Concord New Energy Group Ltd. (0182.HK)

—— An Experienced Wind & Solar Developer and Operator

2021 Annual Results Presentation

2nd Mar. 2022

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2021 Financial Summary

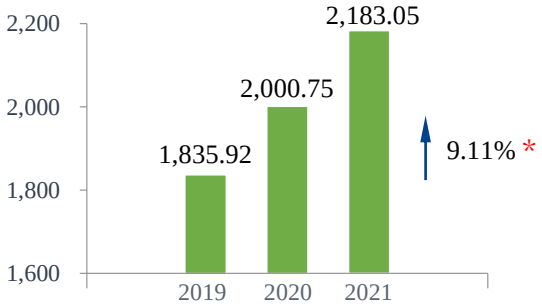
Unit: Million RMB

		As of 31st Dec 2021	As of 31st Dec 2020	Change
Key Financial Data	Total Assets	24,035.41	19,528.28	+23.08%
	Net Assets	7,553.48	6,494.50	+16.31%
	Cash and Cash Equivalents	4,151.44	2,608.07	+59.18%
		As of 31st Dec 2021	**As of 31st Dec 2020**	**Change**
	Revenue	2,183.05	2,000.75	+9.11%
	Profit Attributable to Owners of the Company	778.48	673.41	+15.60%
	Fully Diluted EPS	9.28 cents	7.86 cents	+18.07%
Segment Revenue	**Power Generation**[1]	1,736.35	1,728.44	+0.46%
	O&M	244.83	154.32	+58.66%
	Others	201.86	118.00	+71.07%
Segment Results[2]	**Power Generation**	1,099.77	991.61	+10.91%
	O&M	26.69	38.82	-31.25%
	Others	5.00	3.67	+36.24%

1. *Power generation revenue from consolidated power plants*
2. *The Segment Results are the earnings before interest and tax and disposal gain. The Power Generation includes the power generation, URP release, deferred tax contribution and shared profits of joint ventures.*

Profitability Continuously Grew, and ROE Significantly Increased

Revenue (Million RMB)

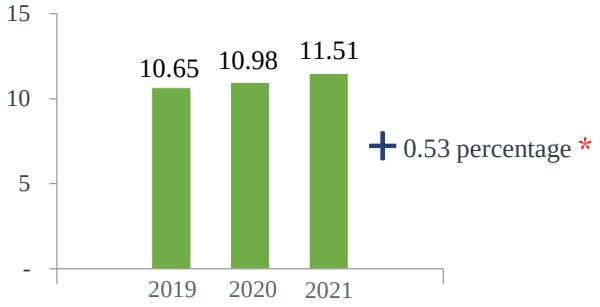


* Change% between 2021 & 2020

Power Generation Profits (Million RMB)

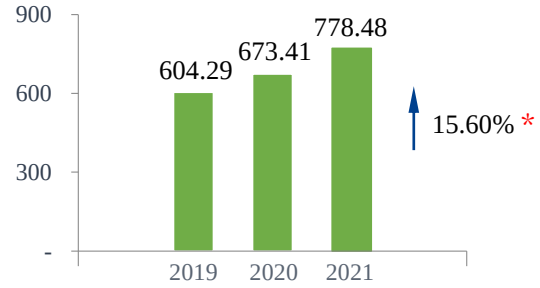
* Change% between 2021 & 2020

Return on Equity（%）



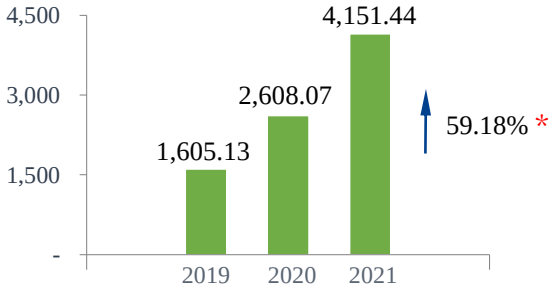
* Change% between 2021 & 2020

Profit Attributable to Owners of the Company (Million RMB)



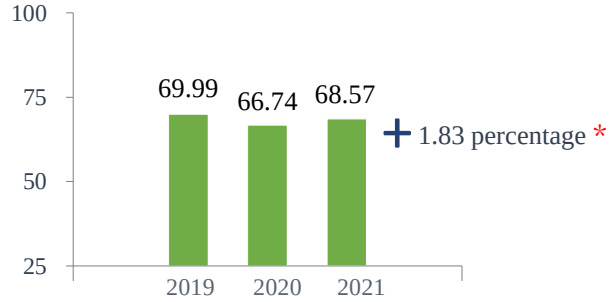
* Change% between 2021 & 2020

Cash and Bank Balances (Million RMB)



