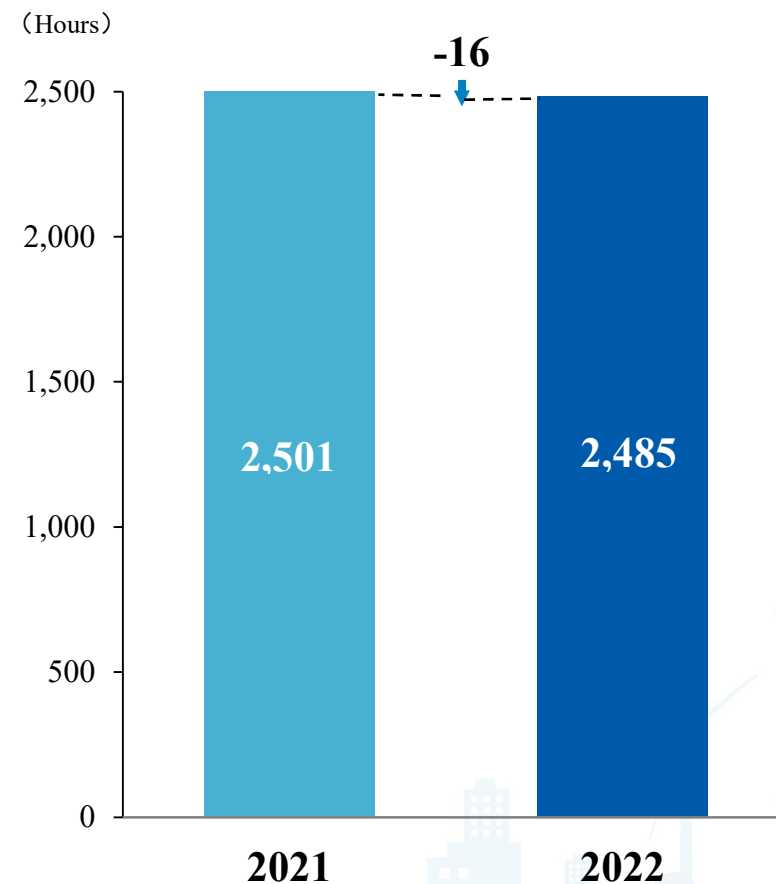
■ Consolidated installed capacity
 ■ Managing installed capacity

