

Results Presentation



锦江环境

JINJIANG ENVIRONMENT

中国垃圾发电产业引领者

3 March 2017

1. Who We Are
2. Latest Projects Updates
3. FY2016 Financial Performance
4. Industry Prospects
5. Strategic Plans
6. Investment Highlights

1. Who We Are



Phase I: How it all began

- In 1997, developed CFB⁽¹⁾ technology for WTE in cooperation with Zhejiang University
- In 1998, industrialised CFB technology with the completion of the 1st CFB WTE facility in the PRC
- Undertook national high technology industrialisation demonstration project

1998 - 2003

Phase II: Maturing & Strengthening

- Obtained funding from IFC in 2004
- Brought in two⁽²⁾⁽³⁾ international PE firms as strategic investors in 2010
- Commenced operation of several WTE facilities

2004 - 2010

Phase III: Growing rapidly

- Achieved rapid growth through new facility construction and a series of acquisitions
- Entered into Energy Management Contracting (EMC) business in 2014

2011 - Now



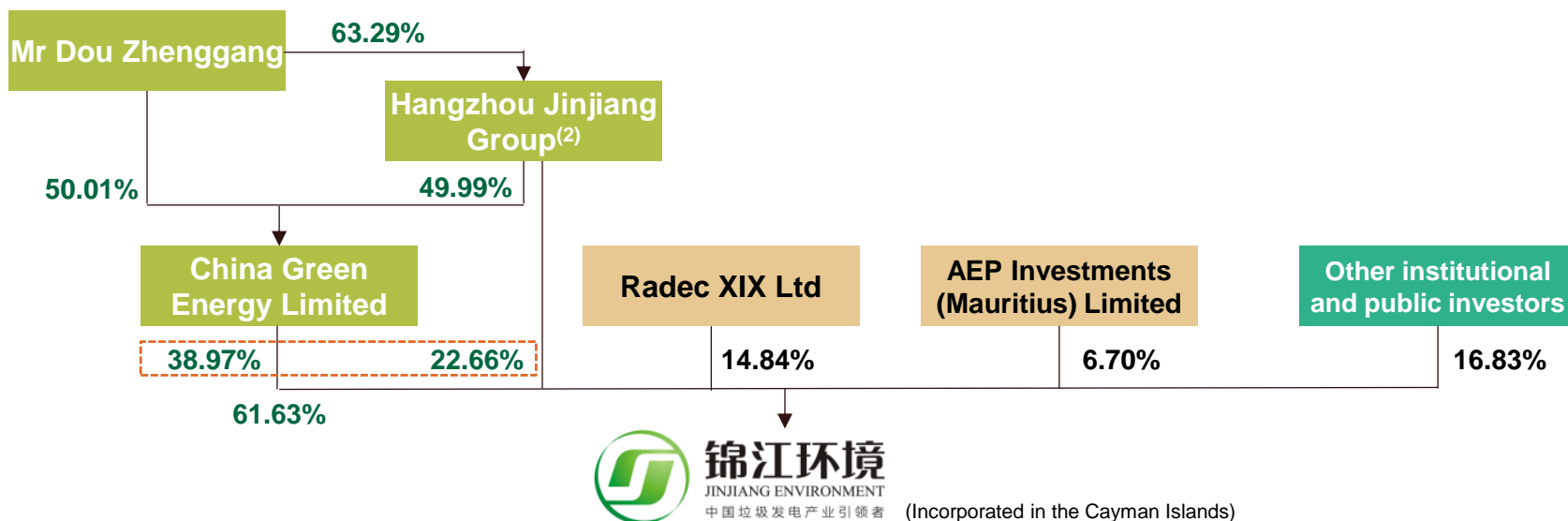
(1) Circulating Fluidised Bed

(2) Fund co-managed by Mount Kellett Capital (U.S private equity fund) and Fortress Investment Group

(3) Wholly owned by fund managed by Olympus Capital (U.S Private equity fund)

Strong Shareholding Structure

Strong shareholder background provides firm support for company's development⁽¹⁾



China Green Energy Limited

- China Green Energy is a subsidiary of the Hangzhou Jinjiang Group;
- The Jinjiang Group is China's top 500 private enterprise, engaging in environmental protection & energy, non-ferrous metal and chemicals business

Radec XIX Ltd

- A fund co-managed by US-based private equity fund Mount Kellett Capital and Fortress Investment Group

AEP Investments (Mauritius) Limited

- A fund wholly owned and managed by Olympus Capital
- Olympus Capital is US-based private equity, founded in 1997.