* Change% between 2021 & 2020

Assets Liability Ratio *（%）



* Assets Liability Ratio=Total Liability/Total Assets
* Change% between 2021 & 2020

Asset Quality Continued to be Optimized, Newly Installed Capacity Reached a New High

- **In 2021, the total newly added in operation capacity was 873.5MW, including 10 wind projects (633.5MW) and 3 PV projects (240MW).**
- **Meanwhile, the company actively optimized the asset quality by selling total 518.5MW attributable capacity，most of which were projects with subsidy.**
- **The company will optimize the asset quality and ensure the efficiency of operational projects through successive asset replacement.**

	As of 31st Dec 2021	As of 31st Dec 2020
Newly added Attributable Installed Capacity	873.5 MW	662.3 MW
Sold Attributable Installed capacity	518.5 MW	643.7 MW
Net added Attributable Installed capacity	355 MW	18.6 MW
Operational Attributable Installed Capacity	**2,768 MW**	**2,413 MW**
Wholly-owned Wind Plants	1,763 MW	1,543 MW
Associates and JV Wind Plants	624 MW	720 MW
Wholly-owned PV Plants	374 MW	143 MW
Associates and JV PV Plants	7 MW	7 MW

Remark: Currently, the grid parity capacity is 1,152MW, which is all wholly owned projects, consisting of wind power 894MW, PV power 258MW.

Operating Indicators Continue to Improve, Significantly Superior to Industry Average

Operational Indicators	As of 31st Dec 2021	As of 31st Dec 2020	Change
Weighted Average Utilization Hours			
Wind Plants (attributable)	2,411 Hours	2,241 Hours	7.6%
Wind Plants (wholly-owned)	2,697 Hours	2,504 Hours	7.7%
PV Plants (attributable)	1,458 Hours	1,452 Hours	0.4%
PV Plants (wholly-owned)	1,420 Hours	1,436 Hours	-1.1%
Weighted Average Tariff (traded power adjustment considered)			
Wind Plants (attributable)	0.5005/kW·h	0.5339/kW·h	-6.3%
Wind Plants (wholly-owned)	0.5124/kW·h	0.5492/kW·h	-6.7%
PV Plants (attributable)	0.8020/kW·h	0.9452/kW·h	-15.2%
PV Plants (wholly-owned)	0.7806/kW·h	0.9125/kW·h	-14.5%
Total Attributable Average Grid Curtailment	3.2%	4.6%	↓ 1.4 percentage
Wind Plants (attributable)	2.9%	4.0%	↓ 1.1 percentage
Wind Plants (wholly-owned)	2.1%	4.0%	↓ 1.9 percentage
PV Plants (attributable)	9.8%	9.3%	↑ 0.5 percentage
PV Plants (wholly-owned)	10.9%	10.2%	↑ 0.7 percentage

Remark : According to The National Energy Administration of China, the national average utilization hours of wind power was 2,246 hours and that of PV power was 1,1653hours

Attributable Power Generation Reached Record High, Strong Growth in Wind Power Sector

In 2021, the company's power generation business revenue accounted for 80%, The company's power generation and profits both hit record highs. Power generation of wholly owned wind power projects strongly increased by 20.5%.

	Attributable Power Generation Output (GW·h)			Power Generation Revenue (RMB '000)			Attributable Power Generation Net Profit (RMB '000)		
	2021	2020	Change	2021	2020	Change	2021	2020	Change
Total	**5,225**	**4,750**	**10.0%**	**1,736,350**	**1,728,443**	**0.5%**	**907,967**	**863,609**	**5.1%**
Total Wholly-owned Power Plants	**3,824**	**3,362**	**13.7%**	**1,736,350**	**1,728,443**	**0.5%**	**754,874**	**731,757**	**3.2%**
Wind	3,542	2,939	20.5%	1,544,084	1,385,295	11.5%	677,302	638,785	6.0%
Solar	282	423	-33.3%	192,266	343,148	-44.0%	77,572	92,972	-16.6%
Total Associates and JV Power Plants	**1,401**	**1,388**	**0.9%**	**-**	**-**	**-**	**153,093**	**131,852**	**16.1%**

Remark: Attributable Net Profit refers to the sum of net profit of power plants based on attributable calculation.
The income of associates and JV power plants are not consolidated.