Wind Power Segment Review

Consolidated Gross Power Generation ⁽¹⁾



Average Utilization Hours

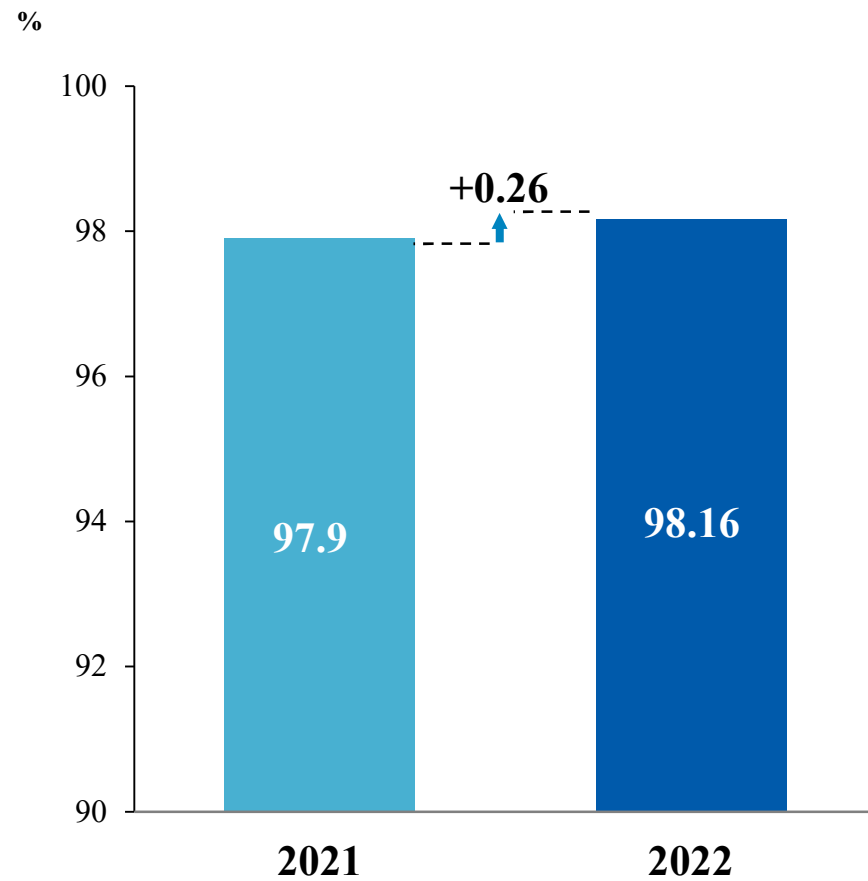


Notes

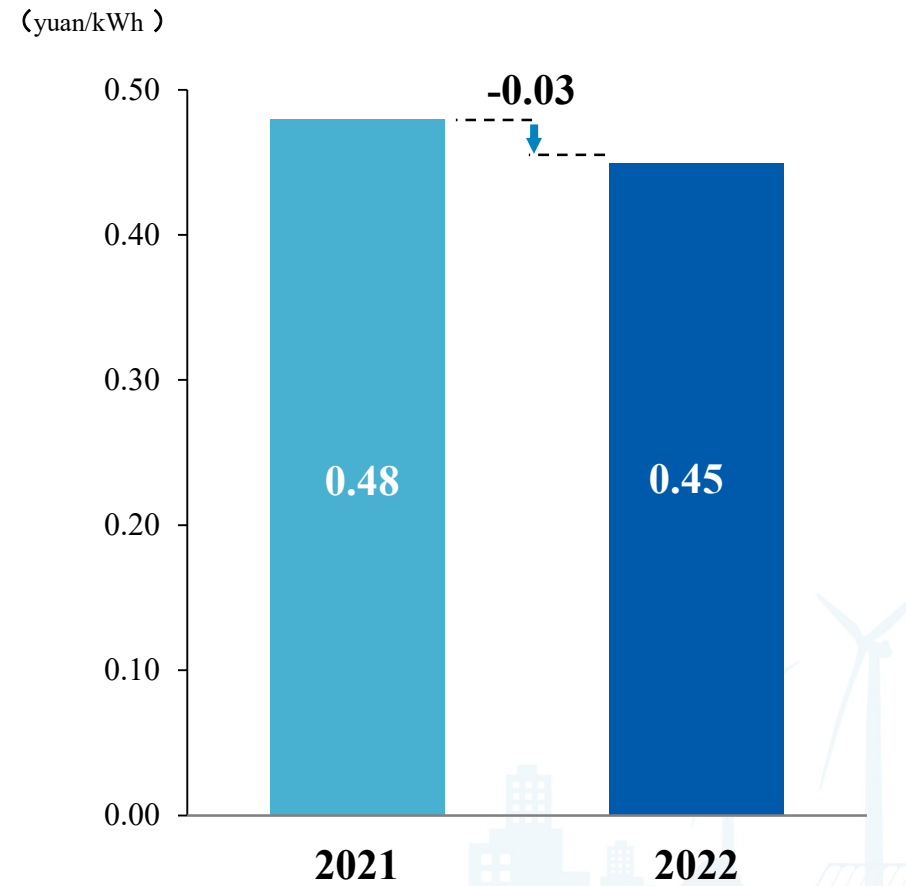
1. Including trial run period generations

Wind Power Segment Review

Availability Factor (1)



Average On-grid Tariff (VAT excluded)

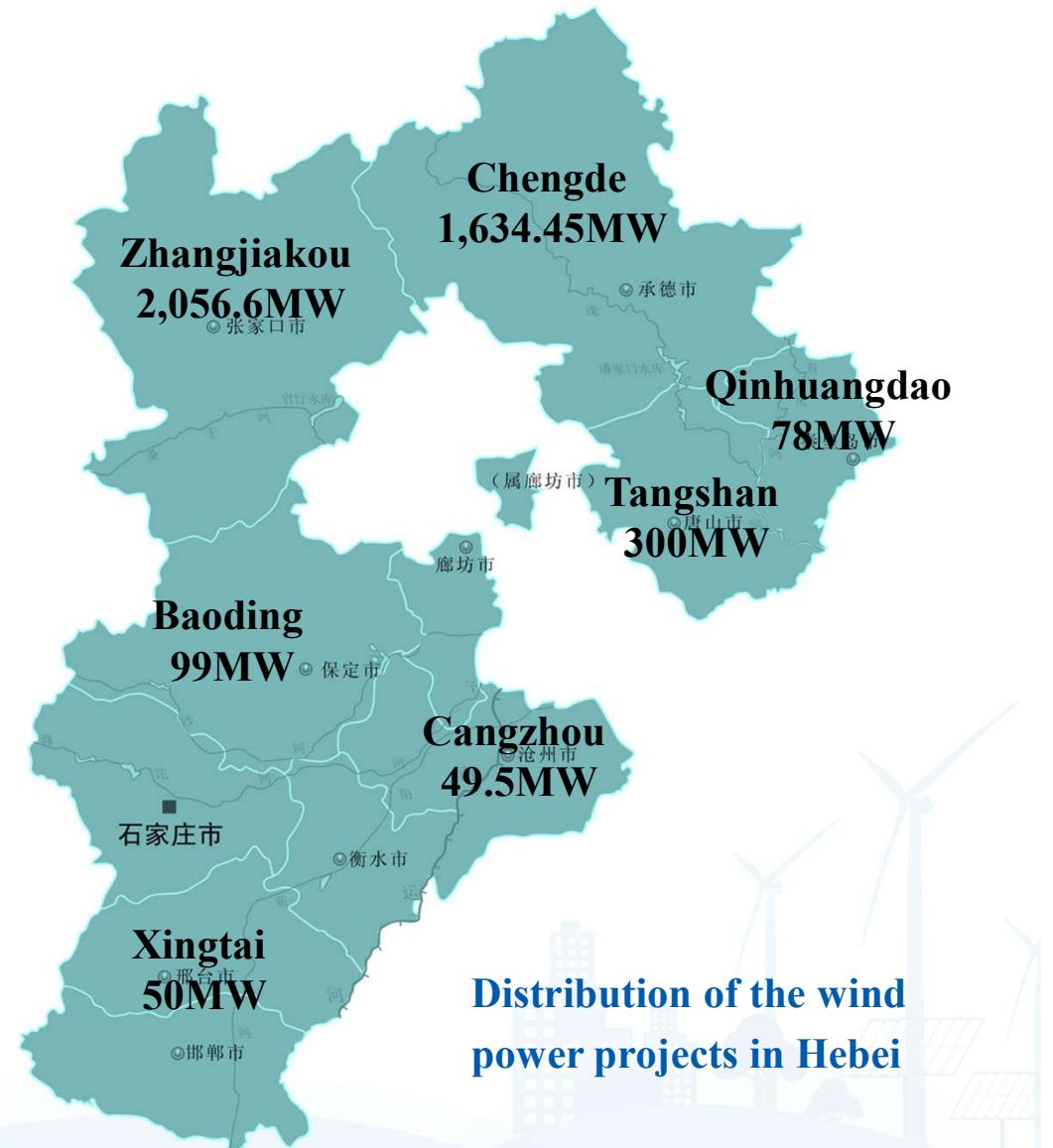


Notes

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

- In 2022, The Group's commercial operation project capacity during the year increased by 304.1 MW, and its accumulated commercial operation project capacity was 5,667.25 MW.
- Accumulative consolidated installed capacity in Hebei was 4,267.55 MW, accounted 75% to the group.



Wind Power Projects in Other Provinces

Distribution of the wind power projects in other provinces

- By the end of 2022, accumulative consolidated installed capacity in other provinces was 1,544.3 MW.
- In 2022, the Group's agreed wind power capacity increased by 14,200 MW. The Group's accumulative capacity included in the local development and construction plans of various regions increased by 600 MW. The Group's approved capacity increased by 771.5 MW, and the accumulative approved capacity of projects not yet commenced was 2,020 MW.



