

# 2016 Interim Results Announcement

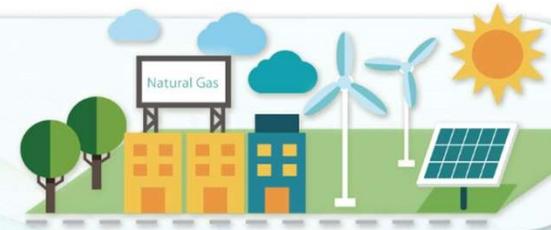
Aug 2016

(0956.HK)



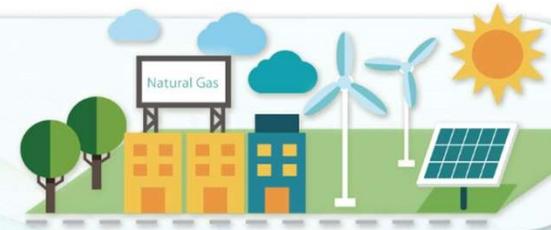
新天绿色能源股份有限公司  
China Suntien Green Energy Corporation Limited

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1. 2016 Interim Results Overview

2. Business Review

3. Financial Highlights

4. Outlook





# 1. 2016 Interim Results Overview



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# 2016 Interim Results Overview



## Results highlight:

- Profit attributable to shareholders increased by 27.4% yoy to RMB353mil
- Wind & solar power segment NPAT increased by 54.8% to RMB361mil
- Wind power business added 384.3MW consolidated installed capacity in 1H16

### Wind Power

- Consolidated installed capacity of the wind farms was 2,477.9MW as at end of June 2016. Projects under construction has a total capacity of 853.8MW
- 1H16 Consolidated Gross Power Generation increased by 23.8% to 23.19 GWh; Utilization hours in 1H16 increased by 149 hours to 1,276, higher than national average by 359 hours; curtailment rate dropped by 1.8 ppts to 7.9%
- Added 118MW of newly approved capacity in 1H16, accumulated approved capacity reach 1,573MW; added 400 MW reserve resources, accumulated reserve resources reach 22,372.5MW, which are distributed among 20 provinces in China
- In April 2016, the Group obtained wind power projects with 649MW total capacity from Jiangjiakou Gigawatt Wind Power Base Phase 3 Program



### Other Renewable Energy

- 2 projects in Lulong and Chauyang County are under construction, with total capacity of 30MW. Both projects has already connected to the grid
- Added 400MW of new solar PV power resources in Heilongjiang, Liaoning, Hebei, Jiangxi, Shanxi and Shandong; accumulated solar PV power resources reaches 4,299MW



### Natural Gas

- The Group added 151.9 km of natural gas pipelines 1H16; as at the end of June 2016, total length of natural gas pipelines in operation reached 1,993.7 km
- Gas Sales Volume in 1H16 was 0.54 bcm, decreased by 11.8% yoy
- Pipework for Ten Counties in Middle Hebei Province (Phase 2) has finished construction of 73.13 km
- The pipeline welding of Shanxi Licheng-Hebei Shahe Coalbed Methane (CBM) Pipeline Project accumulated to 124 km



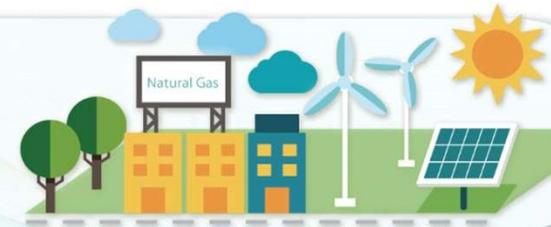


## 2. Business Review



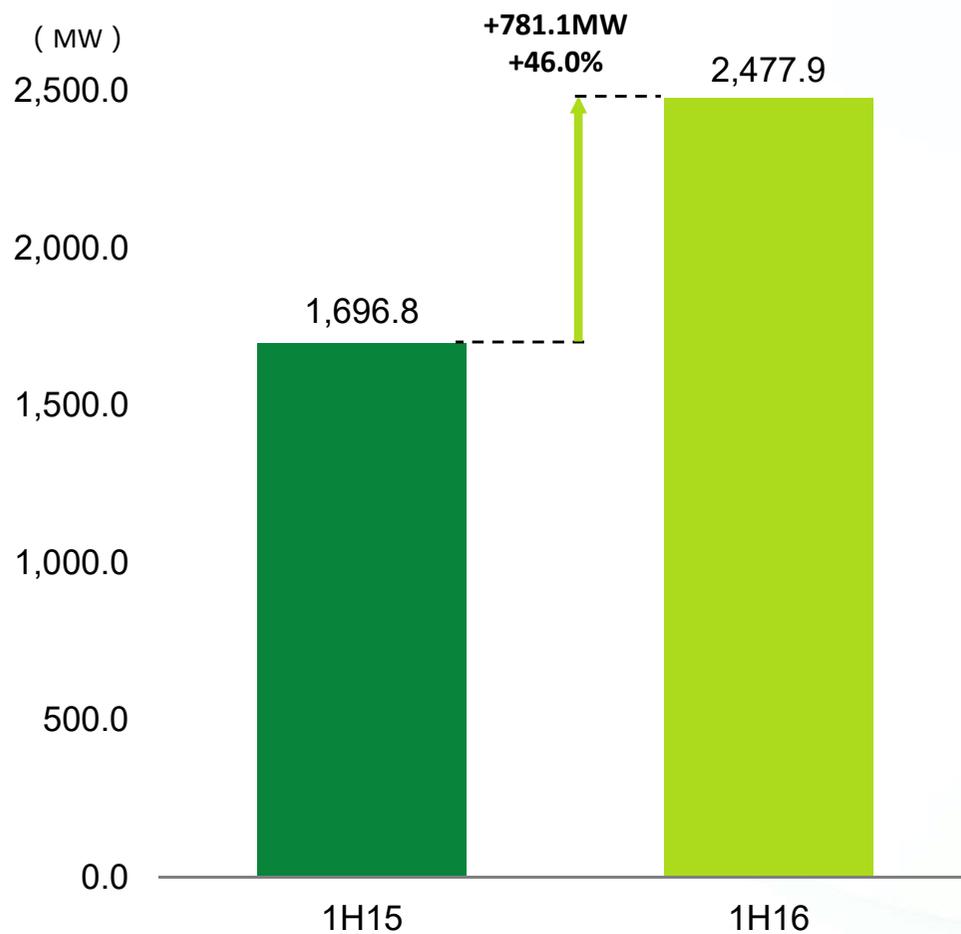
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# Wind Power Segment Review

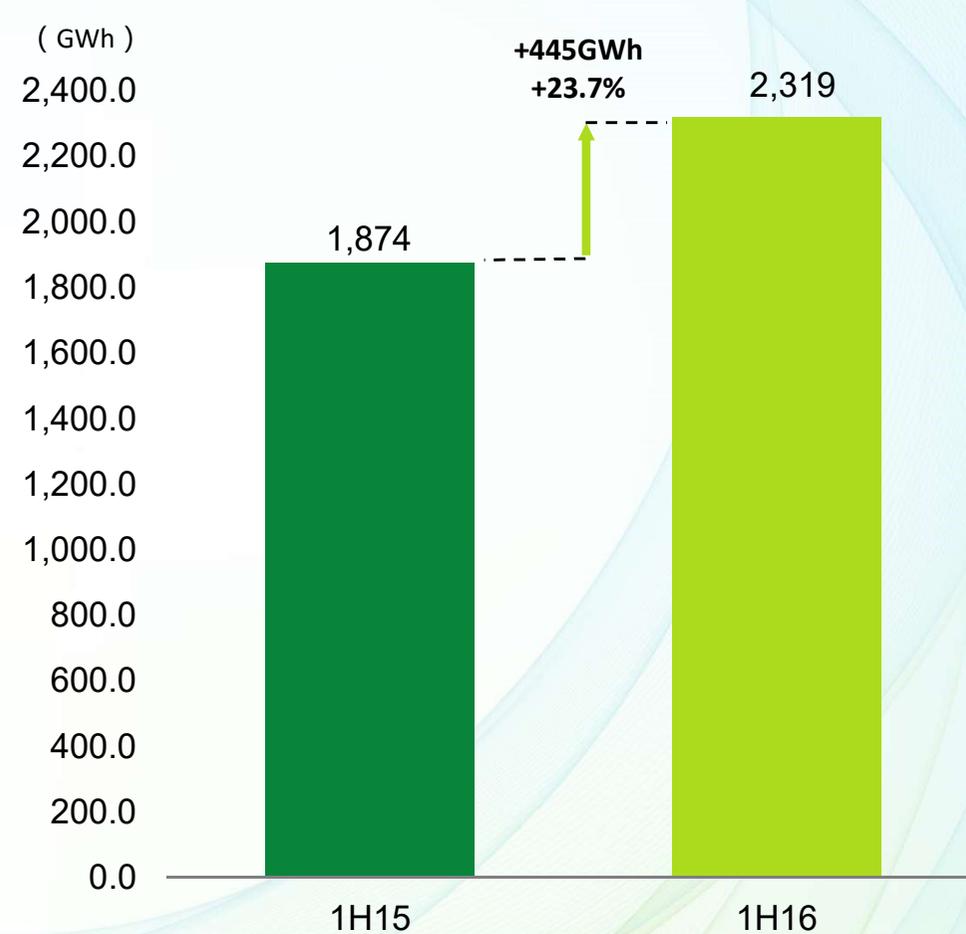


Power generation growth driven by recovery of wind speed and lower wind curtailment rate