Steady Progress in Project Development and Active Expansion of Energy Storage Business

- **In 2021, Company obtained the construction quota for 852MW high quality wind and PV projects and 90MW energy storage project quota, and total 1,340 MW newly approved (recorded) projects.**
- **So far , there are total 2,902 MW of approved (recorded) projects. Sufficient projects pipeline lays a solid foundation for the company's future growth.**

Approved/Construction Quota Projects Pipeline

Province	Capacity(MW)	Tariff
Hubei	450	Grid parity
Guangxi	190	Grid parity
Gansu	100	Grid parity
Henan	100	Grid parity
Hunan	51	Grid parity
Anhui	51	Grid parity
Yunnan	650	Trade Price
Liaoning	50	Trade Price
Guangdong	400	Grid parity
Hebei	270	Grid parity
Shanxi	100	Grid parity
Qinghai	100	Grid parity
Jiangsu	100	Grid parity
Hubei	90MW/180MW·h	
Hunan	200MW/400MW·h	
Total	2,902	

Projects Under/Ready for Construction

No.	Project	Province	Type	Capacity (MW)	Tariff
1	Chaoyang	Liaoning	Wind	50	Trade price
2	Kaiyuan	Yunnan	Wind	350	Trade price
3	Shizong	Yunnan	Wind	300	Trade price
4	Shiziling Phase I	Guangxi	Wind	48	Grid parity
5	Shiziling Phase II	Guangxi	Wind	42	Grid parity
6	Donglan	Guangxi	Wind	100	Grid parity
7	Huilong	Hunan	Wind	21	Grid parity
8	Jinbi	Hunan	Wind	30	Grid parity
9	Xiangzhou Phase I	Hubei	Wind	100	Grid parity
10	Xiangzhou Phase II	Hubei	Wind	100	Grid parity
11	Guazhou	Gansu	Wind	100	Grid parity
12	Tongbo	Henan	Wind	100	Grid parity
13	Qiaodong Phase II	Anhui	Wind	51	Grid parity
14	Nandagang	Hebei	PV	70	Grid parity
15	Fengning PV/Storage	Hebei	PV	200	Grid parity
16	Huilai	Guangdong	PV	100	Grid parity
17	Dachaidan Phase II	Qinghai	PV	100	Grid parity
18	Hongdong	Shanxi	PV	100	Grid parity
			Total	1,962	

Asset Optimization Constantly Implemented, Proportion of Grid Parity Projects Drastically Increased

- **The company continues to implement the "asset optimization" strategy to significantly improve cash flow and will properly adjust the strategy based on policy updates.**
- **The LCOE of grid parity projects is significantly lower than the LCOE of thermal power projects, which made the grid parity projects more competitive in the electricity market.**

Attributable Capacity Sold in 2021

518.5 MW
Around ¥2.0 bn returned

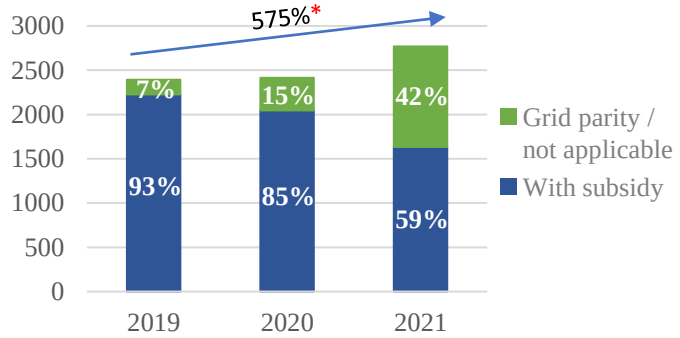
Cumulative Attributable Capacity Sold from 2019-2021

1,363 MW
Around ¥4.6 bn returned

***During last 3 years, the company reduced RMB 1.2 billion subsidy receivable by selling projects with subsidy.**

*** The yearly increment of subsidy receivable of projects sold during the last 3 years is expected to be around RMB 0.7 billion.**

Composition of Attributable Capacity in Operation



Capacity (MW)	2019	2020	2021
Grid parity / not applicable	167	367	1,152
With subsidy	2,227	2,046	1,616

* Change of grid parity capacity in 2019 compared to that in 2021

China's Carbon Market Officially Opened, GPC for Grid Parity Projects Started Trading

- **On July 16, 2021, China's carbon emissions trading market opened**
  - The China's Carbon Emissions Trading Market was officially launched in Shanghai, and the management and trading center of CCER will be established in Beijing.
  - In 2021, the total CCER transaction value of the company is RMB 7.43 million, of which the attributable amount is RMB 3.64 million, and the average transaction price is around RMB 40.27/ton.
- **The online trading of Green Power Certificate (GPC) for grid parity projects has officially begun, which will increase the revenue of grid parity projects**
  - In May 2021, projects Wulanhua D, E, F and Xinfa D completed the grid parity projects GPC application issuance. Total 0.83 million GPC were approved and issued during the year.
  - In October 2021, the company completed the first batch of GPC transaction for grid parity projects. As of December 31, 2021, more than 6,000 GPCs are listed and traded, with a transaction amount of more than RMB 300,000, and an average unit price of about RMB 50.
  - Taking a 50MW grid parity project as an example, assuming that GPC price is RMB 10-50 per unit, it is estimated that the annual income will increase by RMB 1.5-7.5 million. The calculation is as follows:

