

2018 Interim Results Announcement

Aug 2018
(0956.HK)



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Agenda



1. 2018 Interim Results Overview

2. Business Review

3. Financial Highlights

4. Outlook



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

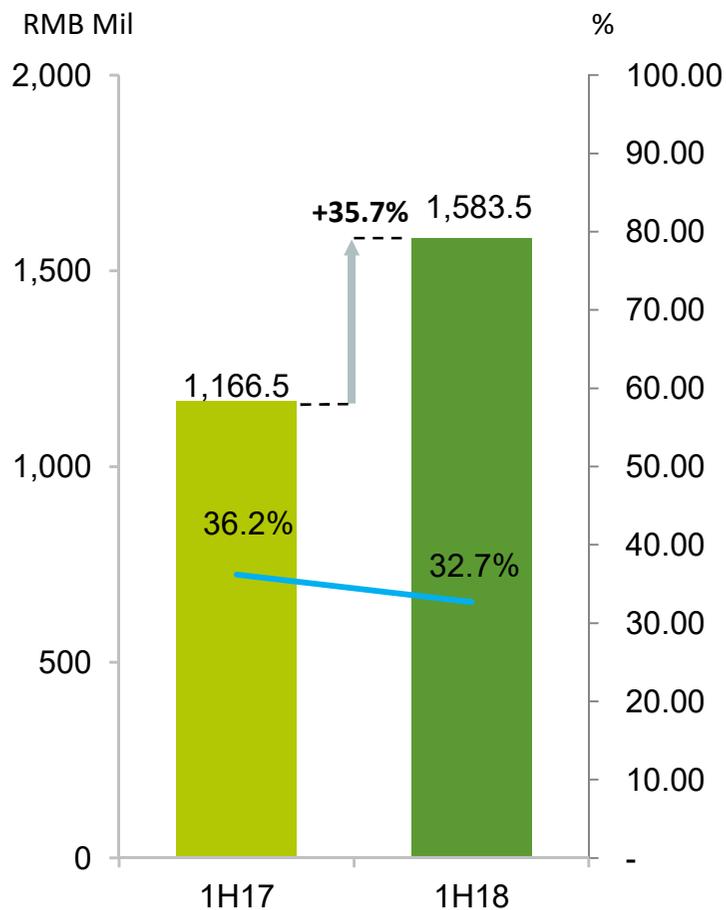
1. 2018 Interim Results Overview



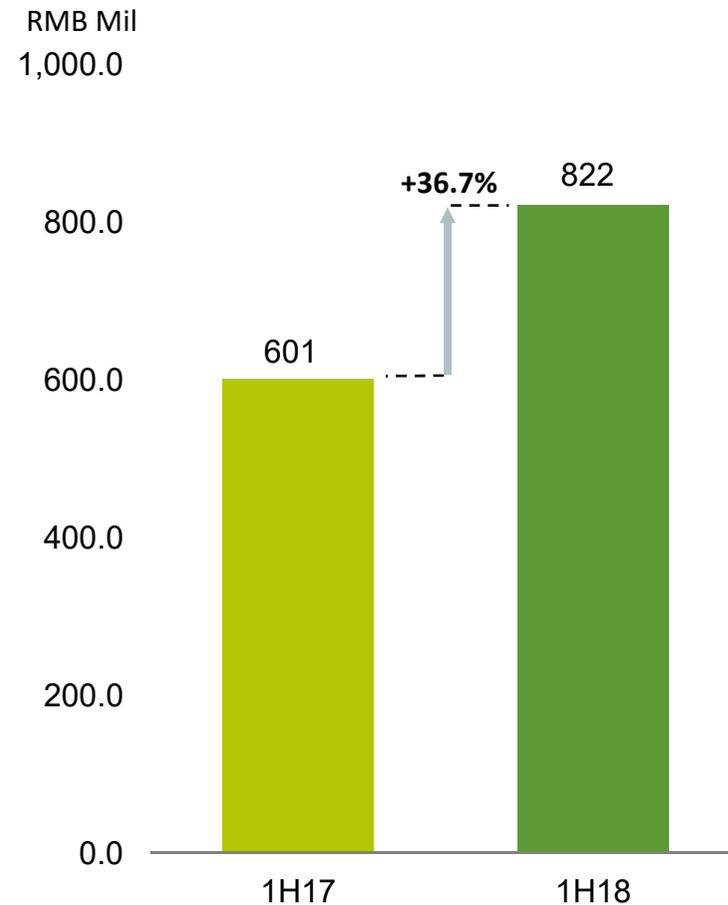
Results highlight

- The Group's Gross Profit in 1H18 was RMB1.584bn, up 35.7% yoy; Gross Profit margin was 32.7%, down 3.5ppt yoy
- Profit attributable to owners of the Company was RMB822mil, up 36.7% yoy

Gross Profit and Gross Profit Margin



Profit attributable to owners of the Company

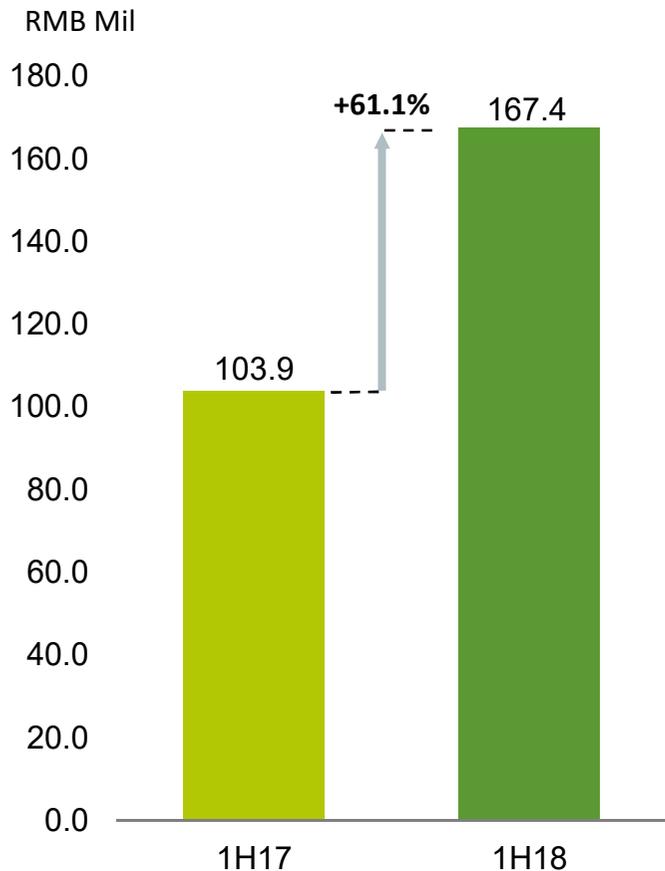


Results highlight

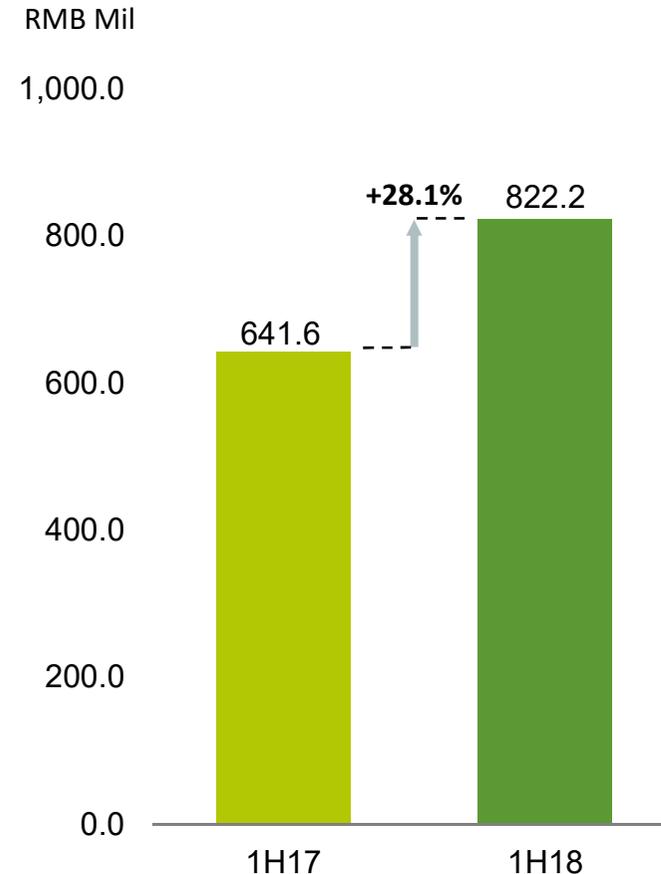


- Net Profit After Tax of Natural Gas Segment was RMB167 mil, up 61.1% yoy
- Net Profit After Tax of Wind and Solar Power Segment was RMB822mil, up 28.1% yoy