## Consolidated Wind Power Installed Capacity



## Consolidated Wind Power Generation<sup>(1)</sup>



**Notes**

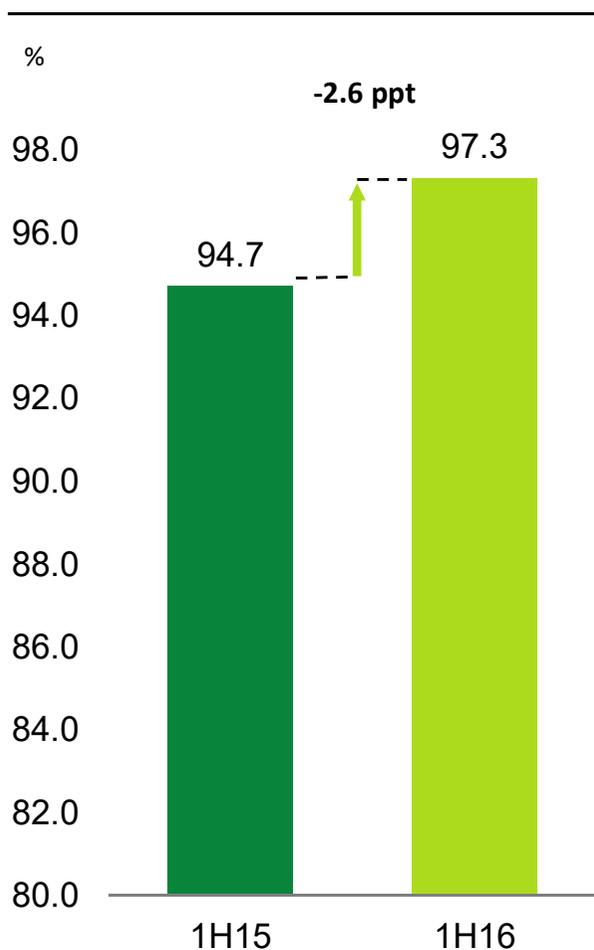
1. Including power generation during trial run period