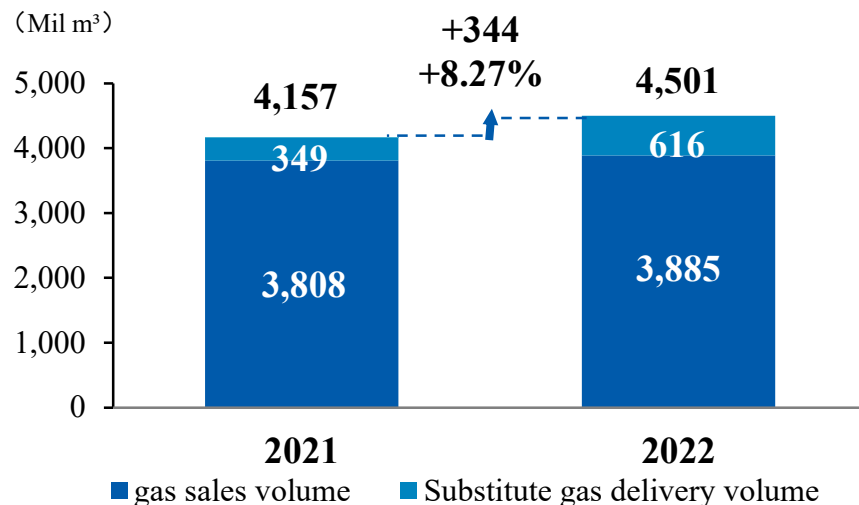
Photovoltaic Projects

- The Group's approved capacity of photovoltaic projects increased 320.08 MW, and the accumulative approved capacity of projects not yet commenced was 607.2 MW.
- The agreed capacity of photovoltaic projects increased by 7,260 MW.