NPAT of Natural Gas Segment



NPAT of Wind and Solar Power Segment





2. Business Review



1H18 Operating Data Overview

Wind Power

- Consolidated Gross Power Generation increased by 21.76% to 4,176 GWh;
- Utilization hours increased by 128 hours to 1,358, which is higher than national average by 215 hours, and higher than average of Hebei by 61 hours
- Curtailment rate was 6.43%, down 0.92ppts yoy
- Consolidated installed capacity increased by 196.1MW to 3,544.45MW as at end of 1H18; projects under construction has a total capacity of 626.5MW
- Added 99 MW of newly approved capacity in the reporting period, the accumulative approved uncommenced project capacity reach 2,394.6MW; acquired wind power resources of 1,400MW, resulting in total agreed volume of wind power resources reaching 31,772.5MW in over 21 provinces across the country



Natural Gas

- Gas sales volume in 1H18 was 1.297bcm, up 55% yoy
- The Group added 557.47km km of pipelines in 1H18, as at the end of 1H18, total length of natural gas pipelines in operation reached 3,645.14km
- The main part of the project of pipelines for ten counties in central Hebei Province (Phase II) and Xiaoxinzhuang branch were put into trial operation
- Xinji branch and Xincheng branch have completed pipeline welding of 7.78 km, and are expected to be completed and put into trial operation at the end of the year
- Newly acquired 23,779 customers from different categories. Accumulated number of customers reach 260,659
- No new CNG and LNG project had commenced. 7 CNG primary refilling stations and 7 CNG refilling stations were in operation



Other Renewable Energy

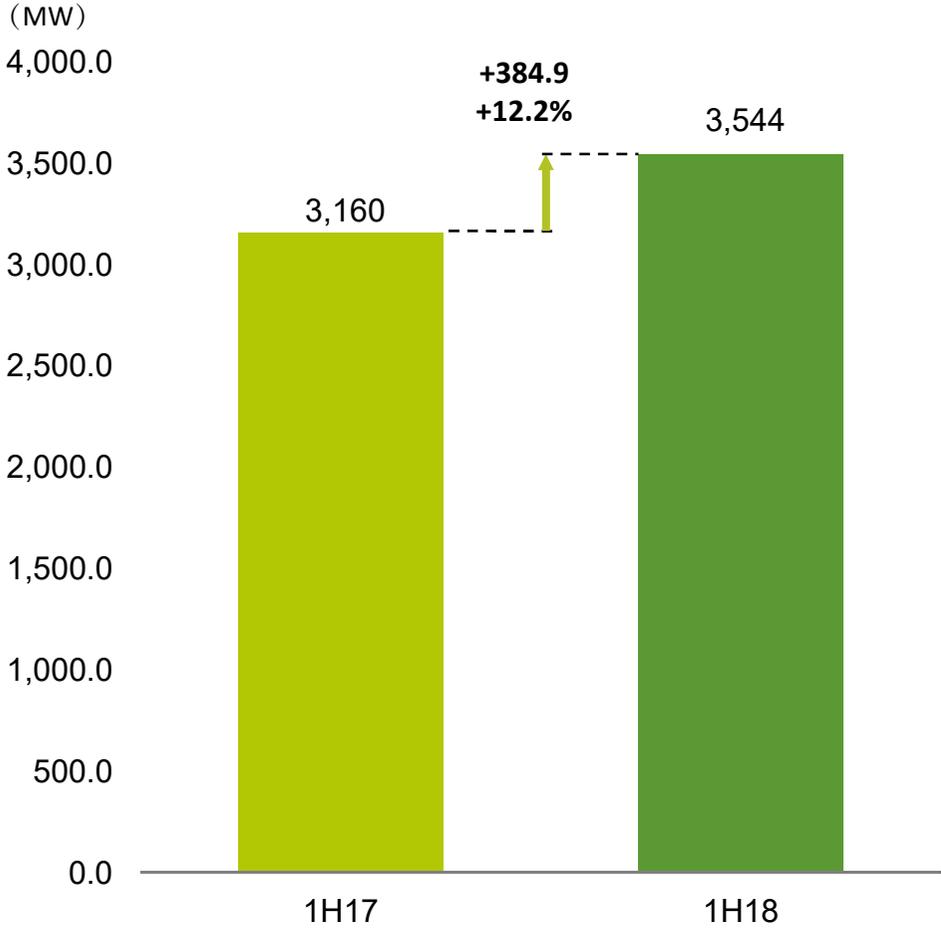
- 20MW photovoltaic power station projects in Tailai County, Heilongjiang Province were put into operation; accumulated operating capacity amounted to 81 MW