# Wind Power Segment Review (cont'd)

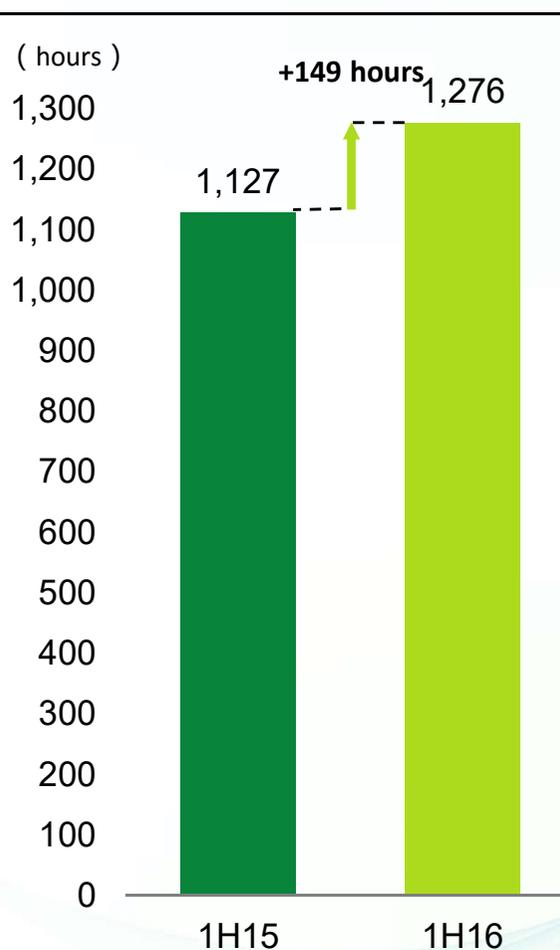


Average Utilization Hours increased, availability factor rebounded

### Availability Factor<sup>(1)</sup>



### Average Utilization Hours



### Average On-grid Tariff (Tax Inclusive)

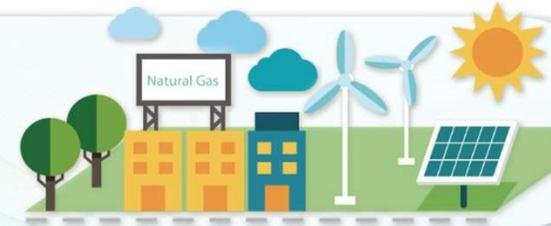


**Notes**

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

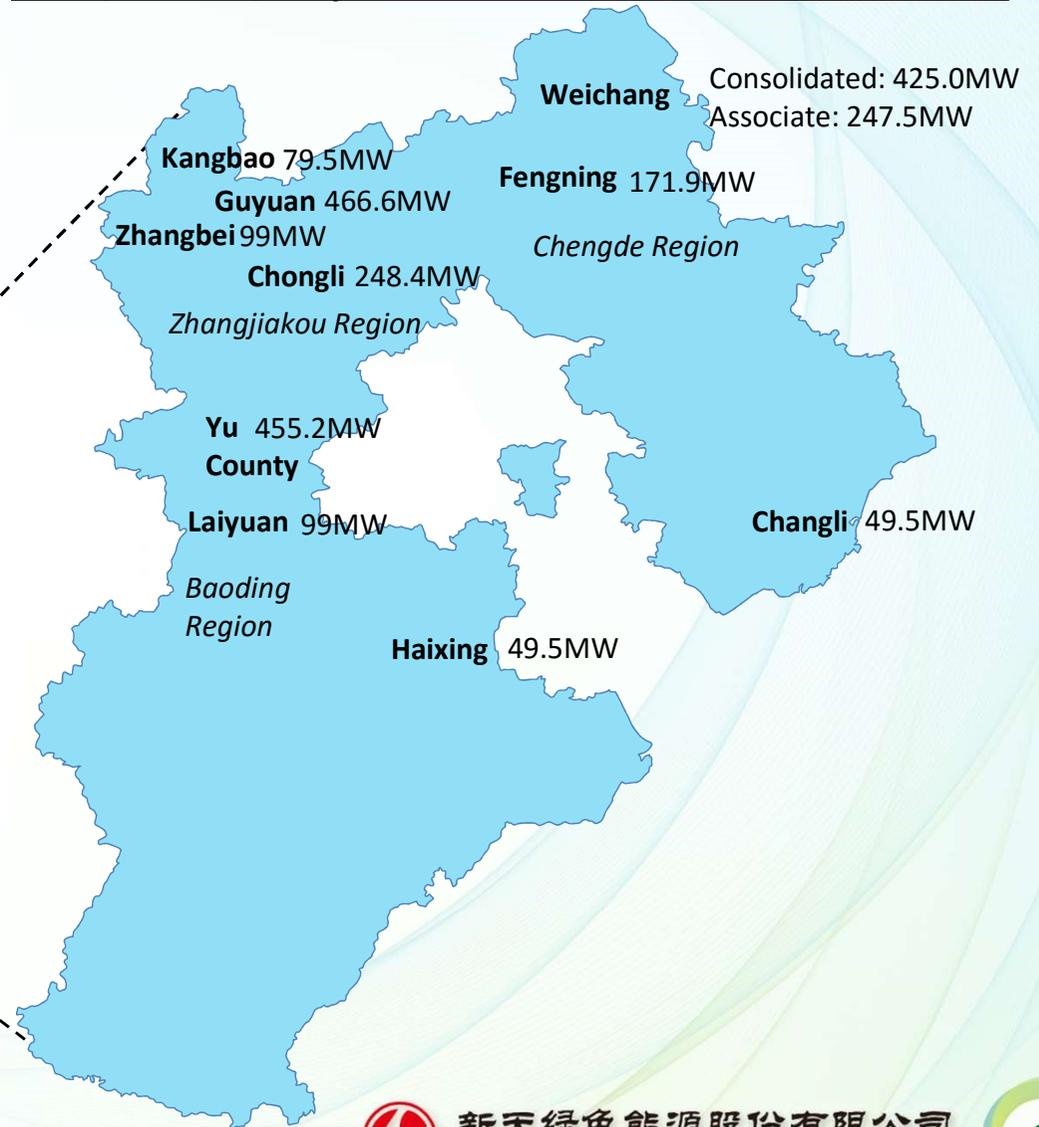


## Wind Power Development in Hebei

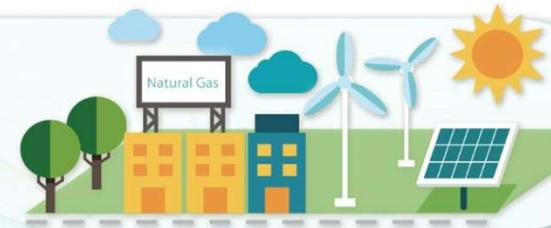
- Increased 273.5 MW of consolidated installed capacity in Hebei in 1H16; as of end-2015, total consolidated installed capacity was 2,142.1 MW, or 86.4% of the Group's total
- No associate wind power capacity added in the year. As of end-2015, total associate wind power capacity was 247.5MW



## Distribution of consolidated and associate installed wind power capacity in Hebei



# Wind Power Projects in Other Provinces

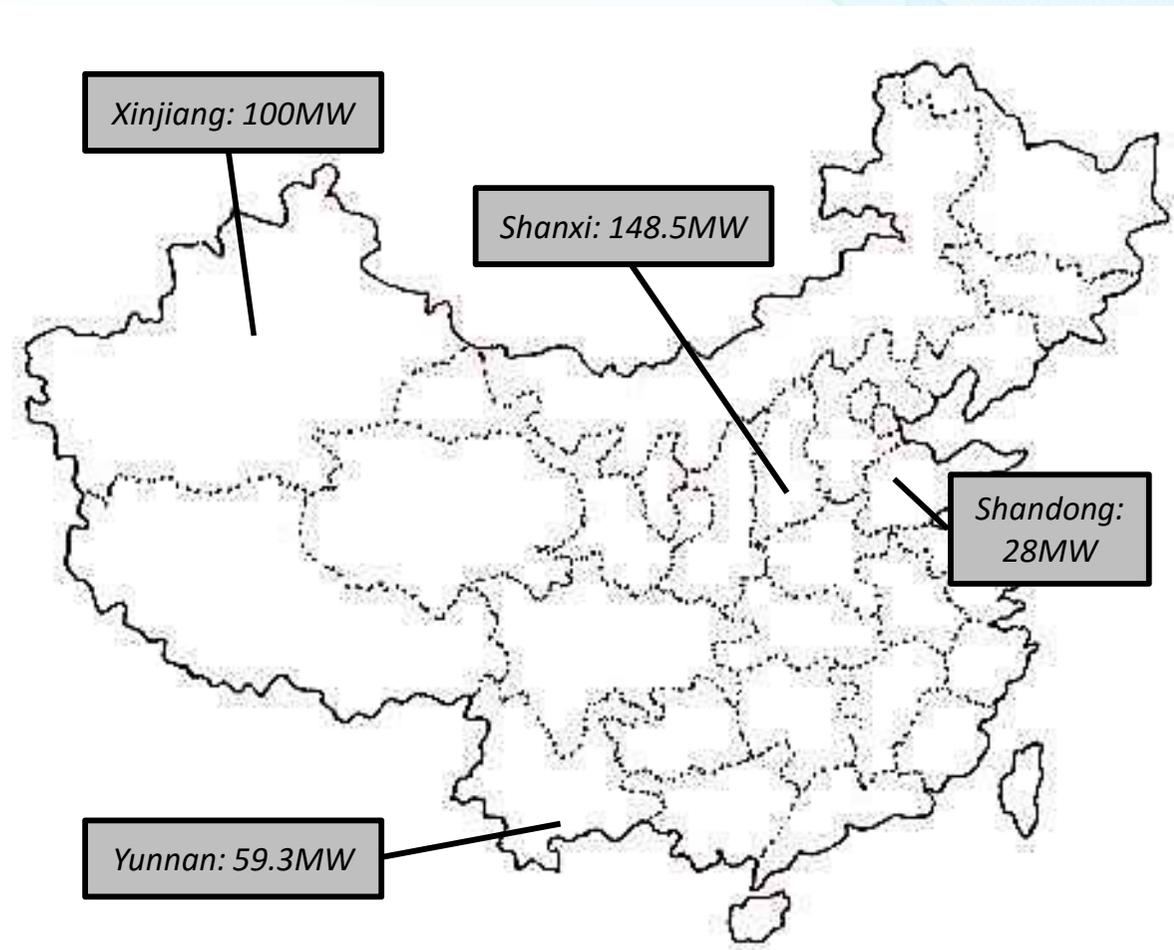


## Wind Power Development Outside Hebei

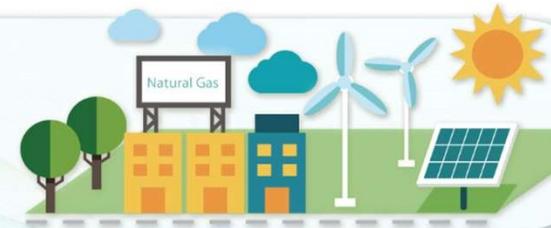
## Consolidated Wind Power Installed Capacity Outside Hebei

In 1H16:

- Added 23.5 MW of consolidated installed capacity in **Shanxi**; As of end-June 2016, total consolidated installed capacity in **Shanxi** was 148.5MW
- Added 59.3 MW of consolidated installed capacity in **Yunnan**; As of end-June 2016, total consolidated installed capacity in **Yunnan** was 59.3MW
- Added 28 MW of consolidated installed capacity in **Shandong**; As of end-June 2016, total consolidated installed capacity in **Shandong** was 59.3 MW
- No new capacity added in **Xinjiang**; As of end-June 2016, total consolidated installed capacity in **Xinjiang** was 100 MW
- As of end-June 2016, consolidated wind power installed capacity in provinces other than Hebei reach 335.8 MW, which is 13.6% of total consolidated installed capacity