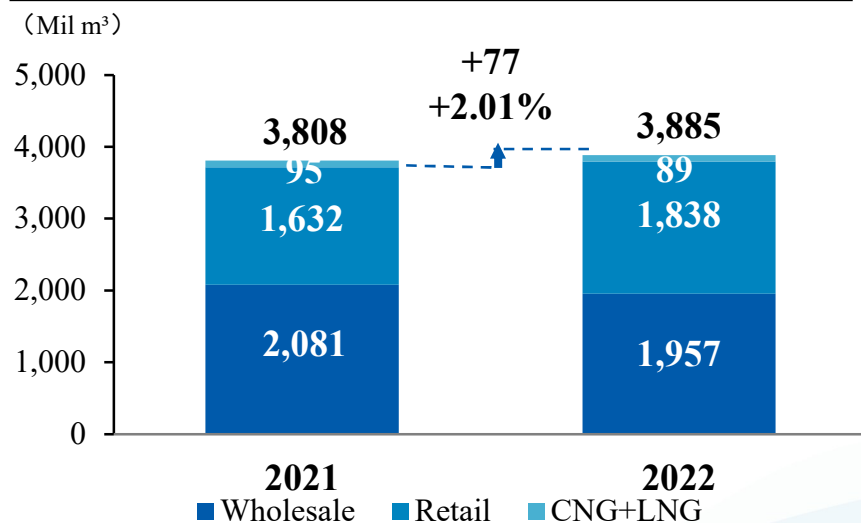


Natural Gas Segment Review

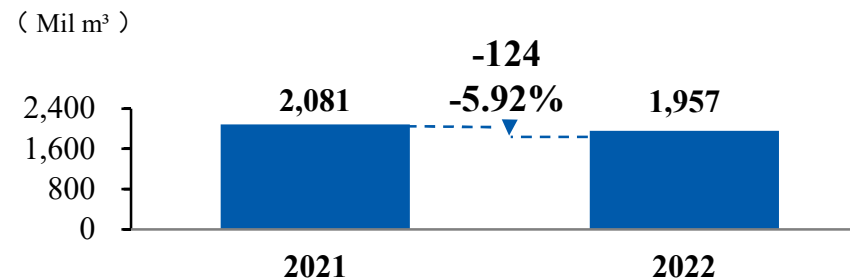
Total gas delivery



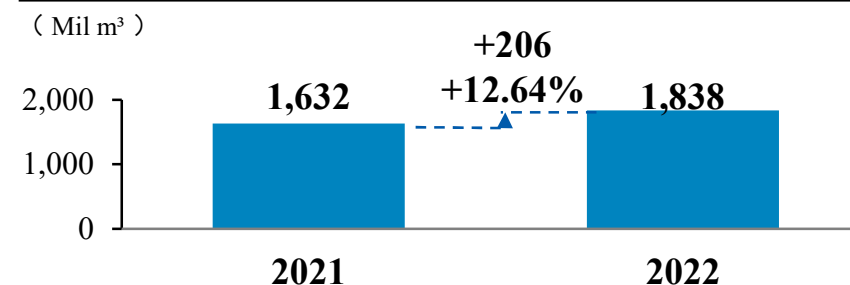
Gas Sales Volume



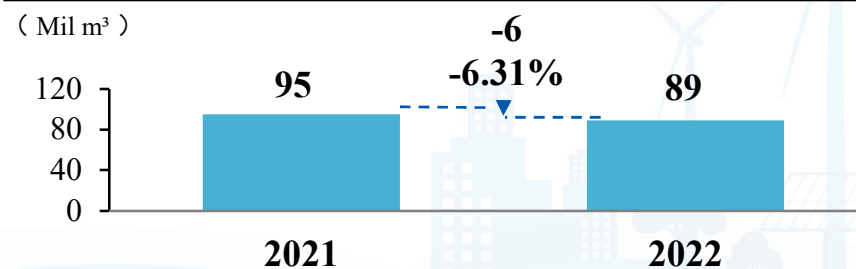
Wholesale



Retail

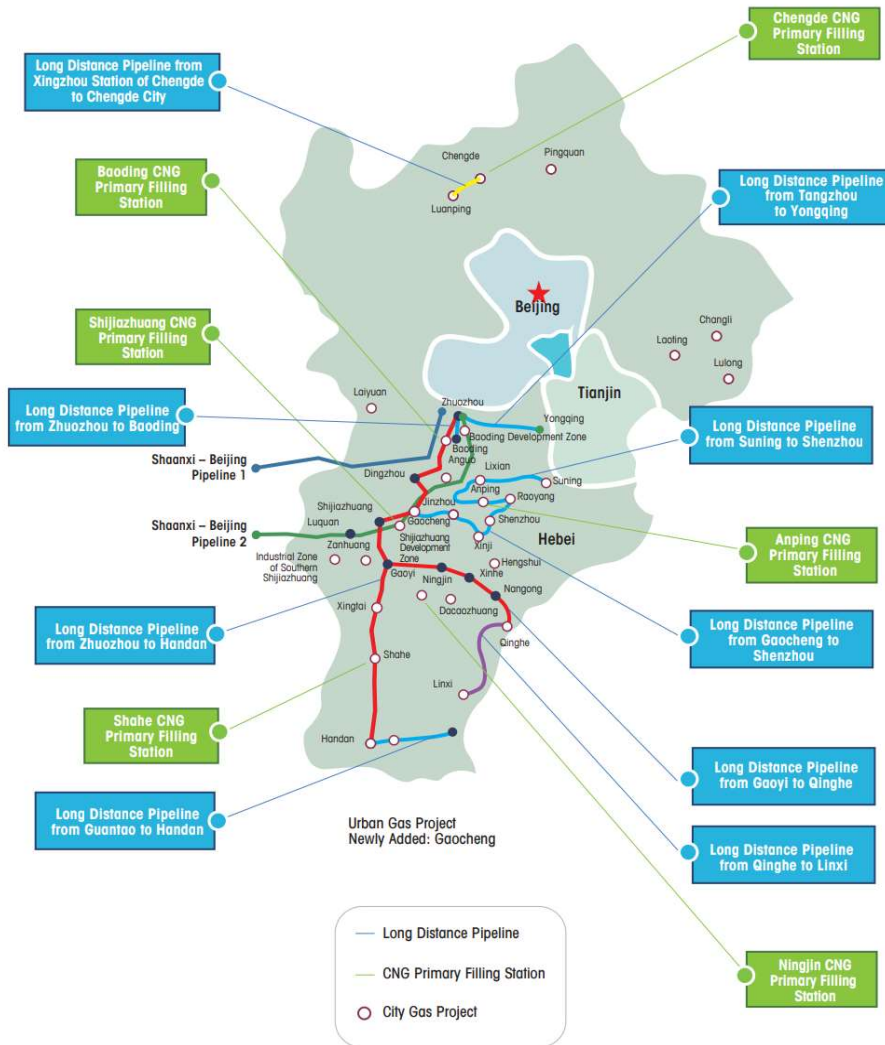


CNG+LNG



Natural Gas Segment Review

Distribution of Natural Gas Projects

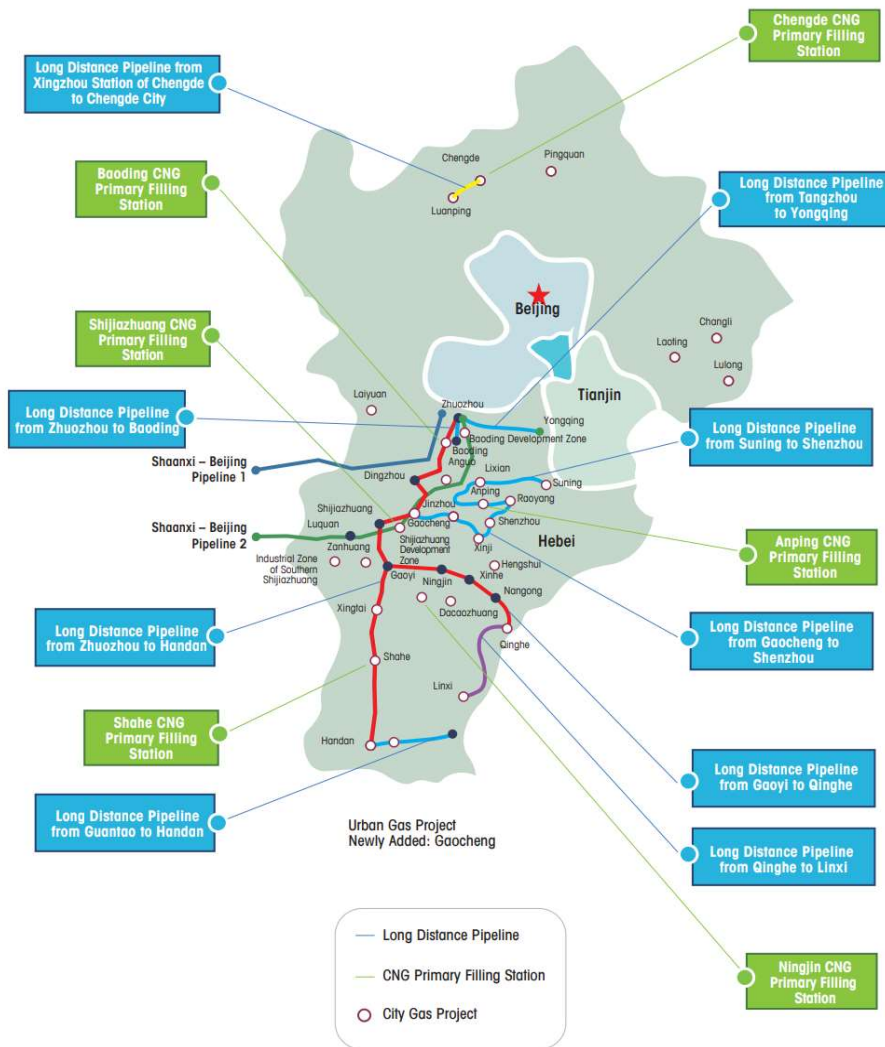


Actively promotion of the construction of infrastructural projects

- The Jingshihan Dual Track Pipeline Project was put into operation; Central Hebei Pipeline Network Phase IV Project Qinhuangdao-Fengnan Coastal Gas Transmission Pipeline Project, and the South Baoding Connection Line Project of Sinopec Erdos-Anping-Cangzhou Gas Pipeline and Beijing-Handan Gas Pipeline were progressing smoothly.
- The Group's natural gas pipelines increased by 742.49 kilometers in 2022. As at 31 December 2022, the Group operated pipelines with a total of 8,347.23 kilometers, including 1,260.67 kilometers of long-distance transmission pipelines and 7,086.56 kilometers of city gas pipelines.