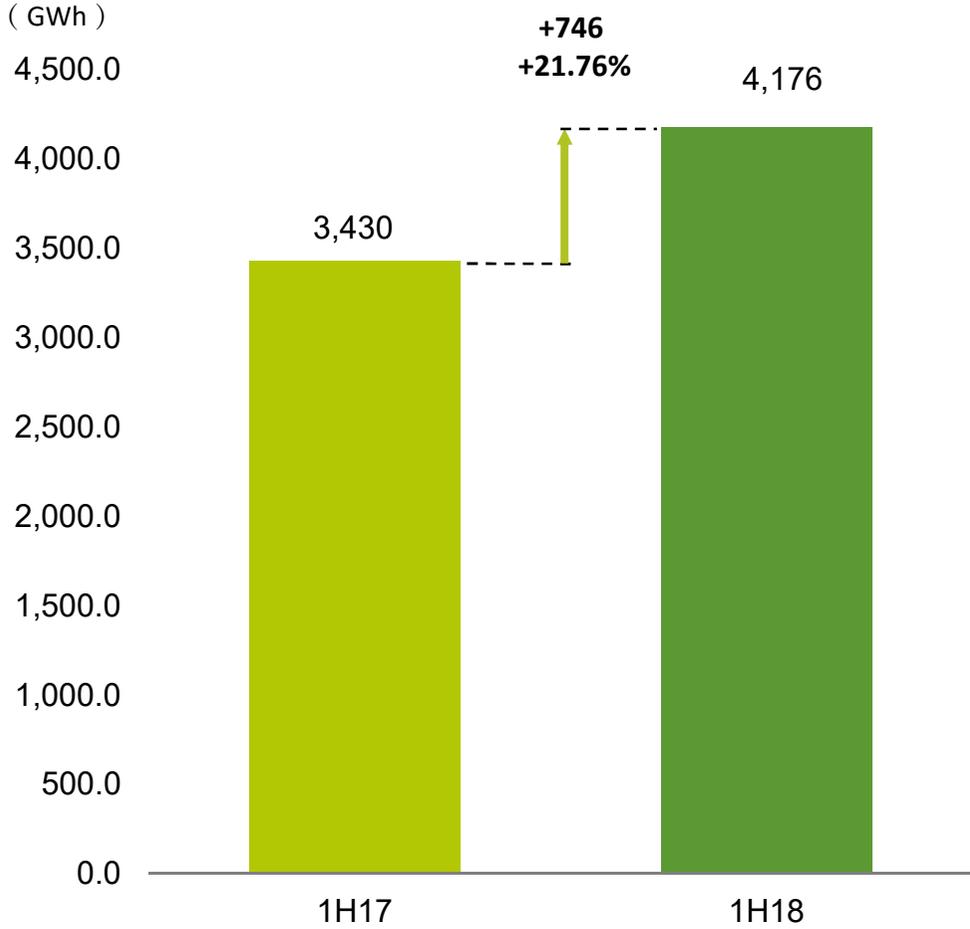
Wind Power Segment Review



Consolidated Wind Power Installed Capacity



Consolidated Gross Power Generation⁽¹⁾

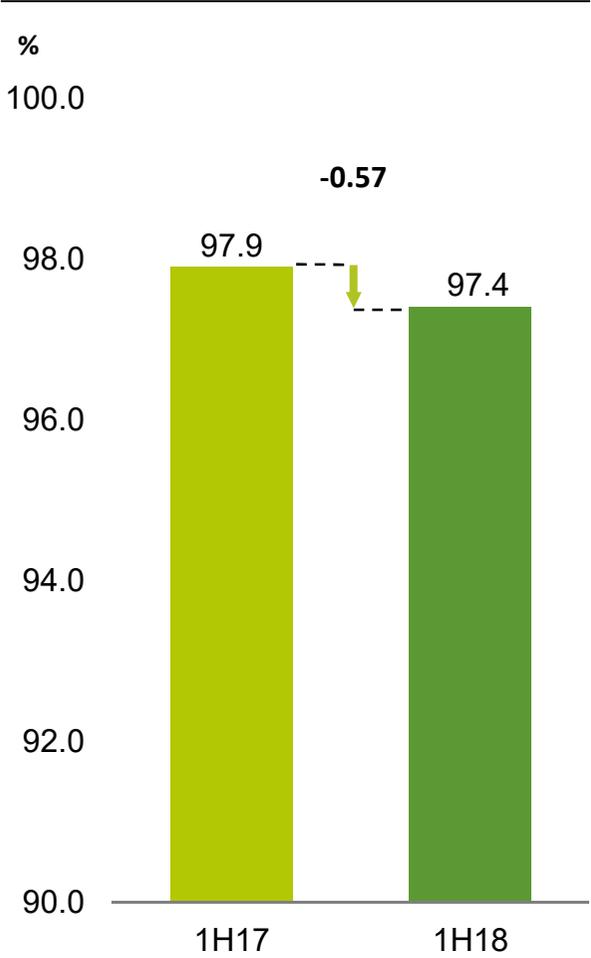


Notes
1. Including trial run period power generations

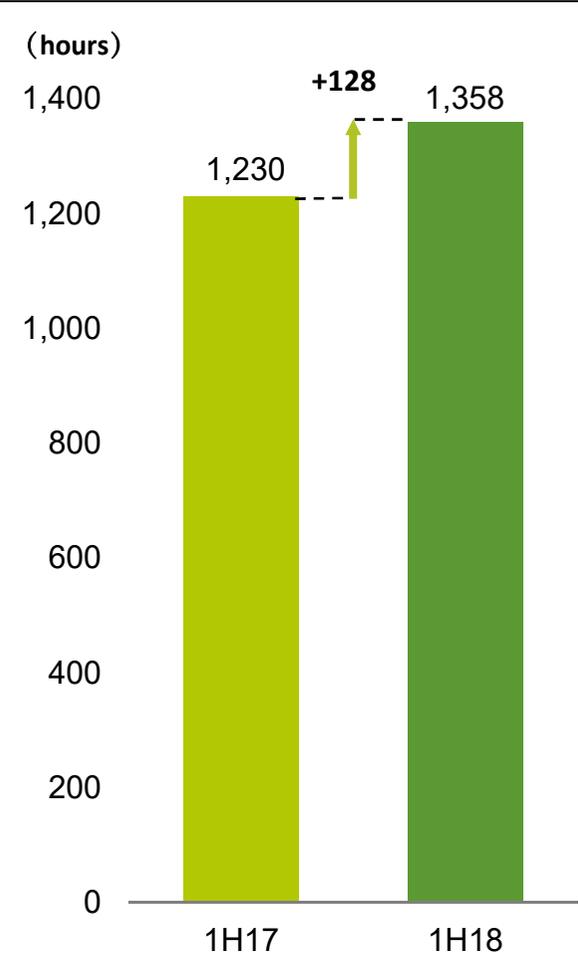
Wind Power Segment Review (Con't)



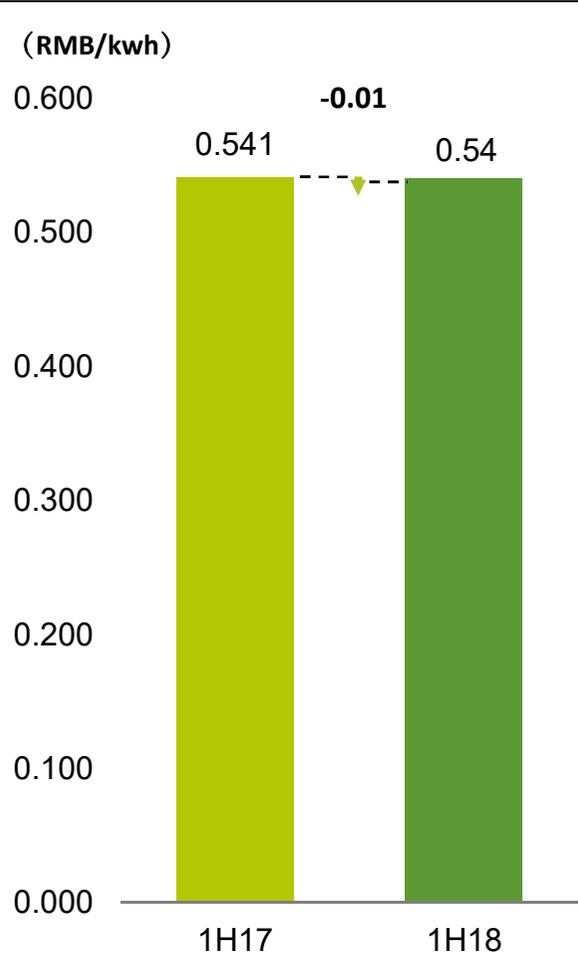
Availability Factor ⁽¹⁾



Average Utilization Hours



Average On-grid Tariff (VAT included)



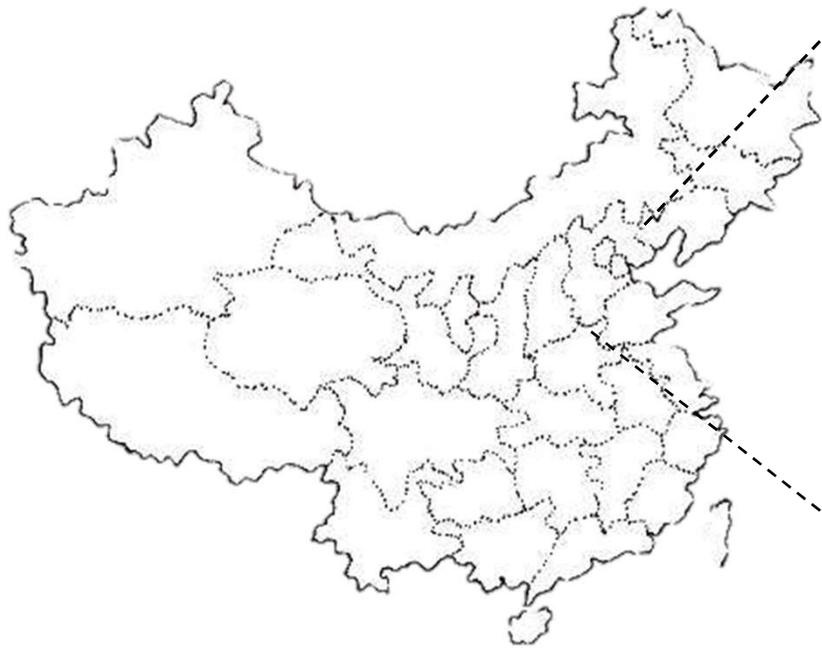
Notes
 1. The amount of time that a power plant is able to produce electricity over a certain period divided by the amount of time in such period

Wind Power Projects in Hebei



Wind Power Development in Hebei

- Added 147.5MW of consolidated installed capacity in Hebei, including 71.5MW onshore and 76MW offshore; As of June-2018, total consolidated installed capacity was 2,964.5MW, or 83.6% of the Group's total
- No associate wind power capacity added in the year. As of June-2018, total associate wind power capacity was 247.5MW