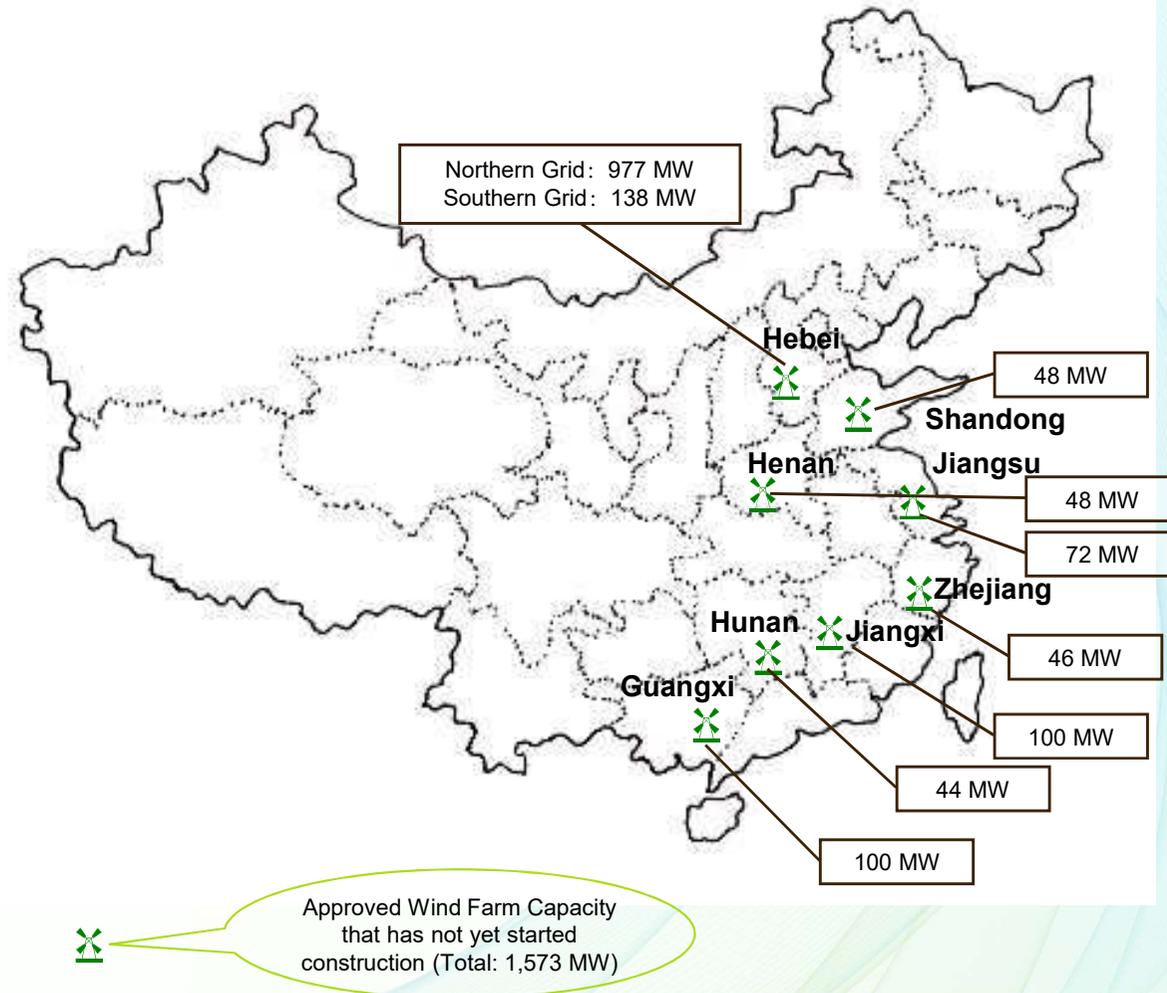
# Project Approvals



## Wind power project approvals

- Acquired 118 MW newly approved wind power reserve capacity, in 1H16, which all belongs to zone 4 wind resources; total approved reserve capacity amounted to 1,573 MW
- In April 2016, the Group obtained approval for projects listed in Jiangjiakou Gigawatt Wind Power Base (Phase 3) with total capacity of 649 MW. As at end-June 2016, the group obtained approval for wind power projects with total capacity of 5,251.8 MW from National Approval Plans
- In 1H16, the Group added 400 MW of wind power resources; total wind power resources reach 22,372.5 MW, which is distributed in 20 provinces

## Approved wind power capacity that has not yet started construction

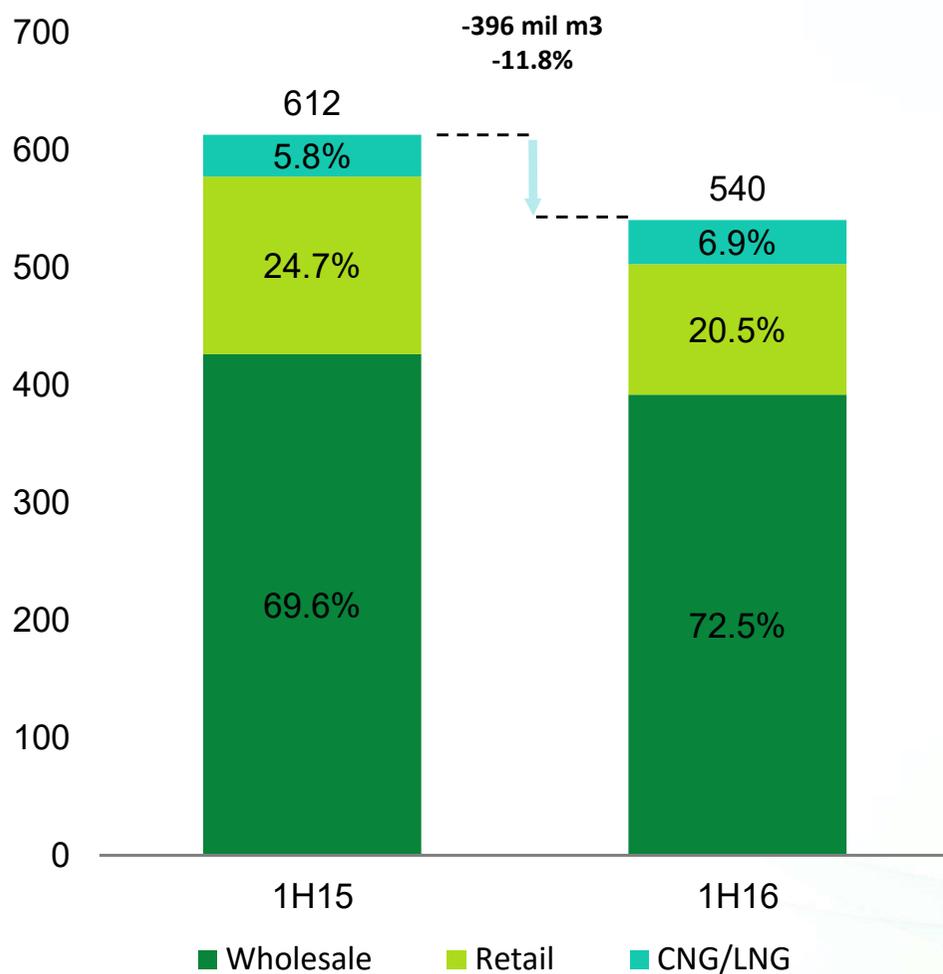


# Natural Gas Segment Overview



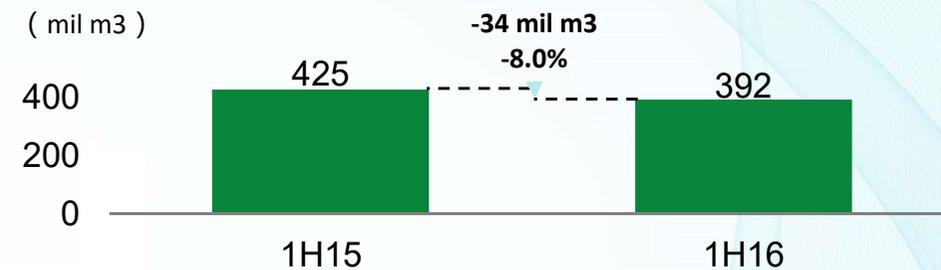
## Gas Sales Volume

( mil m3 )



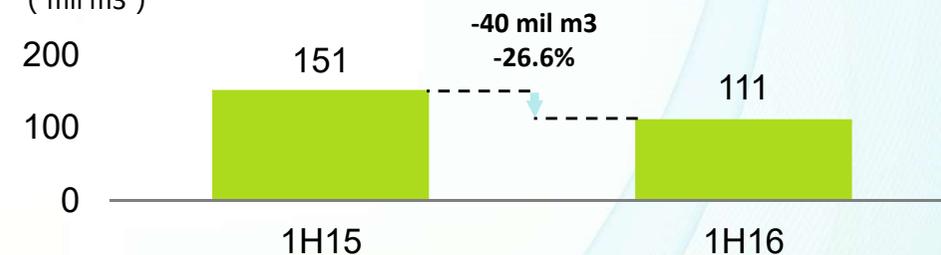
## Wholesale

( mil m3 )



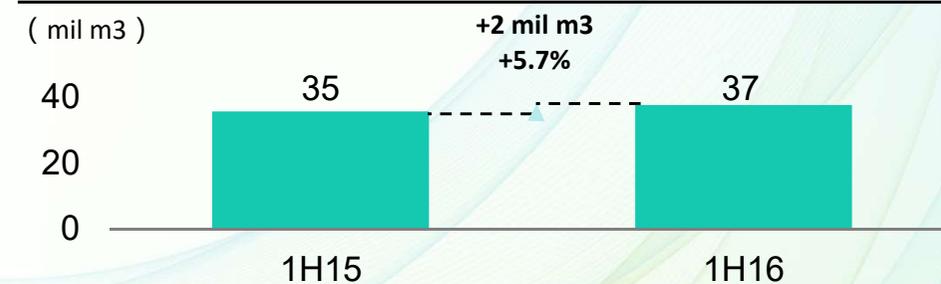
## Retail

( mil m3 )