Capacity(MW)	Hours(H)	Annual Power Generation (GW·h)	Number of Green Certificates	Unit Price of Green Certificates (RMB)	Revenue of Green Certificates('000RMB/Y)
50	3,000	150	150,000	10-50	1,500-7,500

Concord O&M Achieved a Breakthrough Milestone

- The O&M capacity is nearly 11GW, with revenue increasing significantly
- The largest 3rd-party professional service provider of new energy power station in China

- Provide O&M housekeeper services from the perspective of asset owners
- Multiple service business types developed overall

- Cultivate future-oriented intelligent O&M technology reserves
- Committed to implement the unmanned/less-people intelligent O&M

7.5 GW

2020

Revenue 154 mn

11 GW

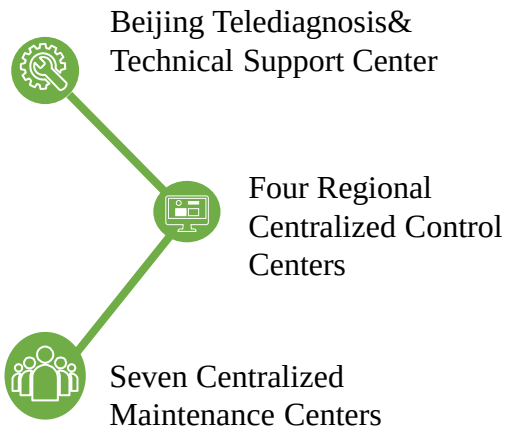
2021 ↑ 58.66% *

Revenue 245 mn

* Change% between 2021 & 2020

Wind Power · Photovoltaic · Substation Integrated Energy Business

- Asset Mgmt.
- Data Services
- Tech Retrofit
- O&M
- Digital Solution
- Spare Parts Repair



- **With data deeply analyzed and mined by the integration of intelligent system and service scenes, the operation and service indicators of the power station have performed well**

Latest Industry Outlook

The development of the wind power and PV industries have basically entered a full-scale grid parity stage. Financial subsidies will be abandoned to enable market-oriented and competitive development.

China has officially initiated the market reform of electricity price and will construct a nationwide unified electricity market system.

The National Energy Administration of China has proposed to establish a long-term mechanism in three areas: to clarify that the renewable energy target should based on the consumption quota instead of generation, to set up the diverse solutions for the grid-connection and to guarantee the grid-connection with competitive allocation.

During the year, China put forward a series of policies encouraging the development of energy storage. At the same time, multiple regions issued subsidy policies on independent energy storage, and encourage to build shared energy storage.

During the year, the “Measures for the Administration of China’s Carbon Emission Trading (for Trial Implementation)” was officially implemented. In the second half of the year, the China’s Carbon Emissions Trading Market was officially launched. GPC for grid parity projects has officially started trading， which will increase the revenue of grid parity projects.

The price of wind turbine equipment has dropped significantly during the Year, from approximately RMB3,000/kW in early 2021 to under RMB2,000/kW by the end of 2021, breaking the world’s history of wind turbines’ annual drop rate.

During the year, wind power technology continued to be developed for large capacity, high tower, long blades, Low speed wind utilization and system intellectualization. The efficiency of PV modules continued to be improved. Larger and thinner silicon wafers、high power modules and dual-glass modules have already been the tendency of PV technology development.

In 2021, the Central Bank of China lower its deposit reserve ratio twice, releasing RMB 2.2 trillion in long-term funds. In addition, the People's Bank of China provides carbon emission reduction loans to financial institutions at 60% of the loan principal, with an interest rate of 1.75%.

Latest Company Outlook

1. Attributable capacity 2,768MW, Approved Projects Under/Ready for Construction 1,962MW

2. Newly added 1,340MW approved (recorded) projects;
851 MW projects listed in 2021 wind and PV projects construction plan;
Newly added a 90 MW/180 MW·h energy storage power plant

3. The company obtained chemical energy storage projects in Hubei and Hunan, and entered the energy storage industry

4. Effectively reduced the dependence on subsidies and improved asset quality by selling 518.5MW attributable installed projects

5. Concord O&M has become the largest third-party O&M company in China, and its revenue exceeds 10% of the company's total revenue

6. The company has obtained a total of RMB 3.94 million through CCER and GPC transactions, and has successfully registered more than 830,000 GPCs