Other institutional investors⁽³⁾

- Company's shares are subscribed by many renowned institutional investors during IPO, including Great Eastern Life (Malaysia), HOPU Investment, Hailiang International and UOB AM

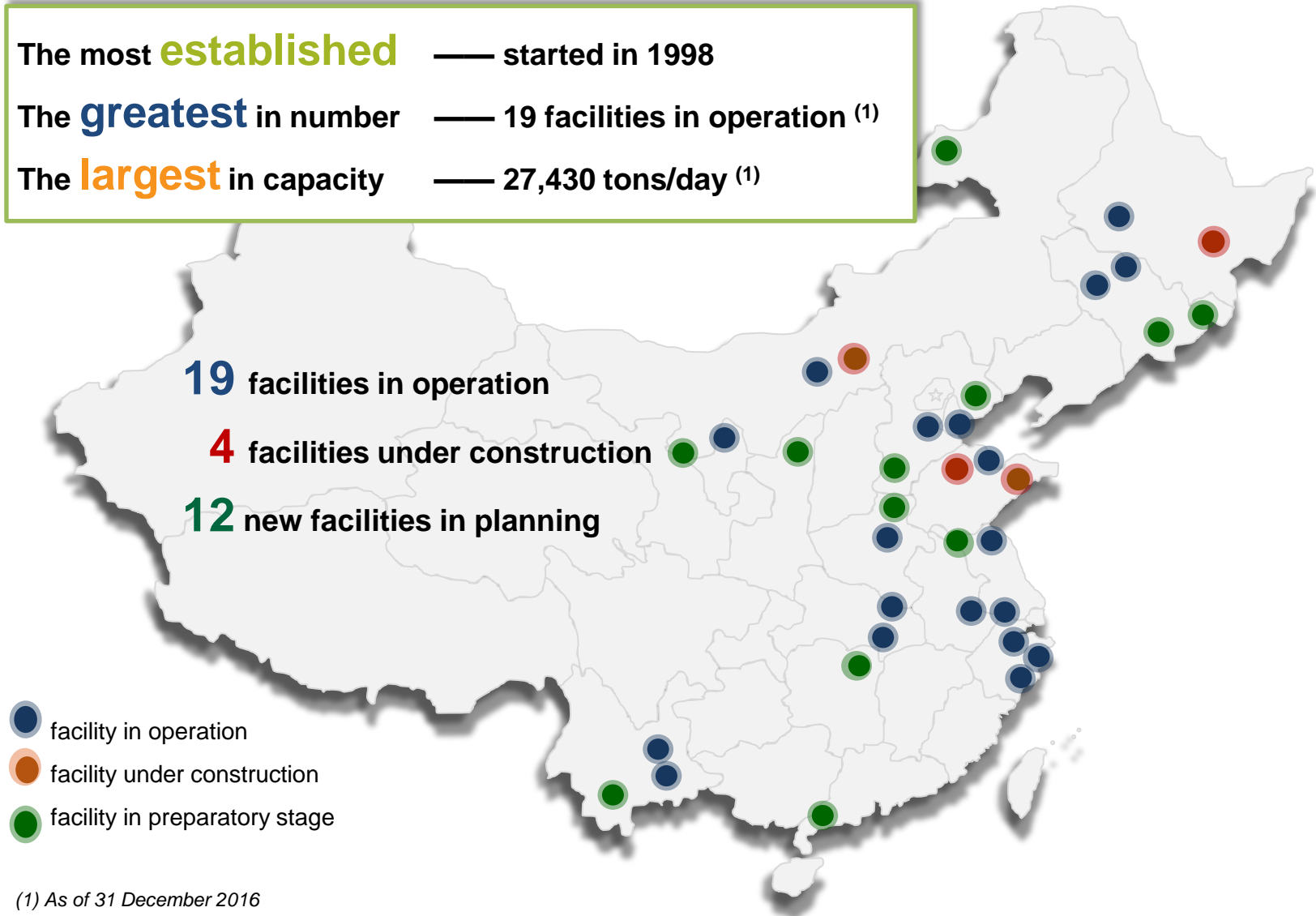
⁽¹⁾ Based on 1,216,824,200 shares as of 31 December 2016