## CNG/LNG

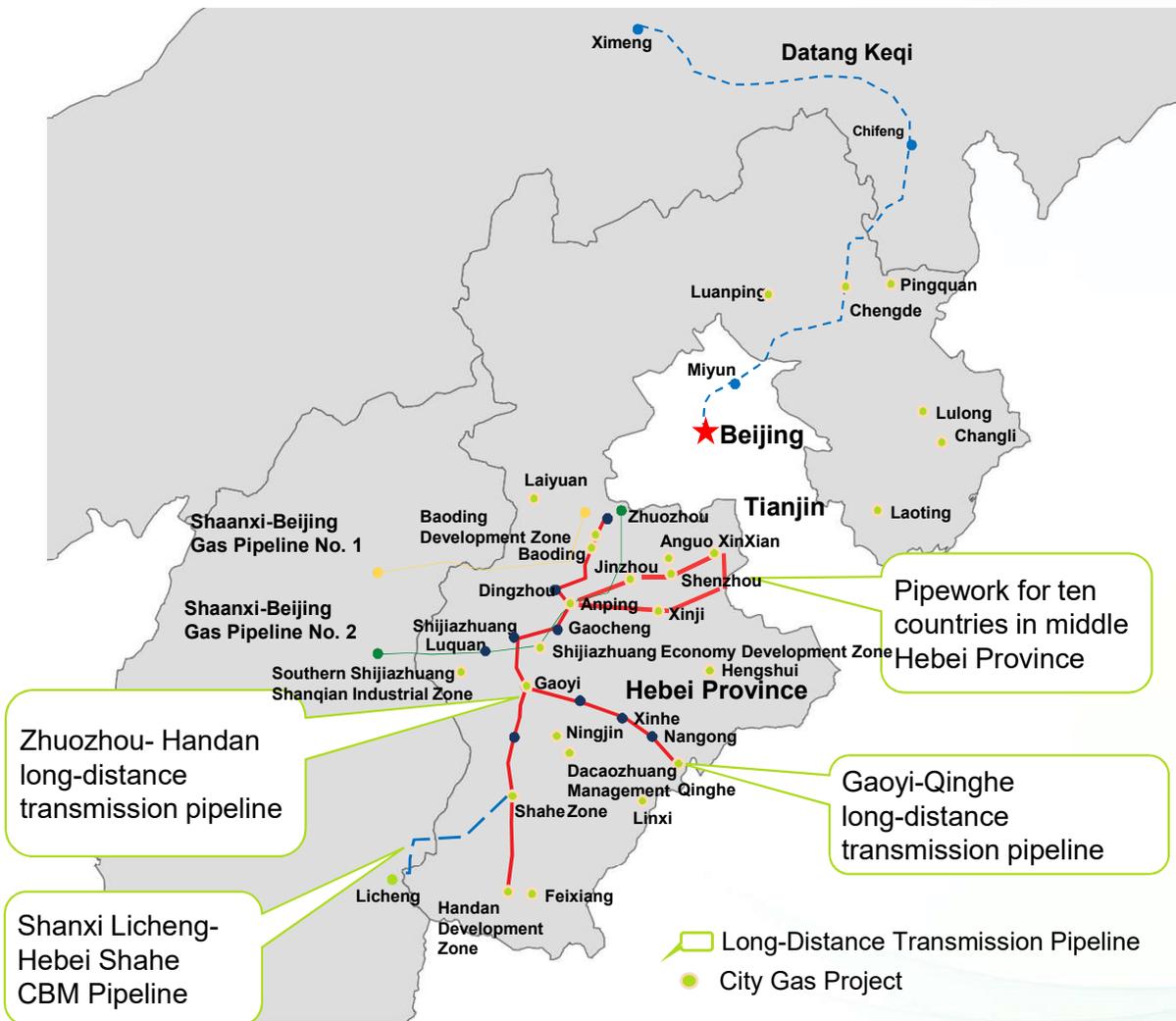
( mil m3 )



# Natural Gas Segment Overview (Con't)



## Locations of Natural Gas Pipelines



## Construction of Natural Gas Pipeline Projects

- Finished construction of 151.9km of new pipeline; as at end-June 2016, accumulated operating pipelines reach 1,993.7km
- Pipework for Ten Countries in Middle Hebei Province (Phase 1) has finished construction, and has commenced operation expect 1 station in Xiaoning
- Pipework for Ten Countries in Middle Hebei Province (Phase 2) has finished construction of 73.13km
- Shanxi Licheng-Hebei Shahe CBM Pipeline has finished construction of 124km in total

# Natural Gas Segment Overview (Con't)



## Upstream Gas Supply

- The Group intended to build a joint venture company together with a third party for construction of natural gas resource pipelines which connect Shanxi, Hebei and Tianjin. Currently, the name of the joint venture company has been pre-approved and the preliminary work

## CNG/LNG Stations

- As at end-June, CNG/LNG stations business details are as follow:

No. of stations	Operating	Under Construction	Approved
CNG Primary Stations	5	3	0
CNG Refueling Stations	7	4	2
LNG Refueling Stations	1	5	2
L-CNG Refueling Stations	0	3	0

## Downstream Business

- Non-residential users increased by 120 (including 69 small business users) to a total of 1,740 users (including 1,162 small business users). Residential users increased by 26,680 to a total of 143,092 users
- Successfully bid the Fengning Manzu Autonomous County Gas PPP project

- In particular, CNG primary station of Qinghe Natural Gas Utilization Project (Phase I), Luanping standard gas station, CNG primary station in Ningjin, Huangliangmeng Langtuo LNG-CNG gas station project, Gaoyi County East Industrial Zone natural gas utilization project, Neiqiu LNG gas station and Huabo CNG secondary refilling station were completed
- Main construction structure of Anping compression primary station was completed





### 3. Financial Highlights

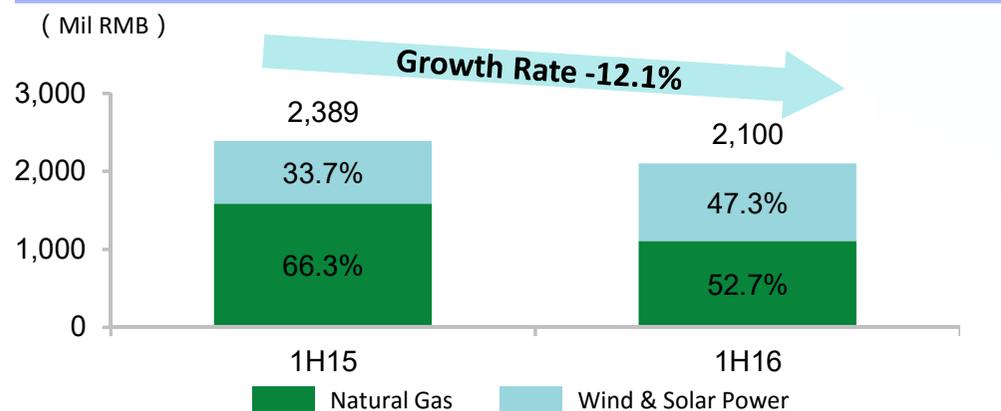


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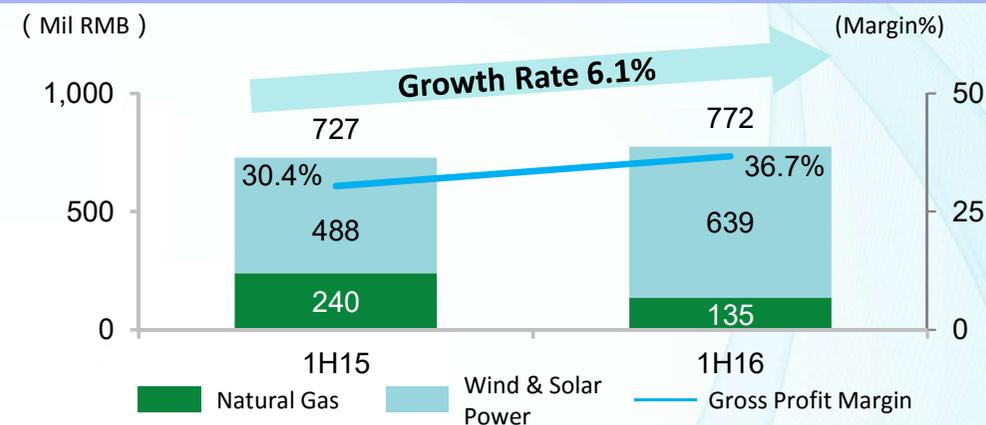
# Group Financial Highlights