Development Strategies and Prospects

- **Looking ahead, industry policies will further promote the development of the dual-carbon economy, while technological progress will significantly reduce the construction costs of wind power and PV projects. The company will adopt active strategies to rapidly invest in constructing a number of high-quality grid parity projects.**
- **Facing the diversified renewable energy industry environment, the company will actively promote the development of new business sectors while maintaining the sustainable development of the main business.**

Insist on Safety First and Ensure the Safe and Stable Operation of Power Plants

Increase Project Construction Efforts to Achieve Greater Growth in Installed Capacity

Continue to Adjust and Optimize the Quality of Assets

Vigorously Develop Renewable Energy-related Services Business

Actively Develop New Energy-Related Business Types and Enter the Fields of Energy Storage, Carbon Assets, Integrated Energy Services and Other Related Fields

Ensure the lowest LCOE in Industry by Taking Diversified Measures

- **To pursue the lowest LCOE as the core competitiveness of the company to welcome the advent of grid parity era**

I: Pay attention to the quality of project development and select quality projects for investment

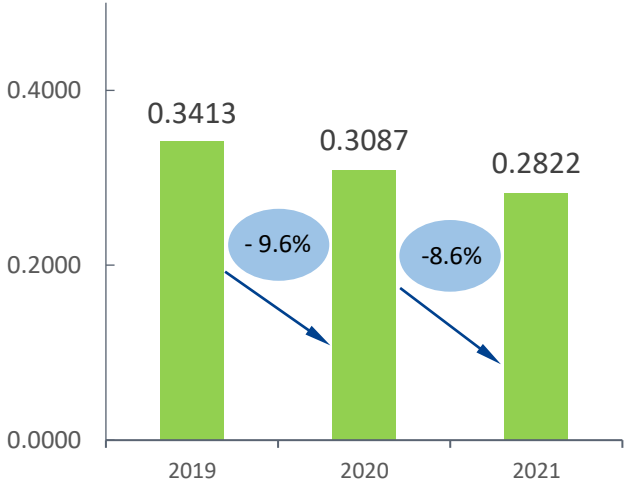
II: Actively optimize the design, new technologies, tracking and applying new turbine types, and new processes in the construction of the Group's invested projects and build high-quality, high-efficiency power plants

III: Implementing regional control, promoting the application of energy internet in power plants operation, refining management

IV: Optimizing the asset structure through capital replacement, further reducing the LCOE

V: 61 technical retrofit were carried out to increase the power generation of the power plants

LCOE of Power Plant Projects (RMB/kW·h)



Appendix

Company Overview

Concord New Energy Group Limited (0182.HK)

- Total Assets: 24.04 bn
- Net Assets: 7.55 bn
- Net Profit: 0.78 bn

(As of 31st Dec. 2021 Unit: RMB)

Power Generation

- Concord owns and operates **70** renewable power plants (attributable capacity **2,768**MW)
- Focusing on the investment in wind and PV projects
- Exploring energy storage business

O&M

- Asset Management
- O&M Business
- Data Services
- Digital Solutions
- Technical improvement and optimization
- Spare parts repair

Other Businesses

- Consultation & Design
- Engineering Construction and Equipment Procurement
- Electricity Ancillary Service
- Finance Lease

Summary of Financial Statement

P&L(RMB'000)	2021	2020
Revenue	**2,183,048**	**2,000,754**
Cost of sales and services rendered	(872,792)	(759,700)
Gross profit	1,310,256	1,241,054
Other income	**82,735**	**41,341**
Other gains and losses, net	**181,113**	**105,428**
Expenses		
Distribution and selling expenses	(12,708)	(12,335)
Administrative expenses	(337,598)	(322,720)
Other expenses	-	-
Finance costs	(446,120)	(404,420)
Share of profit of joint ventures	134,246	118,265
Share of profit of associates	18,265	(3,987)
Profit before income tax	**930,189**	**762,626**
Income tax expense	(121,733)	(78,418)
Profit for Reporting Period	**808,456**	**684,208**
Profit attributable to:		
Owners of the Company	778,476	673,405
Non-controlling interests	29,980	10,803

Asset (RMB'000)	2021	2020
Current assets	7,453,517	5,663,445
Non-current assets	16,581,895	13,864,836
Total assets	24,035,412	19,528,281
Current liabilities	(5,707,337)	(4,329,308)
Non-current liabilities	(10,774,594)	(8,704,471)
Total liabilities	(16,481,931)	(13,033,779)
Net current assets	1,746,180	1,334,137
Net Asset	7,553,481	6,494,502
Share Capital	77,499	72,412
Reserves	7,327,369	6,347,456