Distribution of Installed Wind Power Capacity in Hebei



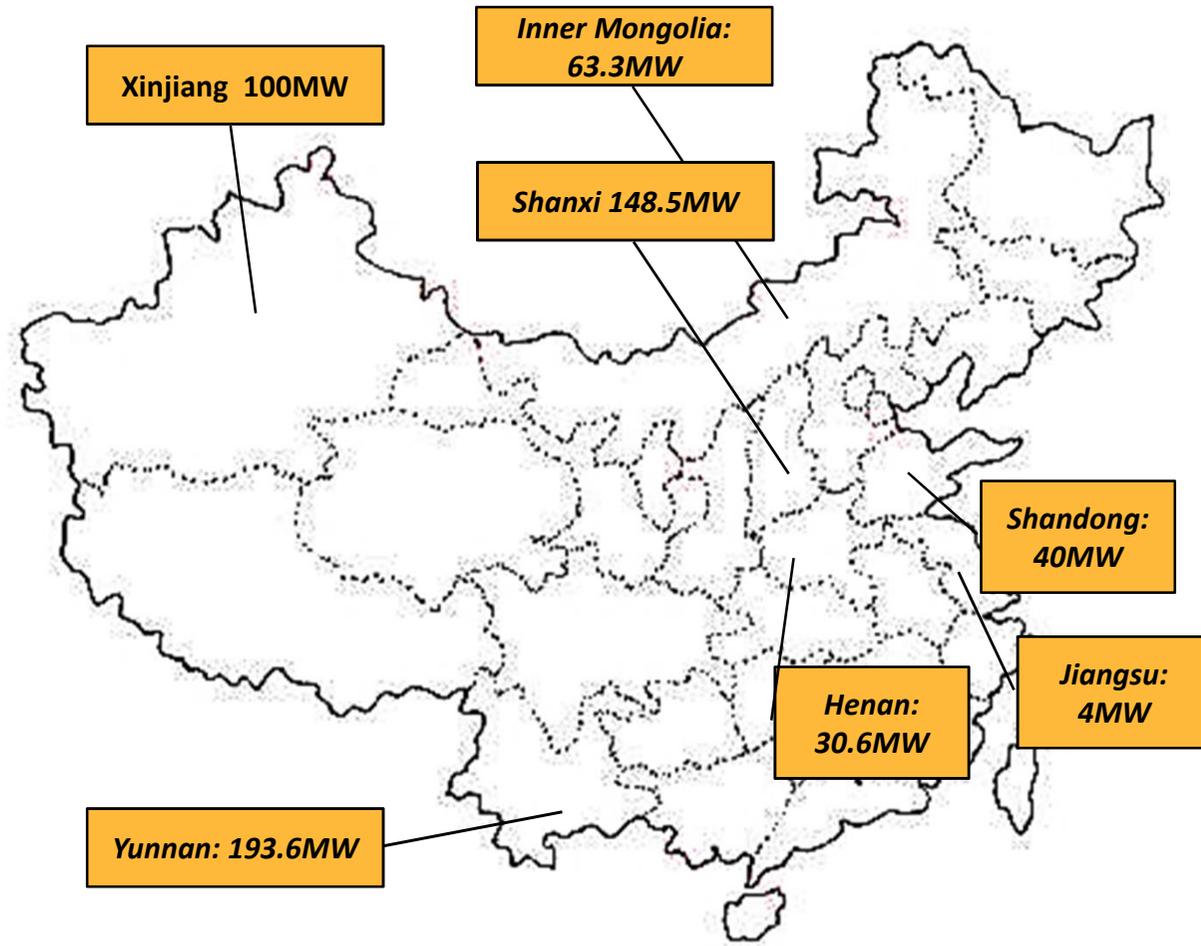
Wind Power Projects in Other Provinces



Wind Power Development Outside Hebei

- Added 48.6MW of newly installed capacity in other provinces, among which 30.6MW in Henan, 14MW in Inner Mongolia and 4MW in Jiangsu
- Consolidated installed capacity in other provinces was 580MW, or 16.4% of the Group's total

Consolidated Wind Power Installed Capacity Outside Hebei

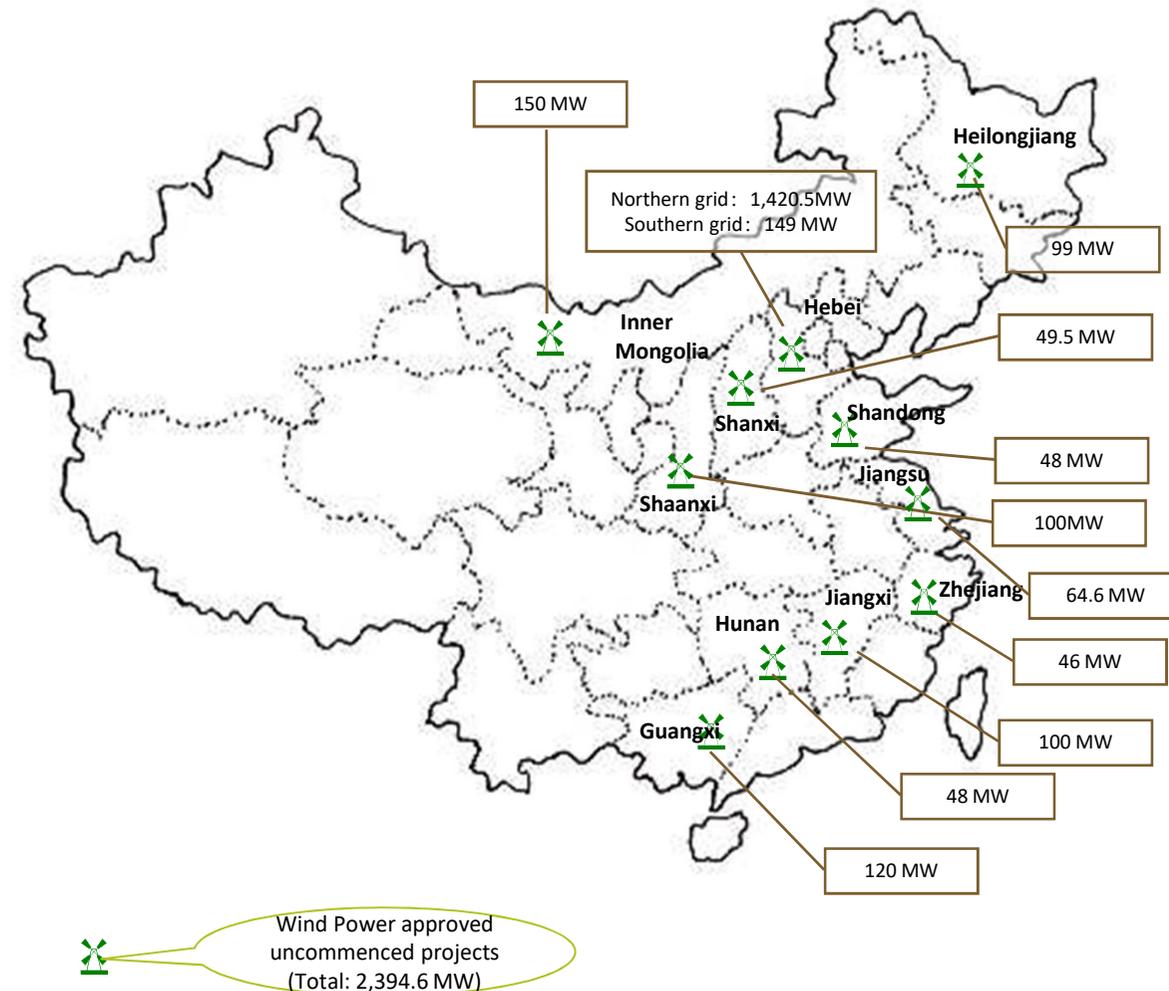


Under Construction and Approved Projects

Wind Power Under Construction and Approved Projects

- Capacity of project under construction was 626.5MW, including 438.5MW of onshore and 188MW of offshore wind farms
- Added 99MW approved capacity; accumulated approved uncommenced projects capacity was 2,394.6 MW
- The accumulative national approved capacity of the Group reached 6,633.3MW, spreading over 16 provinces across the country
- Acquired new wind resources of 1,400MW, resulting in total agreed volume of wind resources of the Group reaching 31,772.5MW in over 21 provinces across the country

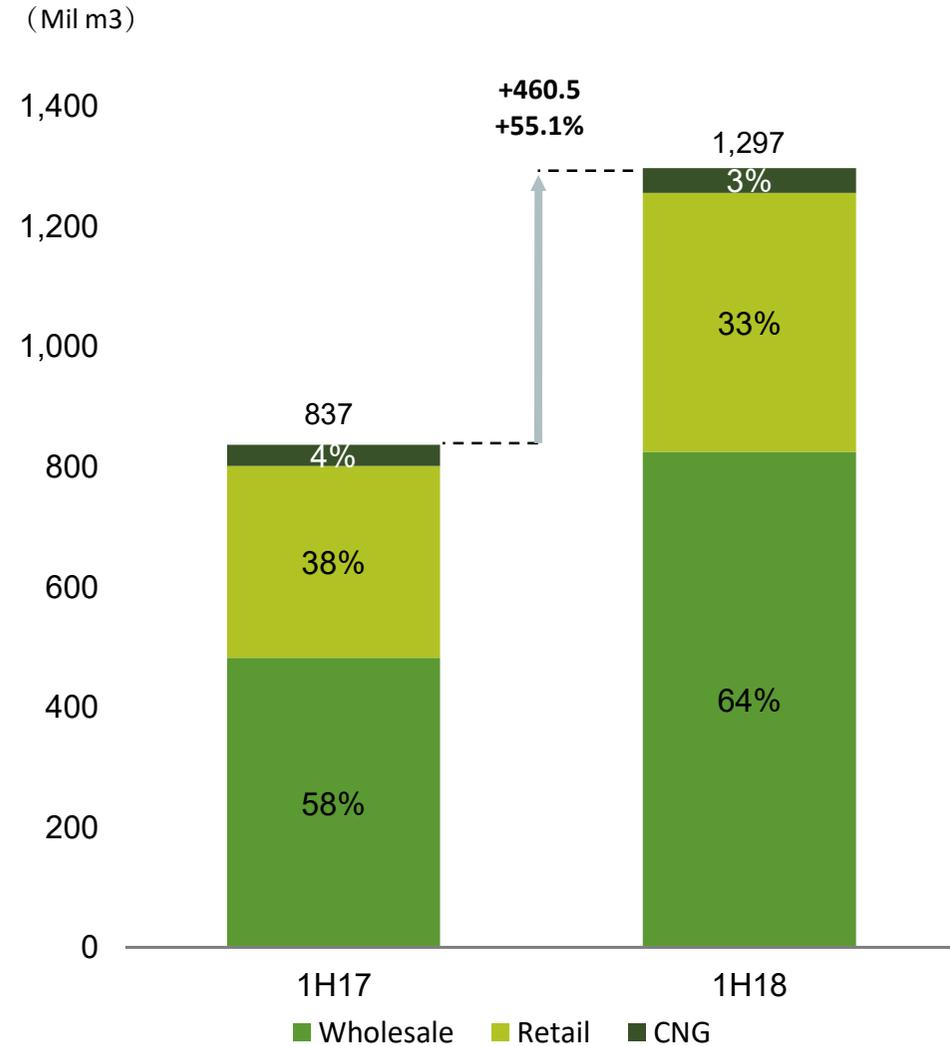
Distribution of approved uncommenced projects