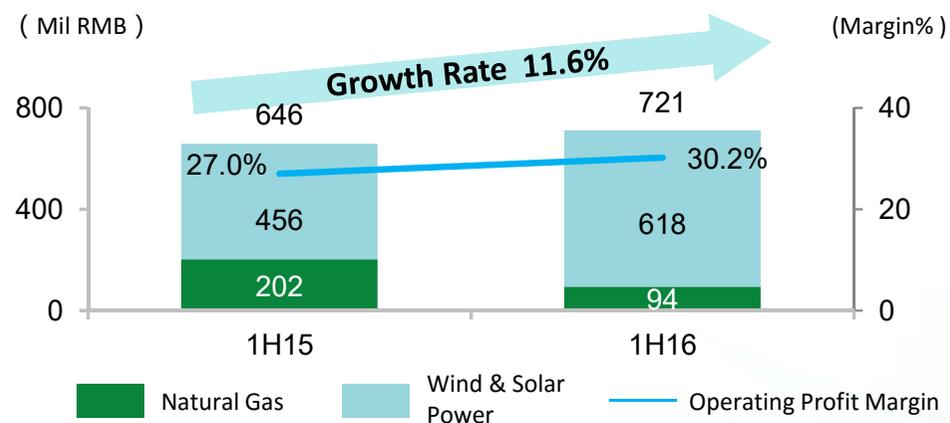
## Revenue



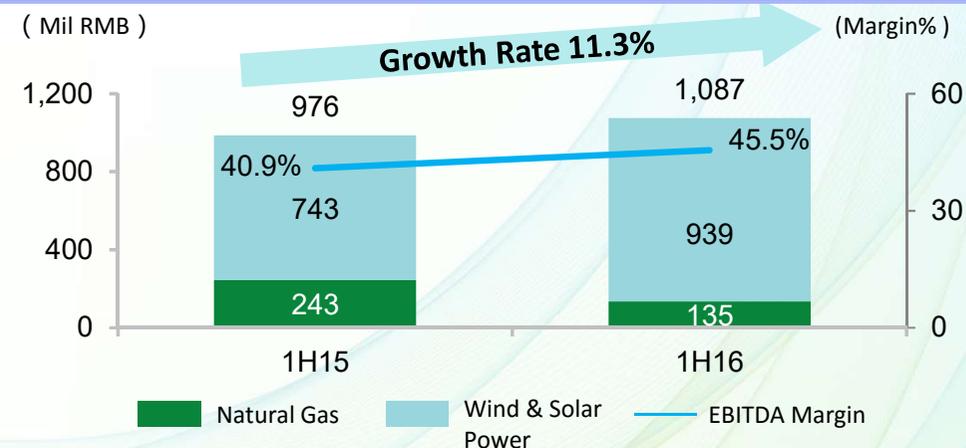
## Gross Profit



## Operating Profit<sup>(2)</sup>



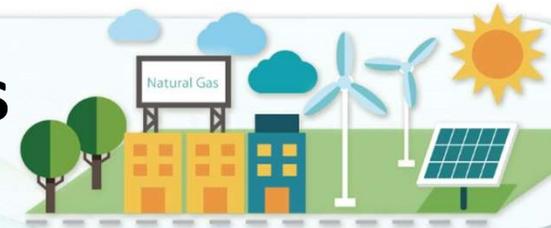
## EBITDA<sup>(1) (2)</sup>



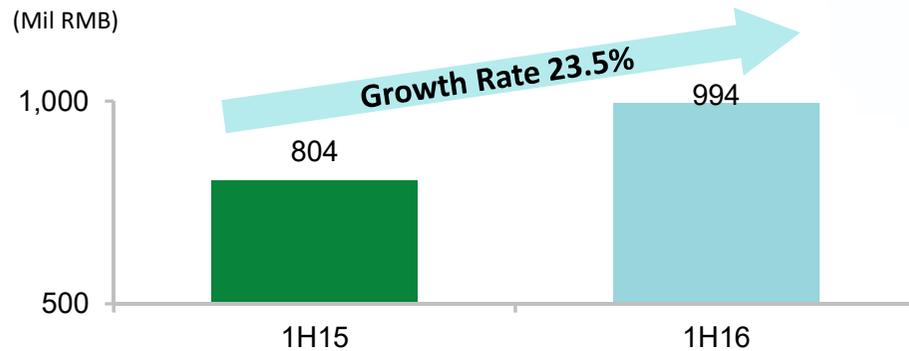
### Notes

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

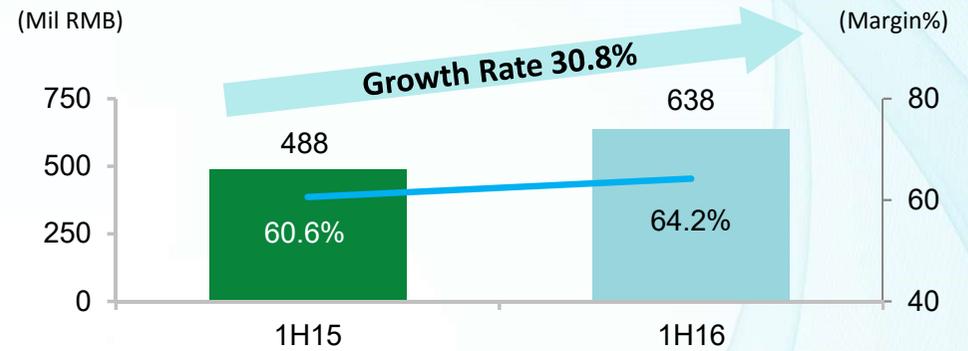
# Wind & Solar Power Segment Financial Highlights



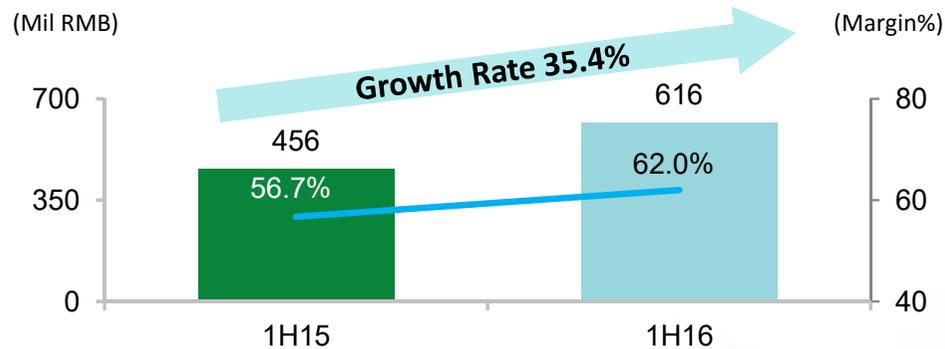
## Revenue



## Gross Profit



## Operating Profit



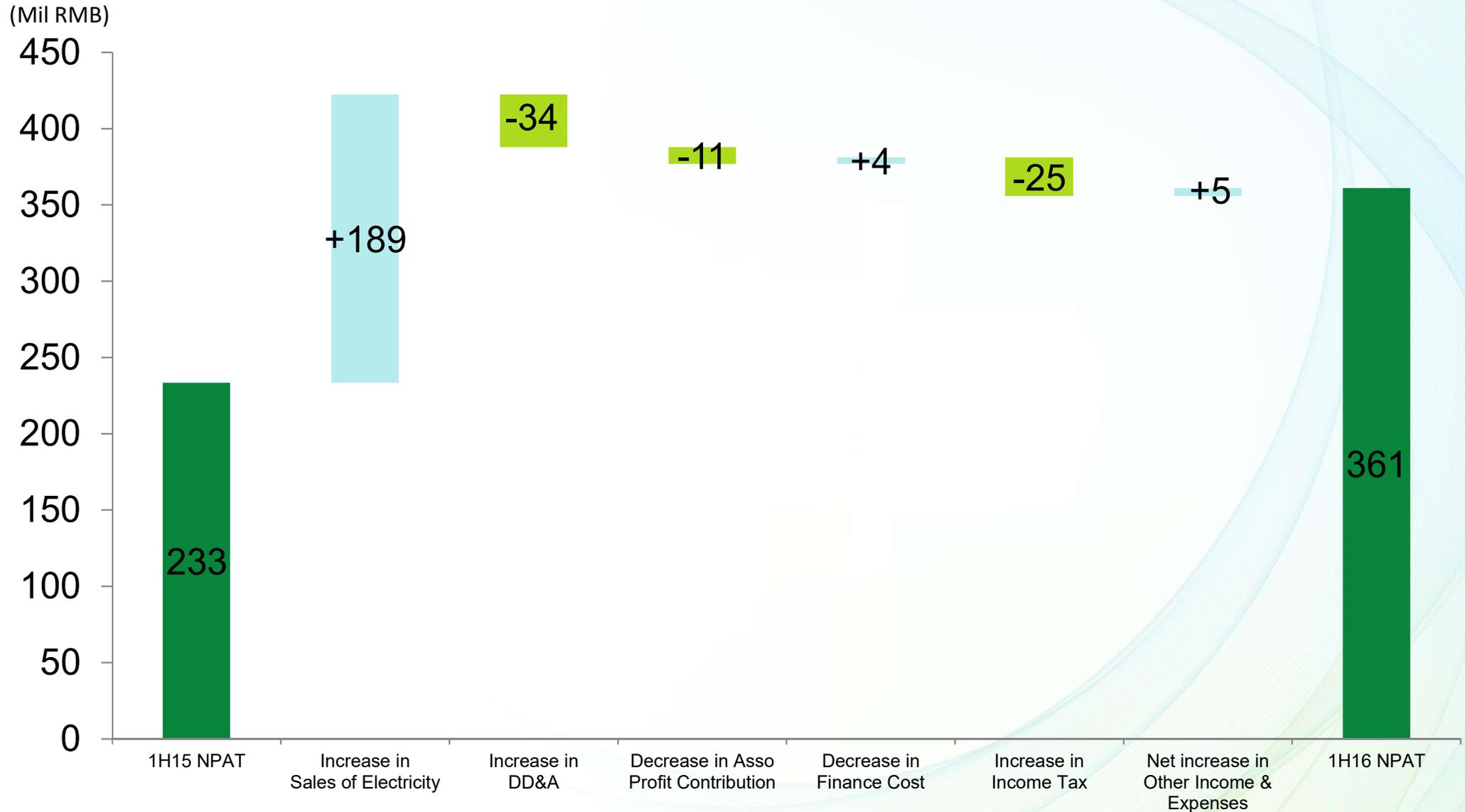
## EBITDA (1)