Cash Flow ('000)	2021	2020
Net cash from operating activities	1,293,860	969,158
Net cash used in investing activities	(1,950,110)	(143,537)
Net cash from financing activities	1,890,956	(15,146)
Net increase/(decrease) in cash and cash equivalents	1,234,706	806,475
Cash and bank balances	4,151,437	2,608,069

Total Liability	16,481,931
Liability with Interest	11,589,120
Weighted Average Cost	5.53%
Medium and Long Term Borrowing (>5Years)	10,144,055

Statistic Data of Power Plants in Operation

Attributable Installed Capacity (MW)

	Power Plants of the Company			Wholly-owned Power Plants		
Business Segments	**2021**	**2020**	**Change**	**2021**	**2020**	**Change**
Wind Power	2,387	2,263	5.5%	1,763	1,543	14.3%
PV Power	381	150	154.0%	374	143	161.5%
Total	**2,768**	**2,413**	**14.7%**	**2,137**	**1,686**	**26.7%**

Attributable Power Generation (GW·h)

	General Attributable Power Generation			Wholly-owned Power Plants		
Business Segments	**2021**	**2020**	**Change**	**2021**	**2020**	**Change**
Wind Power	4,930.7	4,310.2	14.4%	3,541.6	2,939.1	20.5%
PV Power	293.8	439.7	-33.2%	282.4	423.3	-33.3%
Total	**5,224.5**	**4,750.0**	**10.0%**	**3,824.0**	**3,362.4**	**13.7%**

Wind Projects in Operation

3,313MW-Total Capacity； 2,387MW-Attributable Capacity

Associates and JV Projects: 624MW attributable installed Capacity

Year	Project	Regions	Province	Capacity (MW)	CNE's Stake	Tariff (RMB/kW·h)	Attributable Capacity
2006	Chantu Phase I	NE	Liaoning	50.25	25%	0.61	12.56
2008	Erlianhaote Phase I	N	Inner Mongolia	21	49%	0.52	10.29
2009	Linchang Phase I	NE	Jilin	49.5	49%	0.61	24.26
2009	Zhaqi Phase I	N	Inner Mongolia	49.5	49%	0.54	24.26
2009	Heiyupao Phase I	NE	Jilin	49.5	49%	0.61	24.26
2010	Huadeng Phase I	N	Inner Mongolia	49.5	32%	0.54	15.84
2010	Huadeng Phase II	N	Inner Mongolia	49.5	32%	0.54	15.84
2010	Zhalute Phase II	N	Inner Mongolia	49.5	32%	0.54	15.84
2010	Zhalute Phase III	N	Inner Mongolia	49.5	32%	0.54	15.84
2010	Guazhou	NW	Gansu	201	51.5%	0.52	103.52
2011	Kailu	N	Inner Mongolia	49.5	32%	0.54	15.84
2011	Maniuhu	NE	Liaoning	49.5	30%	0.61	14.85
2011	Gulibengao	NE	Liaoning	49.5	30%	0.61	14.85
2013	Chaoyang Wanjia	NE	Liaoning	49.5	30%	0.61	14.85
2013	Guanshan	E	Anhui	48	49%	0.61	23.52
2013	Suzhou Fuli	E	Anhui	48	49%	0.61	23.52
2013	Jianghua	CS	Hunan	48	59%	0.61	28.32
2014	Zilingpu	CS	Hubei	48	59%	0.61	28.32
2014	Huolonggang	CS	Henan	49.5	59%	0.61	29.21
2014	Yantai Gaotuan	E	Shandong	48	49%	0.61	23.52
2016	Lingshan	E	Anhui	48	49%	0.61	23.52
2018	Shenzhagtang	CS	Hunan	48	25%	0.61	12
2018	Jingtang	CS	Hunan	48	25%	0.6	12
2019	Kailu Phase II	N	Inner Mongolia	50	32%	0.5	16
2019	Zhaqi Phase IV	N	Inner Mongolia	50	32%	0.5	16
2020	Kailu Phase II	N	Inner Mongolia	200	32%	0.5	64.32