Natural Gas Segment Review

Distribution of Natural Gas Projects



Continuous exploration of midstream and downstream natural gas market

- Leveraging on its newly operating pipelines, the Group vigorously developed its end user base of natural gas and resulted in an increase of 78,112 customers. As at 31 December 2022, the Group had an aggregate of 559,048 customers.
- The acquisition of 80% equity in Shijiazhuang Jiecheng Natural Gas Trading Co., Ltd. was completed; Business areas include the eastern extended area of Shijiazhuang Economic Development Zone and Gaocheng District. The acquisition of 51% equity in Shijiazhuang Xinao Urban Gas Development Co., Ltd. was completed; Business areas include Luquan District and Luancheng District in Shijiazhuang.

The construction of Tangshan LNG project is progressing smoothly

- The Tangshan LNG Phase I Project has been basically completed, among which the Auxiliary Wharf Project has been completed, and the installation of 4 storage tanks of the receiving station project has been completed.
- Outbound pipelines (Caofeidian-Baodi section) and outbound pipelines (Baodi-Yongqing section) projects have been basically completed.
- The Tangshan LNG Phase II Project has started.





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SECTION 3

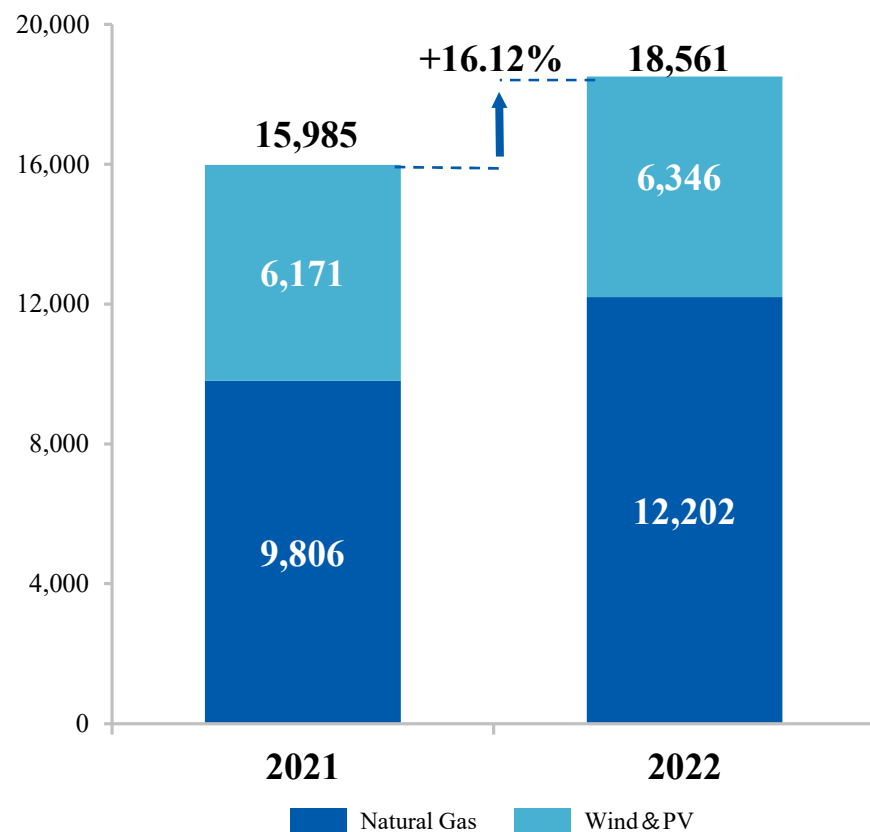
2022 Financial Highlights



Group Financial Highlight (Before adjustment)

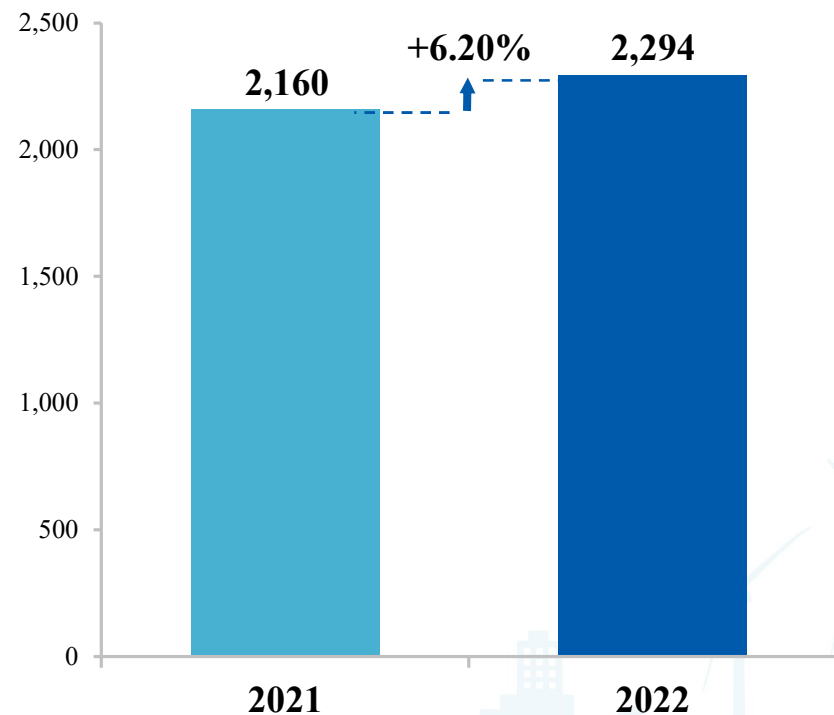
Revenue

(RMB Mil)