⁽²⁾ Through wholly-owned subsidiary

⁽³⁾ Based on SGX's announcement on 3 August 2016

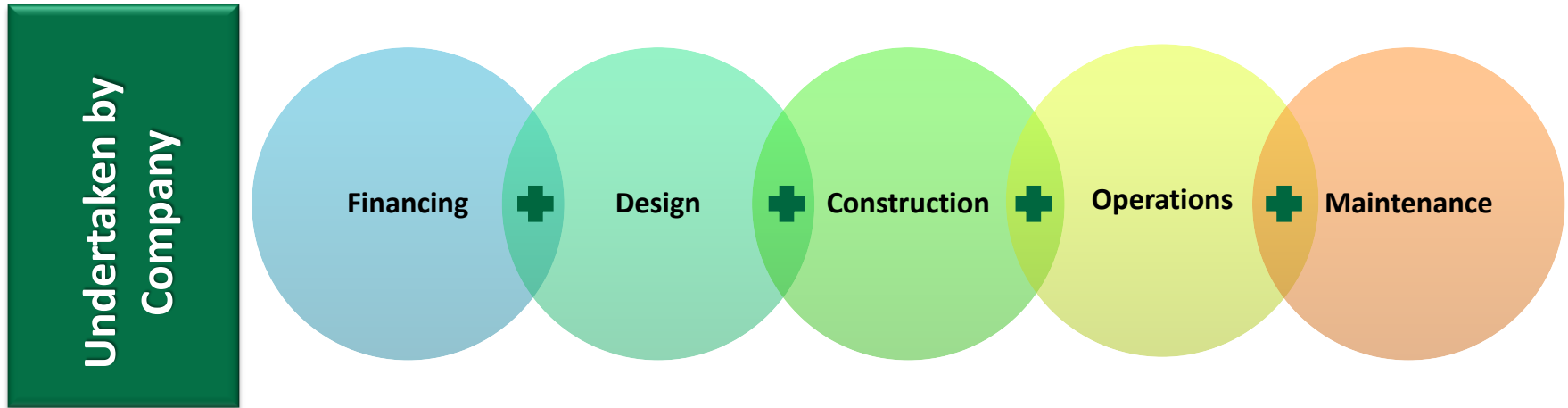
Our Extensive Footprint in China

The most **established** — started in 1998
The **greatest** in number — 19 facilities in operation ⁽¹⁾
The **largest** in capacity — 27,430 tons/day ⁽¹⁾