Wholly-owned Projects: 1,763MW attributable installed capacity

Year	Project	Regions	Province	Capacity (MW)	CNE's Stake	Tariff (RMB/kW·h)	Attributable Capacity
2015	Feixi	E	Anhui	34	100%	0.61	34
2016	Jiepai	CS	Hunan	48	100%	0.61	48
2016	Jiagou	E	Anhui	48	100%	0.61	48
2016	Fuchuan Shijia	CS	Guangxi	48	100%	0.61	48
2016	Fuchuan Chaodong	CS	Guangxi	48	100%	0.61	48
2017	Wuhe	E	Anhui	48	100%	0.61	48
2017	Qiaotoupu	CS	Hunan	48	100%	0.61	48
2017	Xinzao	CS	Guangxi	48	100%	0.61	48
2017	Hongtang	CS	Hunan	48	100%	0.61	48
2017	Jingmen	CS	Hubei	48	100%	0.61	48
2018	Yushan	CS	Hubei	48	100%	0.61	48
2018	Lixi	CS	Hubei	48	100%	0.6	48
2018	Jindashan	E	Anhui	50	100%	0.6	50
2019	Baimangying	CS	Hunan	48	100%	0.6	48
2019	Yushan Phase II	CS	Hubei	89	100%	0.57	89
2019	Wulanhua D	NE	Jilin	49.5	100%	0.3731	49.5
2019	Wulanhua E	NE	Jilin	49.5	100%	0.3731	49.5
2019	Wulanhua F	NE	Jilin	49.5	100%	0.3731	49.5
2020	Mengzhuling	CS	Hunan	50	100%	0.6	50
2020	Yingshanmiao	CS	Henan	50	100%	0.6	50
2020	Yilan	NE	Heilongjiang	200	100%	0.374	200
2021	Binxian	NE	Heilongjiang	200	100%	0.374	200
2021	Fangzheng	NE	Heilongjiang	50	100%	0.374	50
2021	Guazhou	NW	Gansu	100	100%	0.3078	100
2021	Shiziling Phase I	CS	Guangxi	48	100%	0.4207	48
2021	Dongda	CS	Hunan	48	100%	0.45	48
2021	Fuxin Hailiban	NE	Liaoning	50	100%	0.3749	50
2021	Xinfa D	NE	Jilin	49.5	100%	0.3731	49.5
2021	Wuying	CS	Hubei	20	100%	0.52	20
2021	Xuwulin Phase II (sold)	N	Hebei	48	100%	0.372	48
2021	Fanshi Distributed (sold)	N	Shanxi	20	100%	0.52	20

PV Projects in Operation

394 MW-Total Capacity; 381 MW-Attributable Capacity

Year	Projects	Region	Province	Capacity (MW)	CNE's Stake	Tariff (RMB/kW·h)	Attributable Capacity
Associates and JV Projects: 6.43 MW attributable installed capacity							
2015	Zhaer	N	Inner Mongolia	20	32.16%	0.95	6.43
Controlled Projects: 374.22MW attributable installed capacity							
2012	Hawaii (Hoku)	——	USA	0.9	80%	USD 0.48 (2-3% increase/Y)	0.72
2013	Wisconsin (Jefferson)	——	USA	1	100%	USD 0.22 (1% increase/Y)	1
2014	Naidong	WS	Tibet	20	100%	1.15	20
2015	Indiana	——	USA	10	100%	USD 0.20	10.2
2015	Eryuan	WS	Yunnan	30	100%	0.95	30
2015	Yanyuan	WS	Sichuan	30	100%	0.95	30
2015	Rhode Island (Johnston)	——	USA	1.5	100%	USD 0.175	1.5
2015	Rhode Island (North kingstown)	——	USA	0.5	100%	USD 0.19	0.5
2016	Ohio (Minster)	——	USA	4.3	100%	USD 0.08 (2% increase/Y)	4.3
2017	Cuomei	WS	Tibet	20	100%	1.15	20
2017	Jiangzi	WS	Tibet	15	100%	1.15	15
2018	Haerbin	NE	Heilongjiang	1	100%	0.7012	1
2021	Xiangbei Agri-PV	CS	Hubei	100	100%	0.4161	100
2021	Xishui	CS	Hubei	40	100%	0.4161	40
2021	Dachaidan	NW	Qinghai	100	100%	0.2277	100

Grid Parity Wind Power Plant Economics (Sample)

Assumptions: Tariff =Desulfurization Coal-fire Benchmark tariff, real time tariff by the Power Grid Corp

1. Capacity = 48MW 2. Tariffs = Desulfurization Coal-fire Benchmark tariff	3. Project Financing Ratio： 80% 4. Interest rate = 5.39%	5. Bank Loan Term = 12 Years 6. VAT for CAPEX offset by VAT for power sales

Project Cash Flow

Province	Benchmark tariff（RMB）	Utilization（Hours）	Investment（RMB/kW）	Equity IRR	Cash Flow（in: '000RMB）										
					Year0	Year1	Year2	Year3	Year4	Year5	Year6	Year7	Year8	Year9	Year 10
Heilongjiang	0.374	3,000	6,000	35.13%	-5,760	2,766	1,848	1,942	1,771	1,600	1,540	1,291	1,360	1,429	1,498
Gansu	0.3078	3,000	4,500	43.36%	-4,320	2,382	1,692	1,760	1,689	1,438	1,499	1,392	1,449	1505	1,561
Guangxi	0.4207	2,000	6,500	13.26%	-6,240	1,263	269	372	417	411	605	574	404	490	575
Liaoning	0.3749	3,000	6,000	35.30%	-5,760	2,779	1,861	1,955	1,783	1,658	1,444	1,300	1,369	1,438	1,507
Hunan	0.45	2,200	6,600	19.50%	-6,336	1,925	917	1,021	957	947	1,107	613	723	800	876
Hubei	0.4161	2,100	5,500	22.09%	-5,280	1,782	940	1,025	952	926	972	652	715	777	840

CAUTION : The above is a sample financial model for a wind power projects. CNE does not assume any legal responsibility for it.