Net profit attributable to shareholders

(RMB Mil)

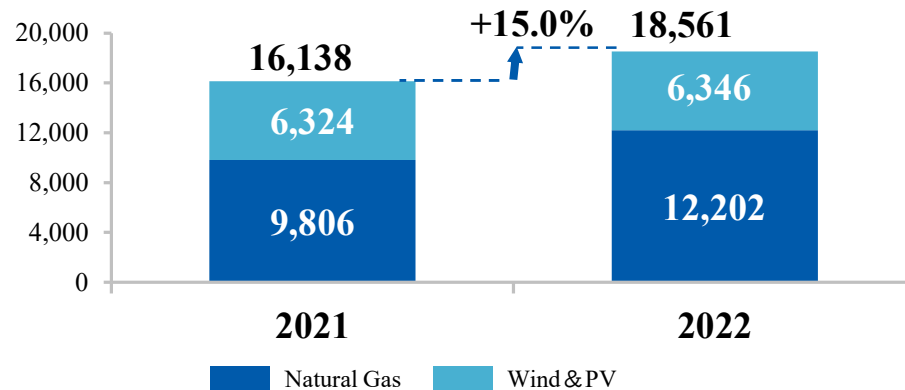


Group Financial Highlight⁽¹⁾

Note: According to the Accounting Standard for Business Enterprises Interpretation No. 15, since January 1, 2022, the Group has separately accounted for the income and costs related to the trial operation of fixed assets, recorded them in the profit and loss of the current period, and no longer deducted the income from the trial operation to the cost of fixed assets. Therefore, for trial sales that occurred in fiscal 2021, retrospective adjustments will be made in accordance with regulations.

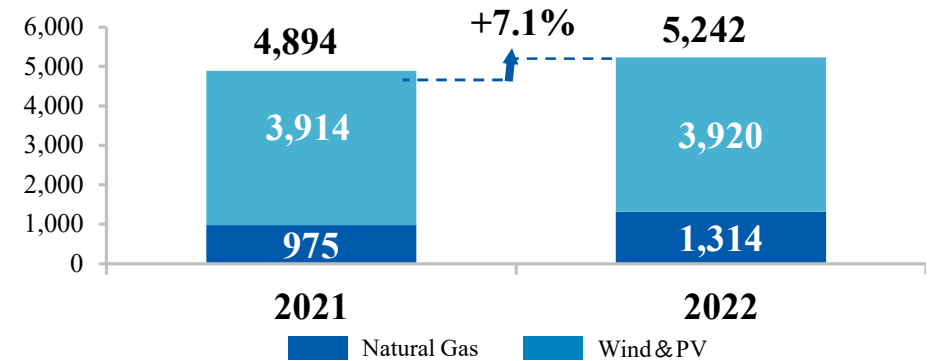
Revenue

(RMB Mil)



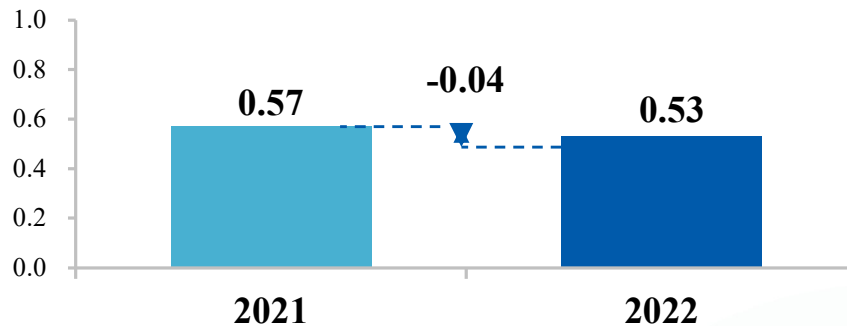
Gross Profit

(RMB Mil)



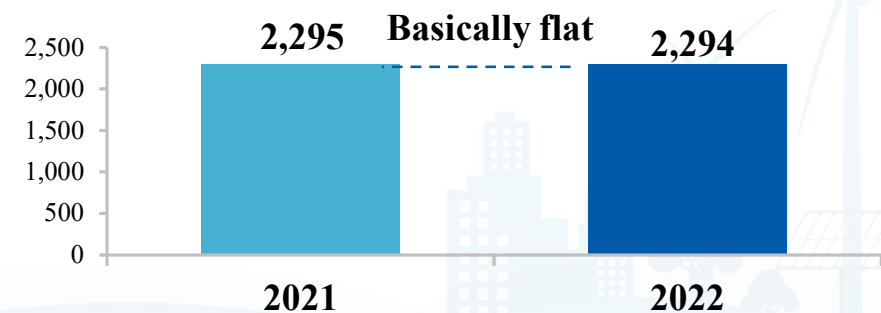
EPS

(RMB Mil)



Net profit attributable to shareholders

(RMB Mil)

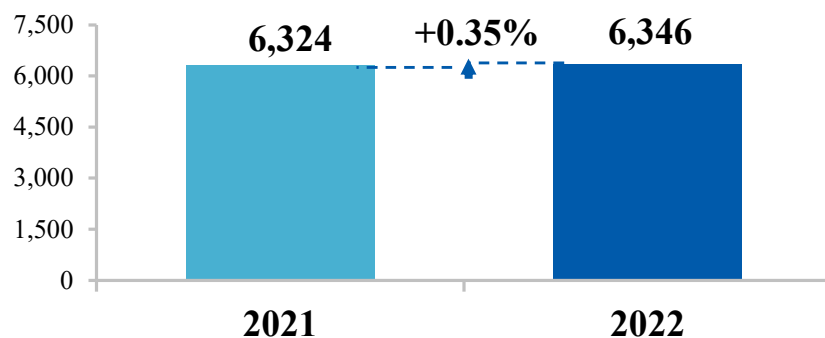


Wind and Photovoltaic Segment Financial Highlights⁽¹⁾

Note: According to the Accounting Standard for Business Enterprises Interpretation No. 15, since January 1, 2022, the Group has separately accounted for the income and costs related to the trial operation of fixed assets, recorded them in the profit and loss of the current period, and no longer deducted the income from the trial operation to the cost of fixed assets. Therefore, for trial sales that occurred in fiscal 2021, retrospective adjustments will be made in accordance with regulations.