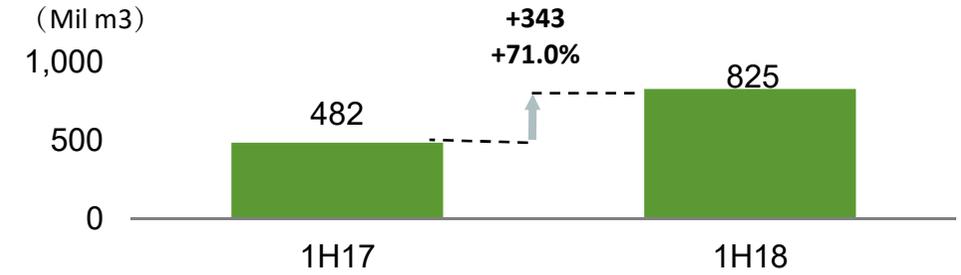
Natural Gas Segment Review



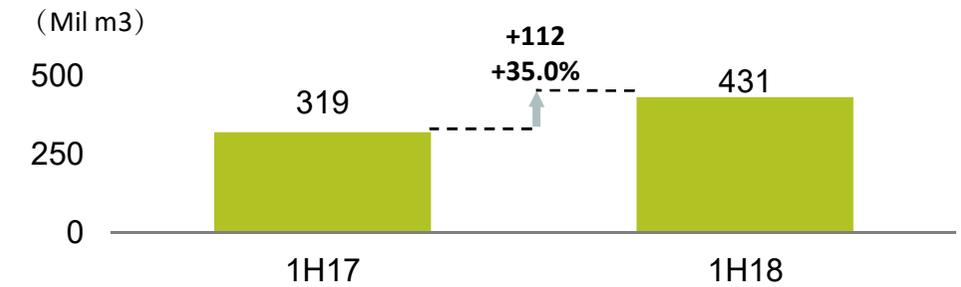
Gas Sales Volume



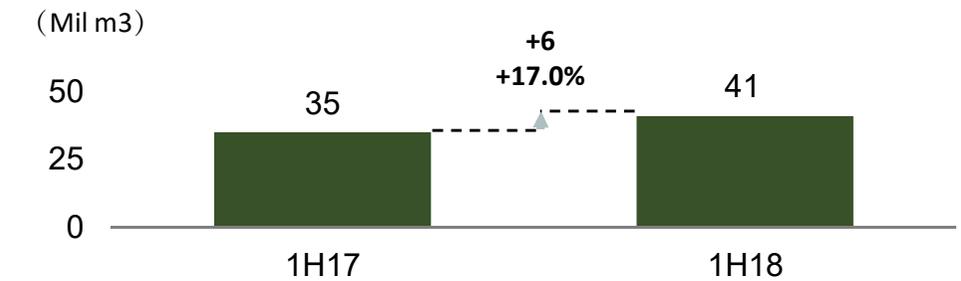
Wholesale



Retail



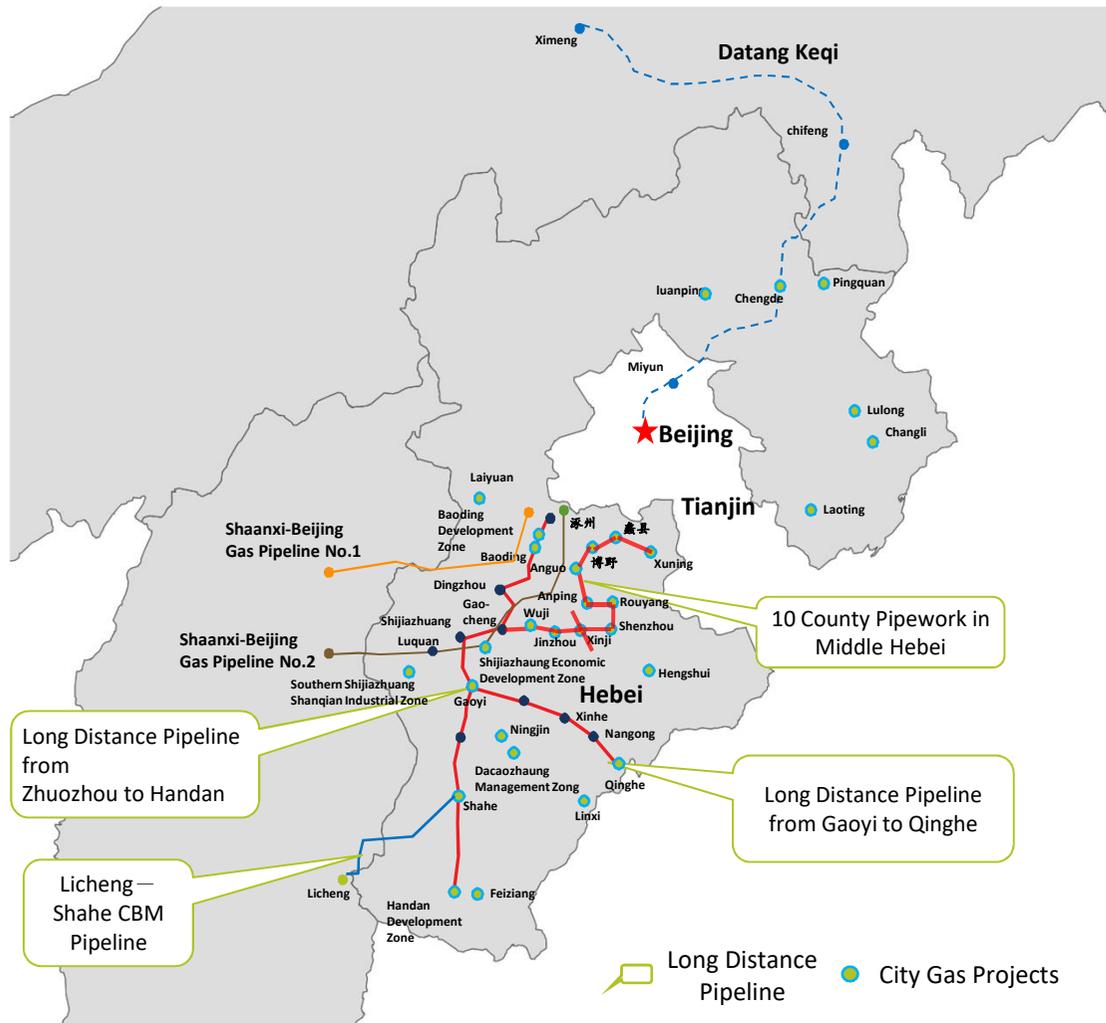
CNG



Natural Gas Segment Review



Locations of Natural Gas Pipelines



Construction of Natural Gas Pipeline Projects

- Added 557.47km of new pipelines; total length of natural gas pipelines in operation reached 3,645.14km, including 856.09km of transmission pipeline and 2,789.05km of city gas network pipeline
- The main part of the project of pipelines for ten counties in central Hebei Province (Phase II) and Xiaoxin Zhuang branch were put into trial operation
- Xinji branch and Xincheng branch have completed pipeline welding of 7.78 km, and are expected to be completed and put into trial operation at the end of the year
- Steadily proceeded with the Zhuozhou-Yongqing Pipeline Project to further materialize the construction of natural gas pipelines connecting Shanxi, Hebei and Tianjin

Downstream Business

- Newly acquired 23,779 customers from different categories. Accumulated number of customers reach 260,659

Development of CNG/LNG Stations

- No new CNG and LNG project had commenced
- Operating 7 CNG primary stations and 7 CNG refilling stations