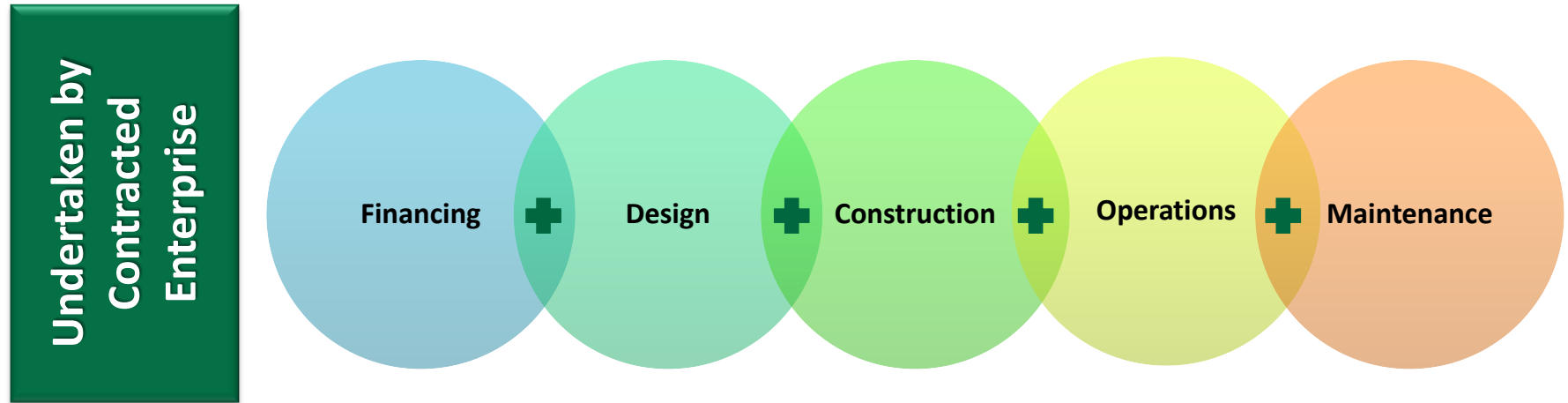
(1) As of 31 December 2016

BUILD—OWN— OPERATE (“BOO”)



- Financed through equity and bank loans secured by the project company
- Project company can charge waste treatment fee and on-grid tariff throughout the business operation period

BUILD – OPERATE – TRANSFER (“BOT”)



- During the concession period,
 - Can charge fee to cover costs to cover costs of investment, operations as well as reasonable returns
- Upon expiration of concession period (usually 25-30 years),
 - Transfer relevant facilities back to proprietor

2. Latest Projects Updates



Key Projects At A Glance

Project Name	Location	Designed Capacity (tons/day)	Model	Latest Progress	
Hohhot New Energy	Hohhot, Inner Mongolia	1,000	BOO	Target to complete by 2Q 2017	Construction updates
Qitaihe Green Energy	Qitaihe, Heilongjiang	1,000	BOO	Target to complete by 2Q 2017	
Zibo New Energy	Linzi, Shandong	2,000	BOO	Target to complete by 4Q 2017	
Gaomi Lilangmingde	Gaomi, Shandong	800	BOT	Trial operation phase has begun in January 2017	
Zhuji Bafang	Zhuji, Zhejiang	500 (new)	BOO	In planning stage	Expansion updates
Wenling Green Energy	Wenling, Zhejiang	1,000 (new)	BOT	In planning stage	
Yinchuan Zhongke	Yinchuan, Ningxia	1,000 (new)	BOT	In planning stage	

Recently Acquired Projects

Zhejiang Zhuji Bafang Thermal Power Co., Ltd.



Wenling Green New Energy Co., Ltd.