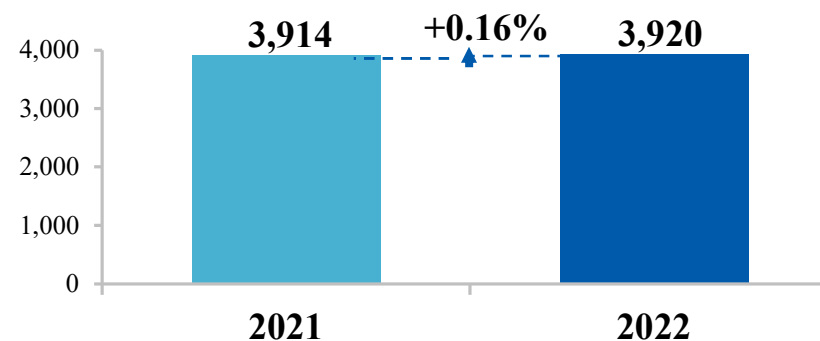
Revenue

(RMB Mil)



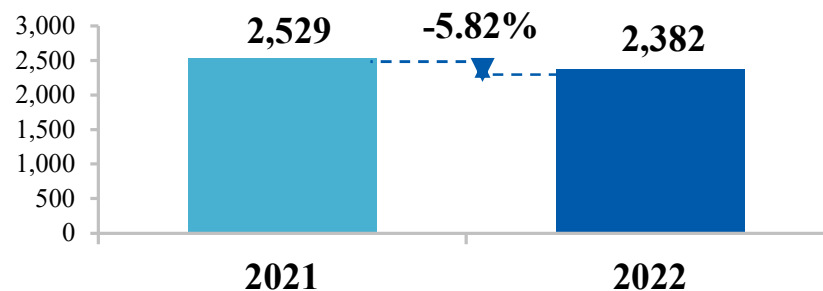
Gross Profit

(RMB Mil)



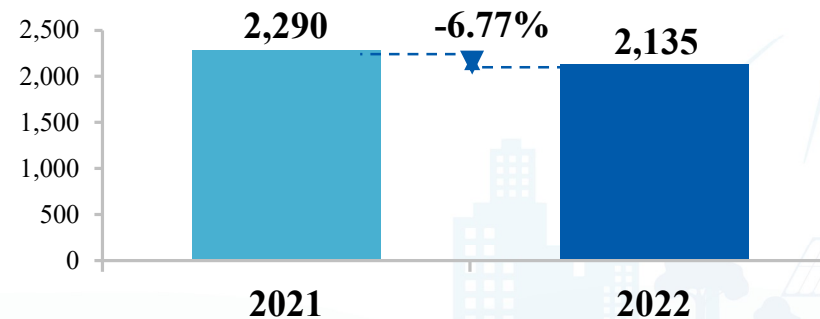
Operating Profit

(RMB Mil)



Net Profit

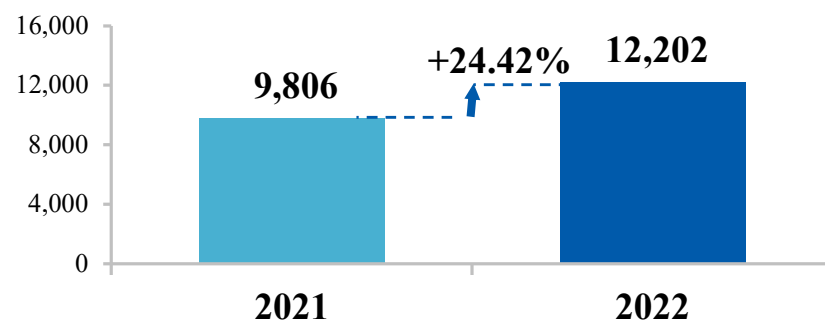
(RMB Mil)



Natural Gas Segment Financial Highlights

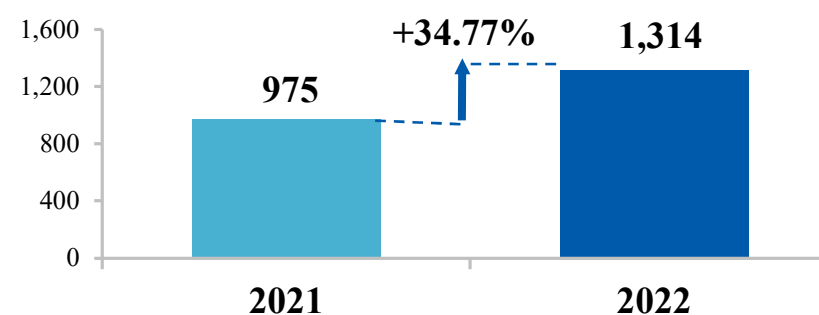
Revenue

(RMB Mil)



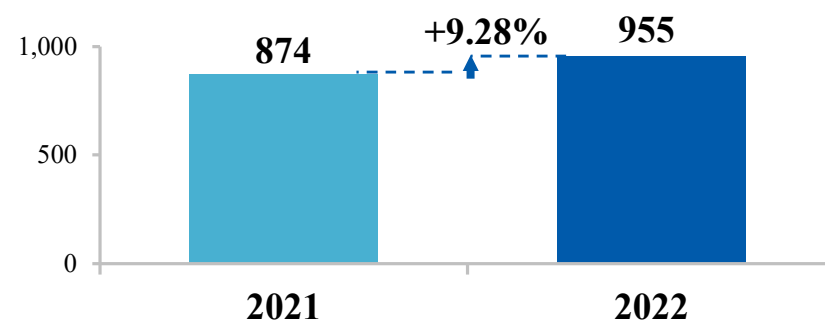
Gross Profit

(RMB Mil)