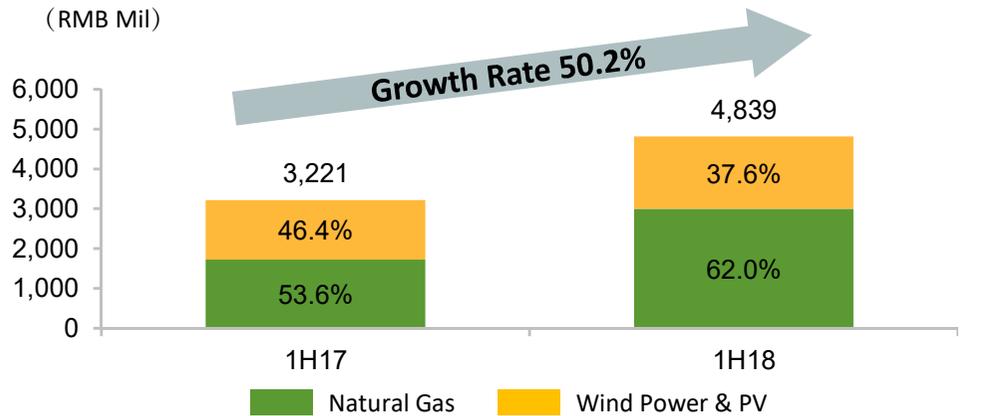
3. Financial Highlights



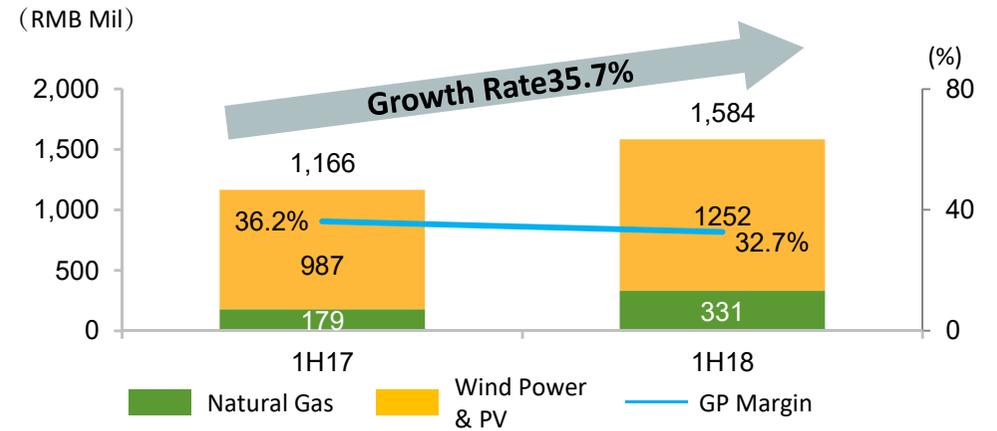
Group Financial Highlights



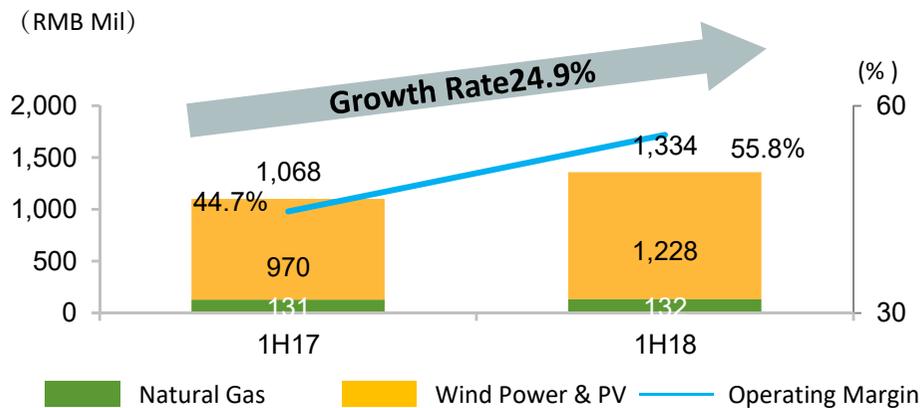
Revenue



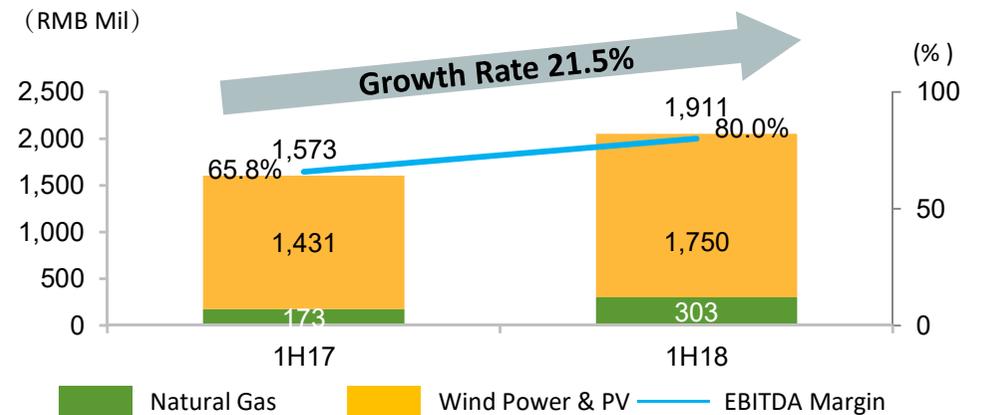
Gross Profit



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

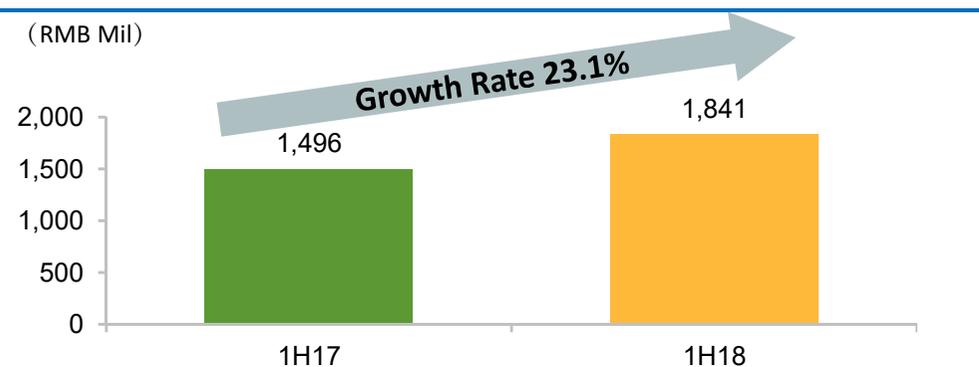
2. Sum of two segments is after inter-company elimination and excluding share of profits of associates

Wind and Photovoltaic Segment Financial Highlights



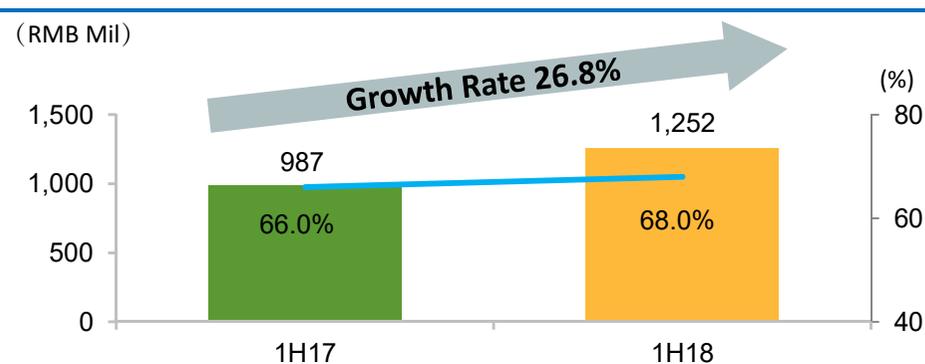
Revenue

(RMB Mil)



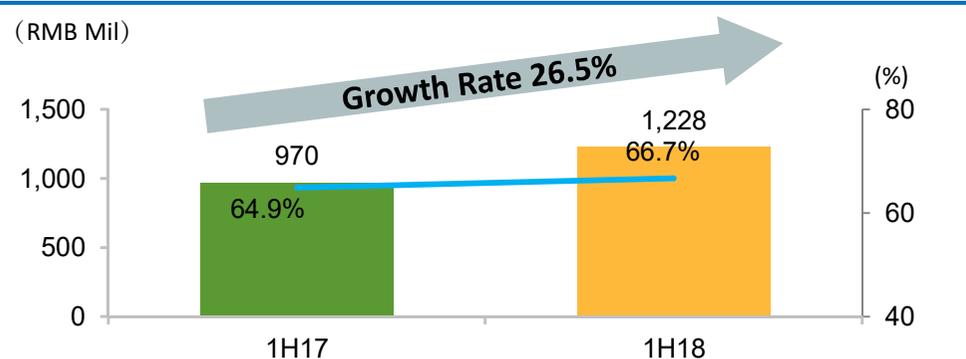
Gross Profit

(RMB Mil)