Note:

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

# Analysis of Wind & Solar Power Segment Net Profit

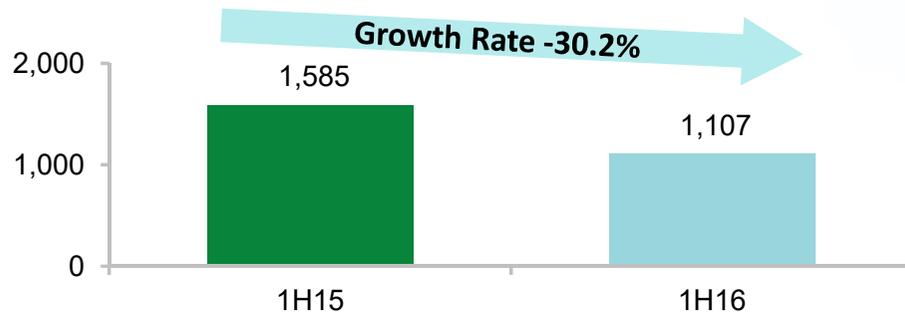


# Natural Gas Segment Financial Highlights



## Revenue

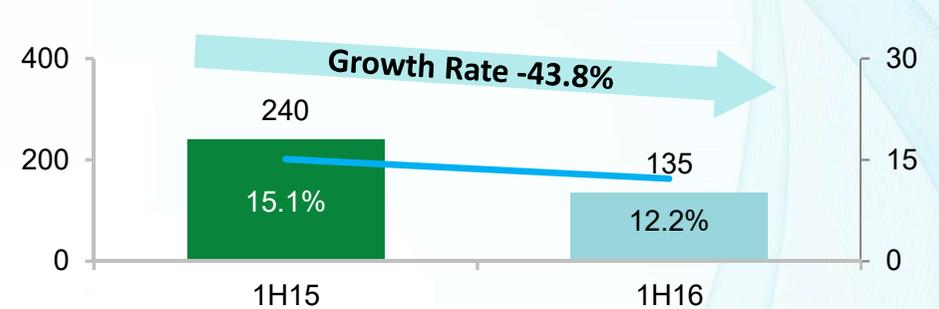
(Mil RMB)



## Gross Profit

(Mil RMB)

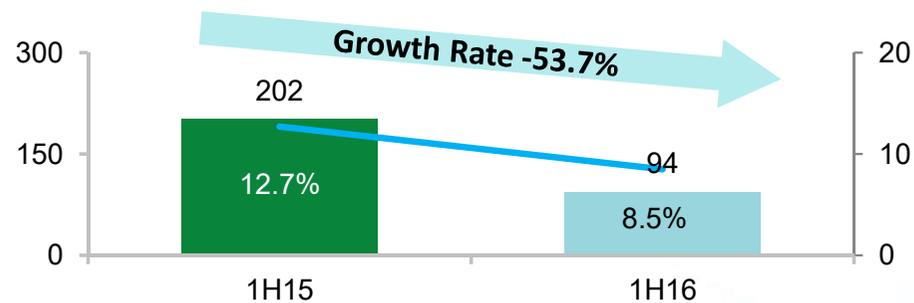
(Margin%)



## Operating Profit

(Mil RMB)

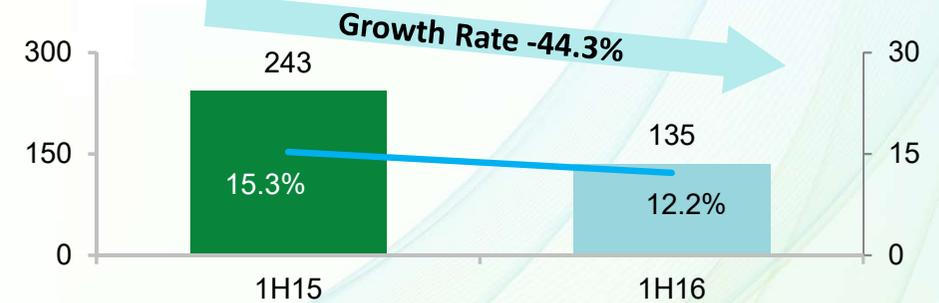
(Margin%)



## EBITDA (1)

(Mil RMB)

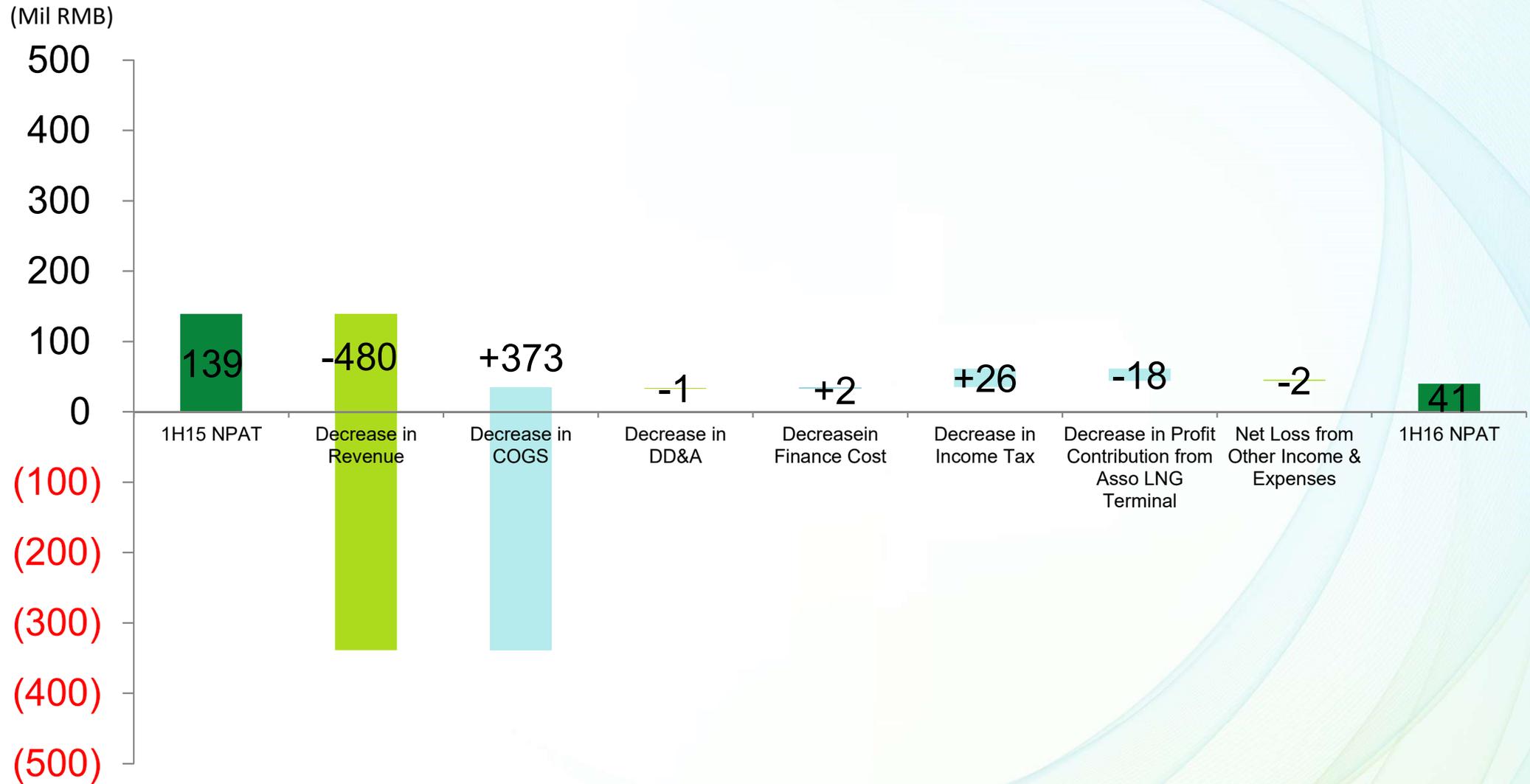
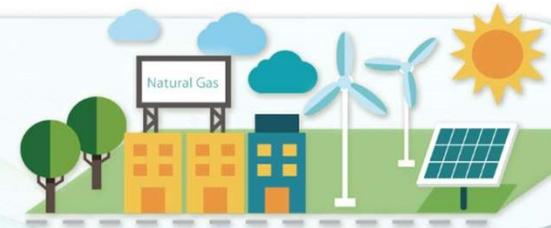
(Margin%)