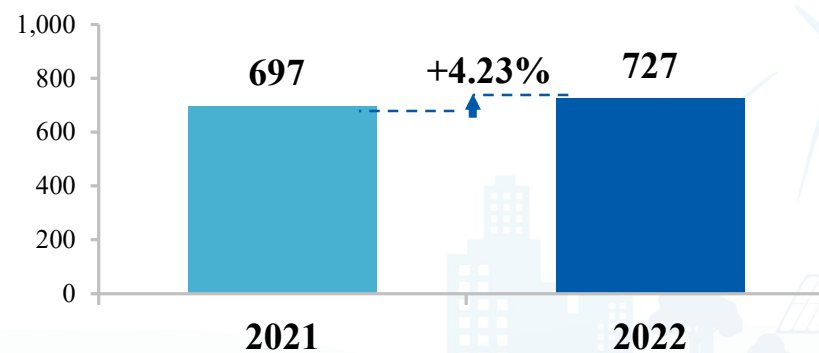
Operating Profit

(RMB Mil)



Net profit

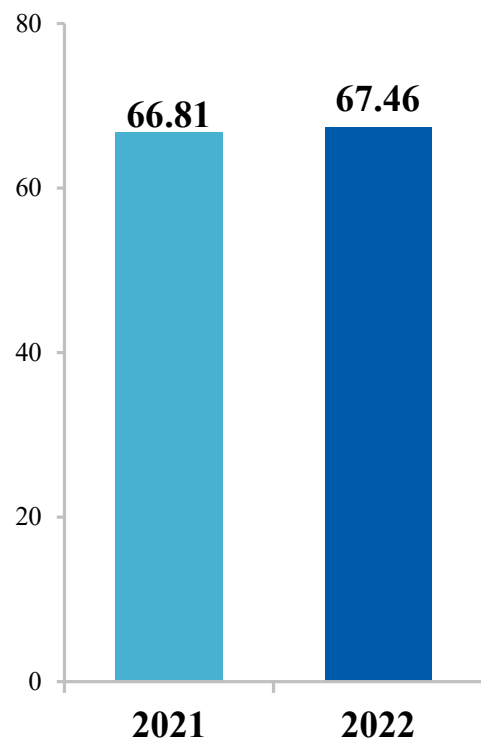
(RMB Mil)



Capital Structure

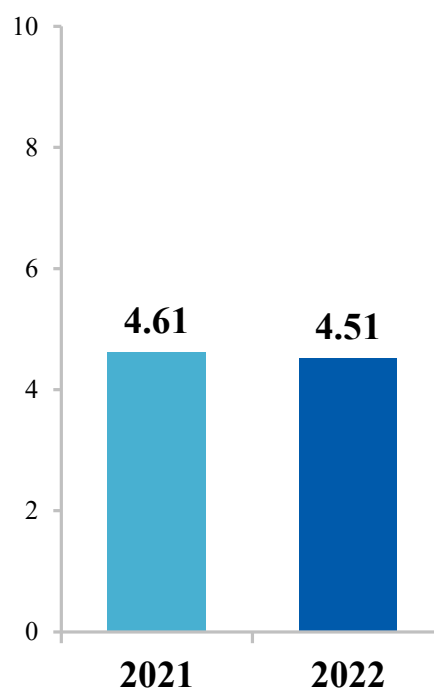
Total Liabilities / Total Asset

(%)



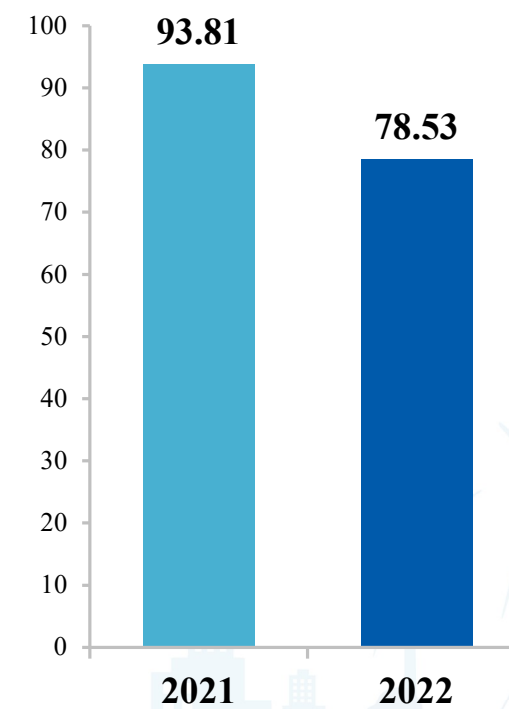
Interest Coverage
(EBITDA/Finance Cost)

(x)



Current Ratio

(%)





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SECTION 4

Business Outlook



New energy segment

The company will proceed with the deployment of wind power and photovoltaic projects within and outside Hebei Province and actively promote the integrated development of multiple energy sources in line with the proposal of regional largescale development.

- In terms of onshore wind power, the company will closely track the comprehensive energy base projects, and promote the implementation of existing reserve projects and the technical transformation as well as the upgrading of existing old wind farms.
- In terms of offshore wind power, building on the Puti Island offshore wind power project in Laoting, Tangshan, which has already been put into operation, the company will integrate new business forms in Hebei Province.
- In terms of photovoltaic power generation business, we will step up our efforts in resources reserve and development, and promote the construction of photovoltaic power stations.

Natural gas segment

Building on its own geographical advantages, the company will actively plan to participate in the upstream market, promote and improve the establishment of the midstream pipeline network, steadily develop the downstream segment on a merit basis, and gradually build a domestic leading comprehensive operation mode.

- In terms of the upstream markets, we will accelerate the production of Tangshan LNG terminal.
- In the midstream markets, we will speed up the construction of pipeline network in the province, form the “one network in the province” pattern as soon as possible.
- In the downstream markets, we will steadily promote regional market development and steadily promote the M&A and integration of relevant urban natural gas enterprises, and further grow the market share on the downstream market.



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