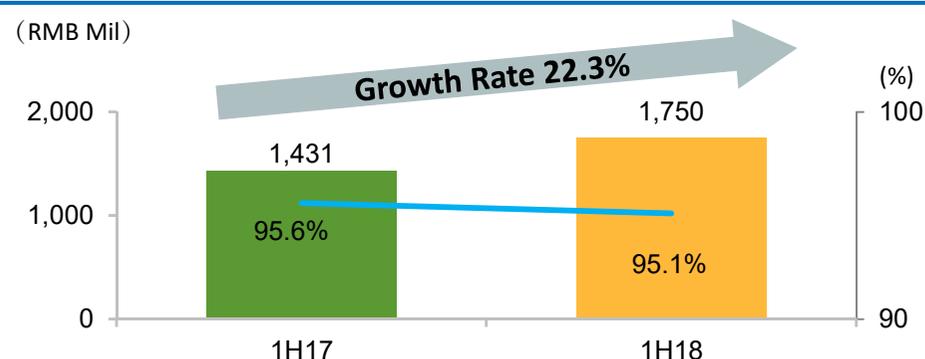
Operating Profit

(RMB Mil)



EBITDA (1)

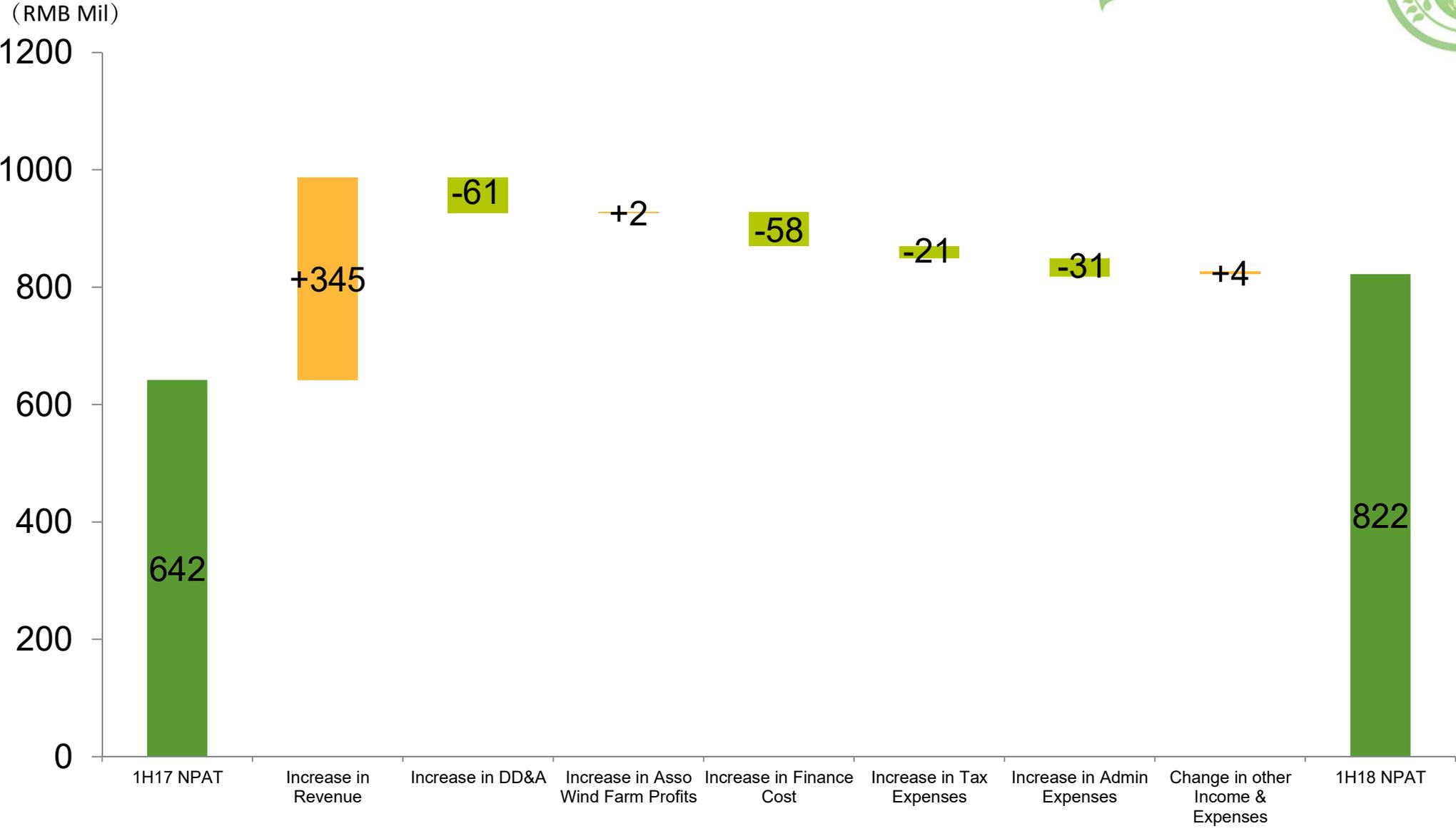
(RMB Mil)



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

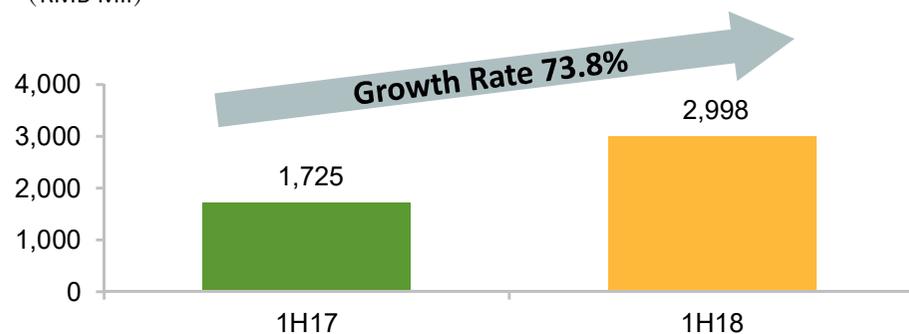


Natural Gas Segment Financial Highlights



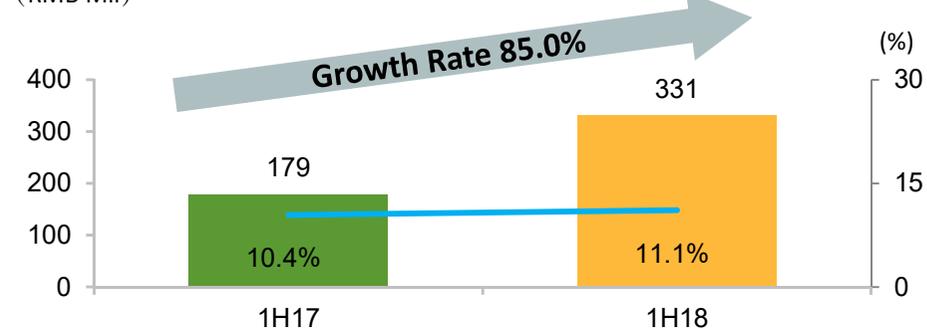
Revenue

(RMB Mil)



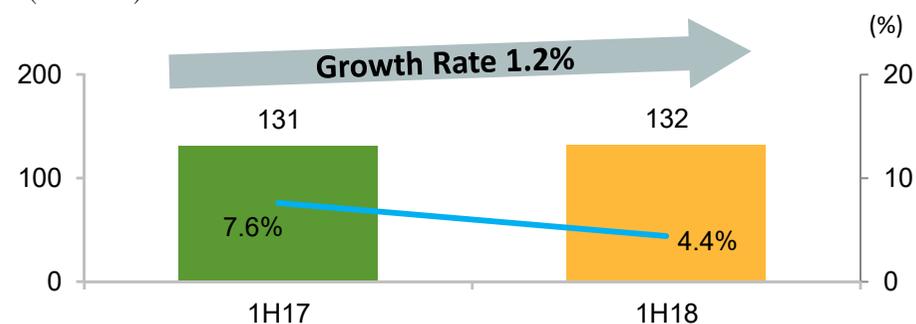
Gross Profit

(RMB Mil)



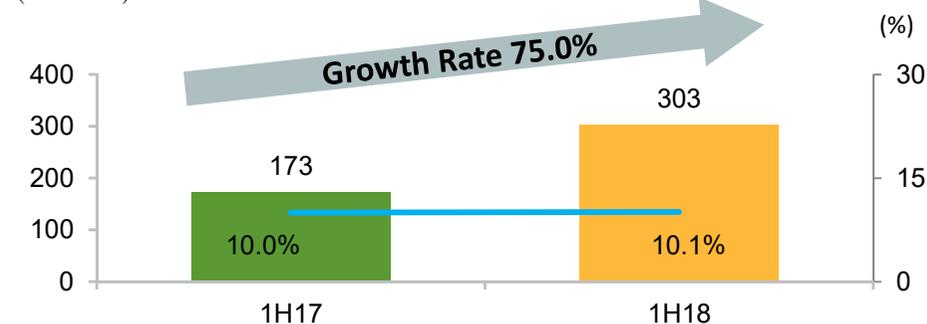
Operating Profit

(RMB Mil)