Stable Shareholder Structure, Professional Management Team

Mr. Liu & Management Team

21.36%

Huadian Fuxin

9.79%

Others

68.85%

CAUTION : The above numbers are estimates, and CNE does not assume any legal responsibility for them.

Executive Directors

Mr. Liu Shunxing Chairman of the Board
An Executive Director of China Energy Council. He once worked in NDRC and China Energy Conservation Investment Corporation

Ms. Liu Jianhong Vice Chairman of the Board
She was Chief Legal Officer of China Energy Conservation Investment Corporation, possessing over 20 years experiences in energy industry

Mr. Gui Kai CEO
He was vice general manager of Guohua Energy Investment Co., Ltd and General Manager of Shenhua Trading Group, possessing over 20 years experience in energy industry

Mr. Niu Wenhui CFO
He was the Vice President of China Ruilian Industry Group and CFO of Rainbow Group Shenzhen Branch, possessing over 20 years financial management experience

Mr. Zhai Feng
He was the director, vice president of Shanghai Shenhua Holdings, possessing over 20 years experience in capital market management

Ms. Shang Jia
She once worked for State Electricity Regulatory Commission, possessing over 20 years experience in energy industry

Professional and Experienced Management Team

Non-Executive Director

Mr. Wang Feng holds a Master degree in North China Electric University. He currently works for Huadian Fuxin Energy Development Limited Company as Vice General Manager

Independent Non-Executive Directors

Mr. Yap Fat Suan, Henry fellow Member of the Institute of Chartered Accountant in England and Wales and an Associate Member of Hong Kong Institute of Certified Public Accountants

Dr. Jesse, Zhixi Fang holds a doctor degree in University of Nebraska-Lincoln. He was the global vice president of Intel and founded Intel Labs China, ILC as its first dean

Ms. Huang Jian holds a Master degree in Central University of Finance and Economics. She is currently a partner of Yongxinzhonghe Certified Public Accountants

Mr. Zhang Zhong holds a Master degree in Renmin University of China. He is currently a partner of ZhongLun Law Firm

Other Management Team

Mr. Lu Yichuan -- Vice President joined the company in 2019. He had worked for Longyuan Power Group and U.S. Energy Fund

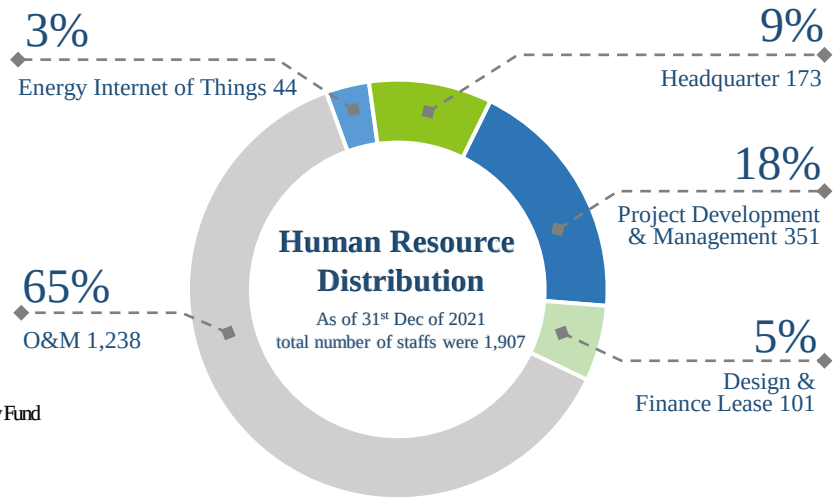
Mr. Wang Meihai -- Vice President joined the company in 2019. He had worked for China Datang Corporation

Mr. Gui Bo -- Vice President joined the company in 2018. He had worked for Longyuan Power Group

Mr. Wang Xigang -- Vice President joined the company in 2009. He had worked for AVIC

Mr. Zhou Xiaole -- Vice President joined the company in 2007.

Mr. Shang Xuelian -- Vice President joined the company in 2008. He had worked for Shandong Lubei Group



Thank You for Your Interest in CNE

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