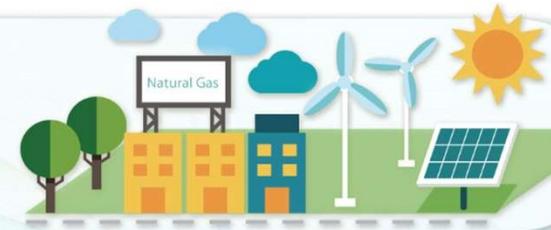
Note

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

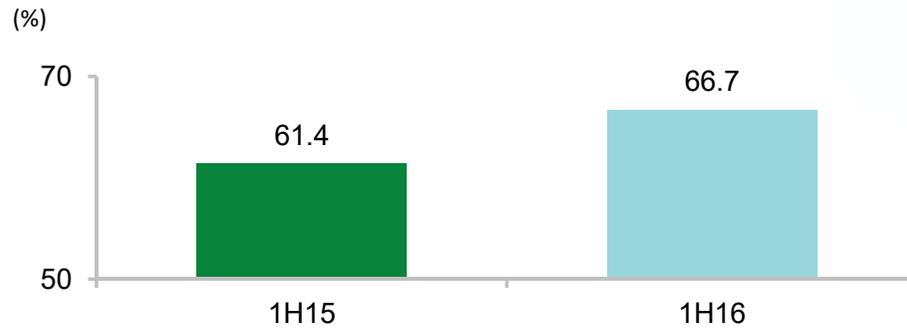
# Analysis of Natural Gas Segment Net Profit



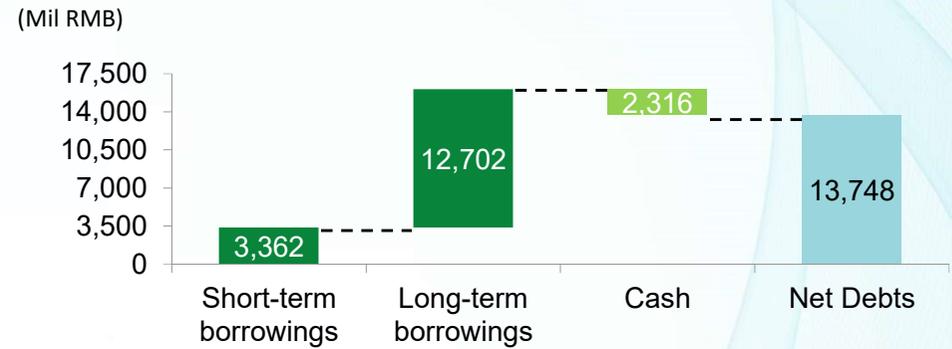
# Capital Structure



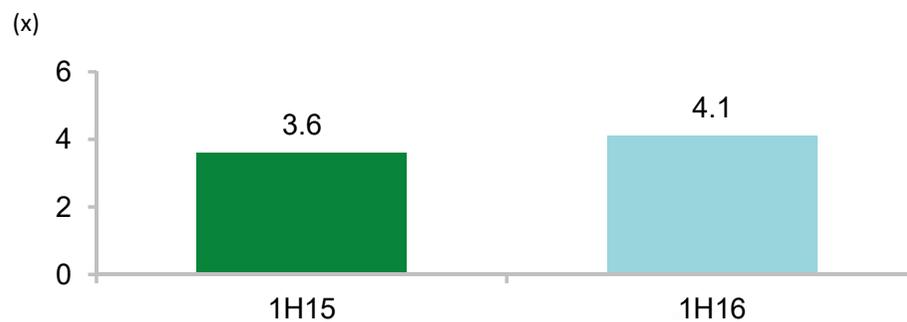
## Total Liabilities / Total Asset



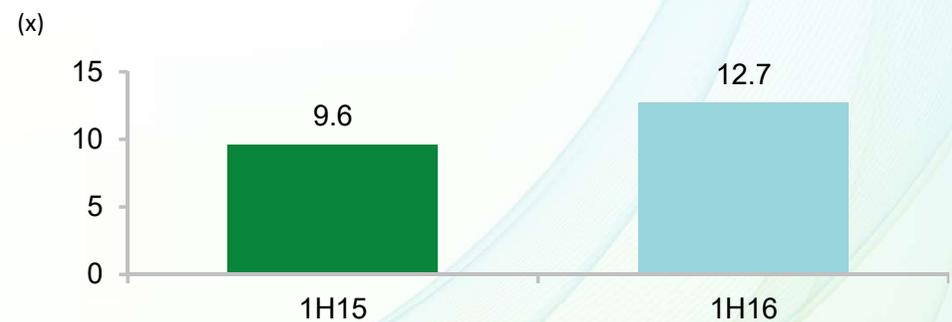
## 1H16 Net Borrowing Breakdown



## Interest Coverage ( EBITDA/Finance Cost )



## Net Debts/EBITDA



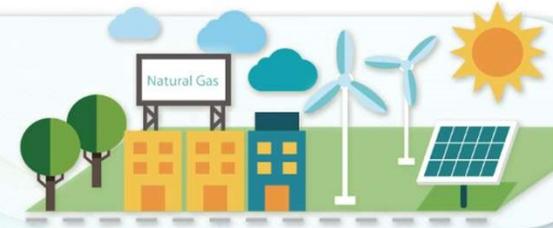


## 4. 2H16 Outlook



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# Prospects For The 2H16



Although the economics in China remain stable in 1H16, both domestic and foreign environment were still complicated and pressure from economic downturn was still high. Being affected by the constraints of such as resource and environmental policies, there are increasing potential risks in the economy. However, with implementation of structural reforms of China's power industry, renewable energy industry still has high potentials.

## The missions of the Group to be launched in 2H16 are as follows:

1. Paying close attention to the development of new technology of wind turbines, broadening the scope and depth of development of wind resource and emphasizing on development of low-wind-speed resource in Middle-East area; rapidly adjusting the development path of the gas market, seeking for low-cost gas resource from all sides, building multi gas resources as backup, exploring the market frequently and seeking for potential customers
2. Further improving the project construction system, optimizing project management and ensuring the construction of each project to be on schedule
3. Further improving the mode of financing and funding, optimizing the debt structure and taking a balance between long term and short term liabilities reasonably ; and optimizing capital management, enhancing utilization efficiency of capital, reducing capital precipitation and lowering capital cost
4. Improving internal managing mechanism of "science, high efficiency and smoothness" and innovating the mode of work; further enhancing the overall managing level of the Group through setting up a mobile information platform and strengthening the risk management and control system
5. Reinforcing the information management of production and operation maintenance, strengthening safe production, increasing the standard of operation maintenance and assuring safe production.





## 5. Q&A



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