EBITDA (1)

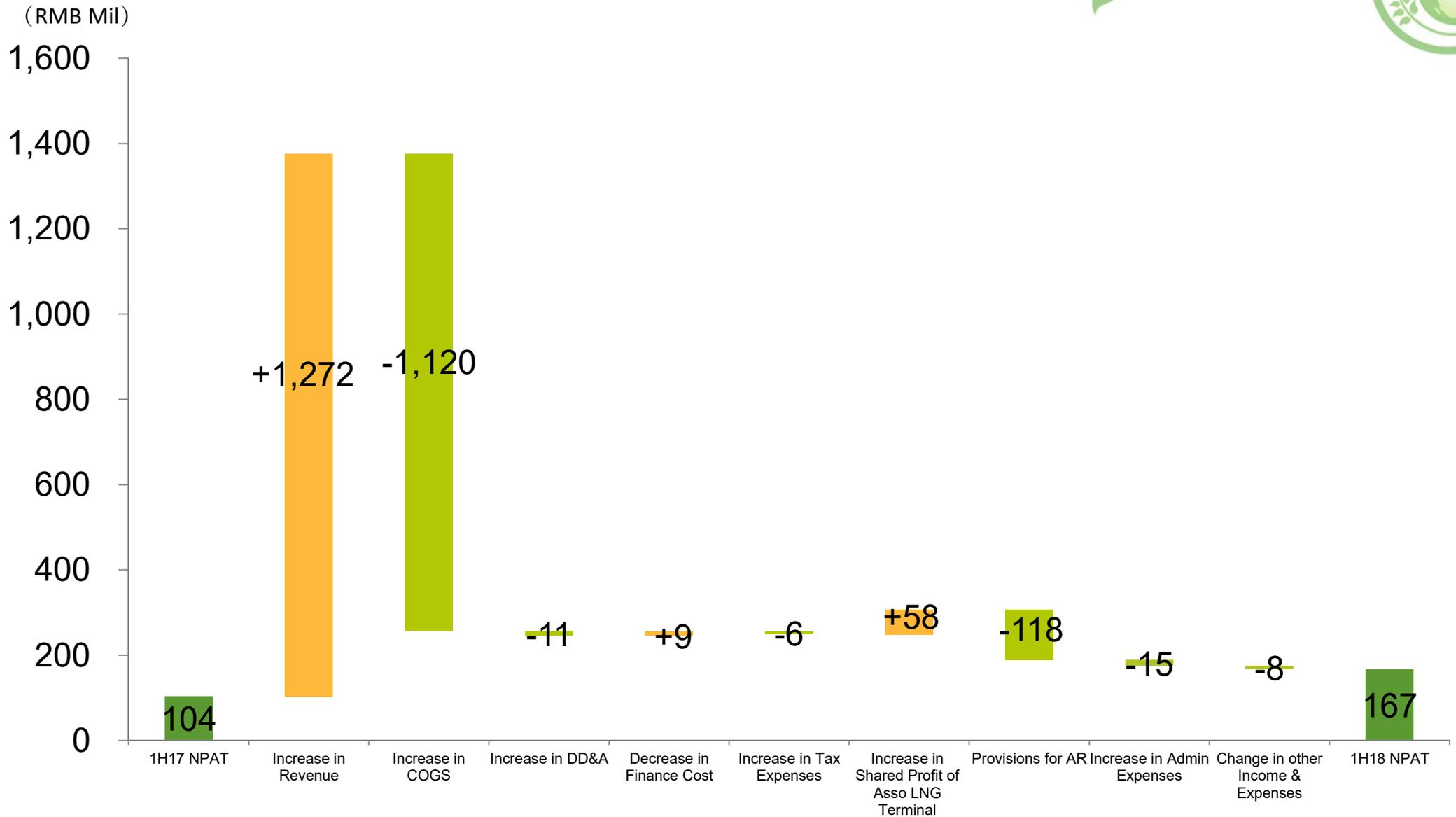
(RMB Mil)



Note

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

Natural Gas Segment NPAT Analysis



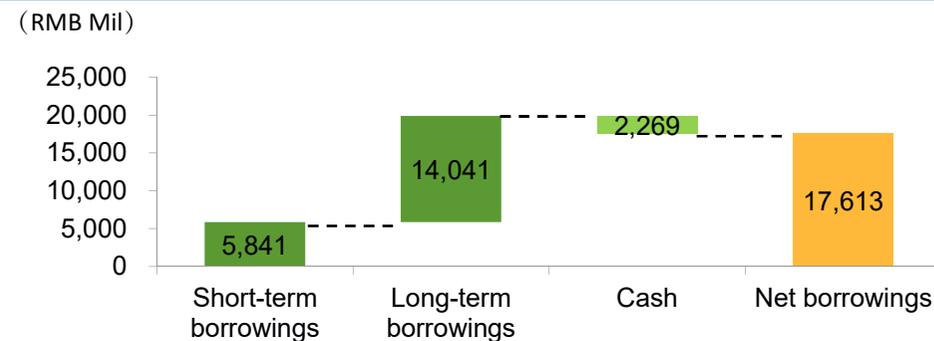
Capital Structure



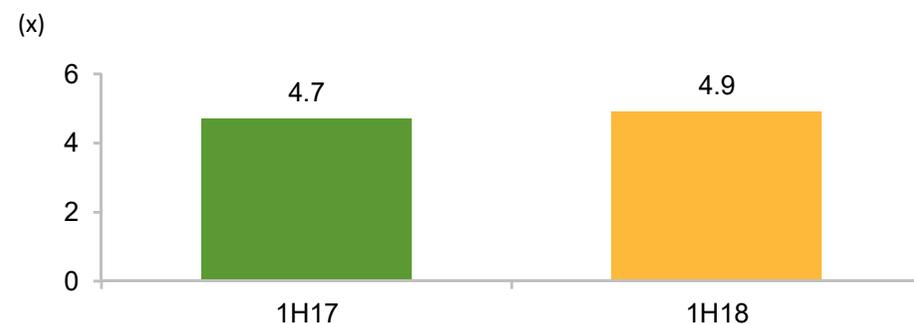
Total Liabilities / Total Assets



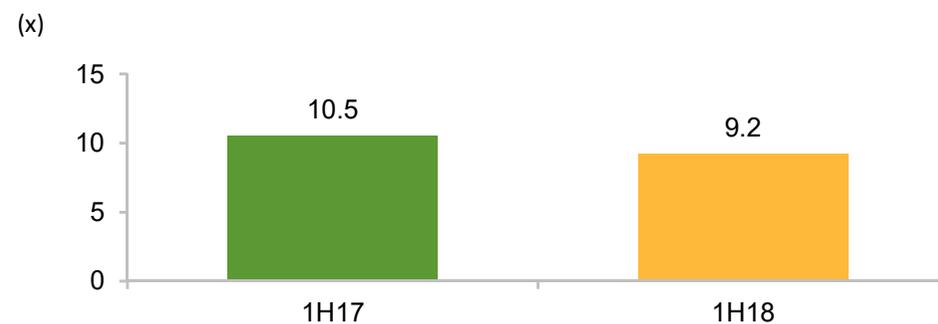
1H18 Net Borrowing Breakdown



Interest Coverage (EBITDA/Finance Cost)



Net Debts/EBITDA





4. Business Outlook



2H18 Business Outlook



In 2H18, the Group will continue its business with the following continuous measures:

1. Further liberalizing our mind, timely changing our thoughts for new energy development and committed to developing the market for more resources, diligently undertaking preliminary work for the resources we possessed and striving to obtain project approvals as soon as possible.
2. Further deepening upstream cooperation, expanding pipelines for gas resources, materializing gas resources, achieving mutual complementation for various gas resources such as pipeline gas, coal-bed methane and LNG, adopting a targeted sales strategy, strengthening downstream market development and coordinating and planning for the use of resources throughout the year to achieve safe and stable gas supply.
3. Closely monitoring and controlling construction works, optimizing project construction management, closely overseeing the progress of key construction projects, achieving closed-loop management for the full process of project inspection, constantly enhancing construction quality and ensuring production to commence on schedule.
4. Watching closely and analyzing the monetary policies of China for preparation of overall financing and capital deployment, continuously searching for innovative financing models, refining capital management and ensuring its scientific and efficient use.
5. Combining the new situation of the Group and the needs for rapid development, starting with the improvement of systems and processes to further strengthen the management base, and continuously enhance the level of regularization and standardization of the Company's management to achieve optimal development.



5. Q&A