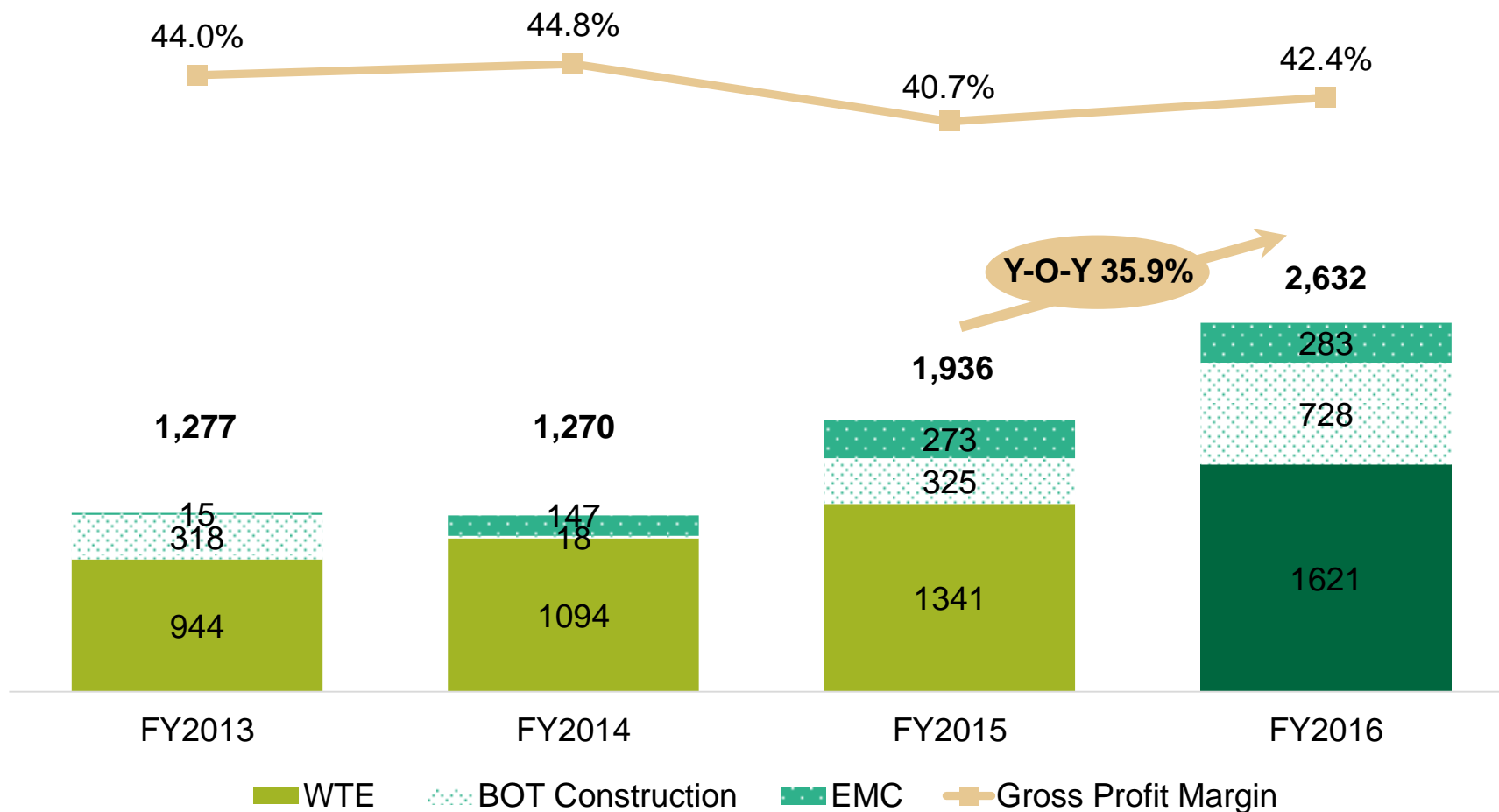
Area: 13.6 Hectares	Area: 7.3 Hectares
Capacity: 1,050 tons/per day	Capacity: 800 tons/per day
BOO Model	BOT Model (Commenced operation in Feb 2016; 29 years concession period)
<p style="text-align: center;"><u>Highlights</u></p> <ul style="list-style-type: none"> ▪ Combination of Resource Utilization & Cogeneration ▪ Zhejiang Province Cycling Economy “991 Action Plan” Project ▪ Top 13 Key Infrastructure Project for Zhuji City in 2003 	<p style="text-align: center;"><u>Highlights</u></p> <ul style="list-style-type: none"> ▪ Alleviating neighborhood municipal problems and highly valued by the local government ▪ Plan to build an eco-friendly park that integrates WTE, sludge incineration, harmless treatment of animal corpse and kitchen waste ▪ Harmless treatment of animal corpse commenced operation in May 2015 with capacity of 5 tons/day

3. FY2016 Financial Performance



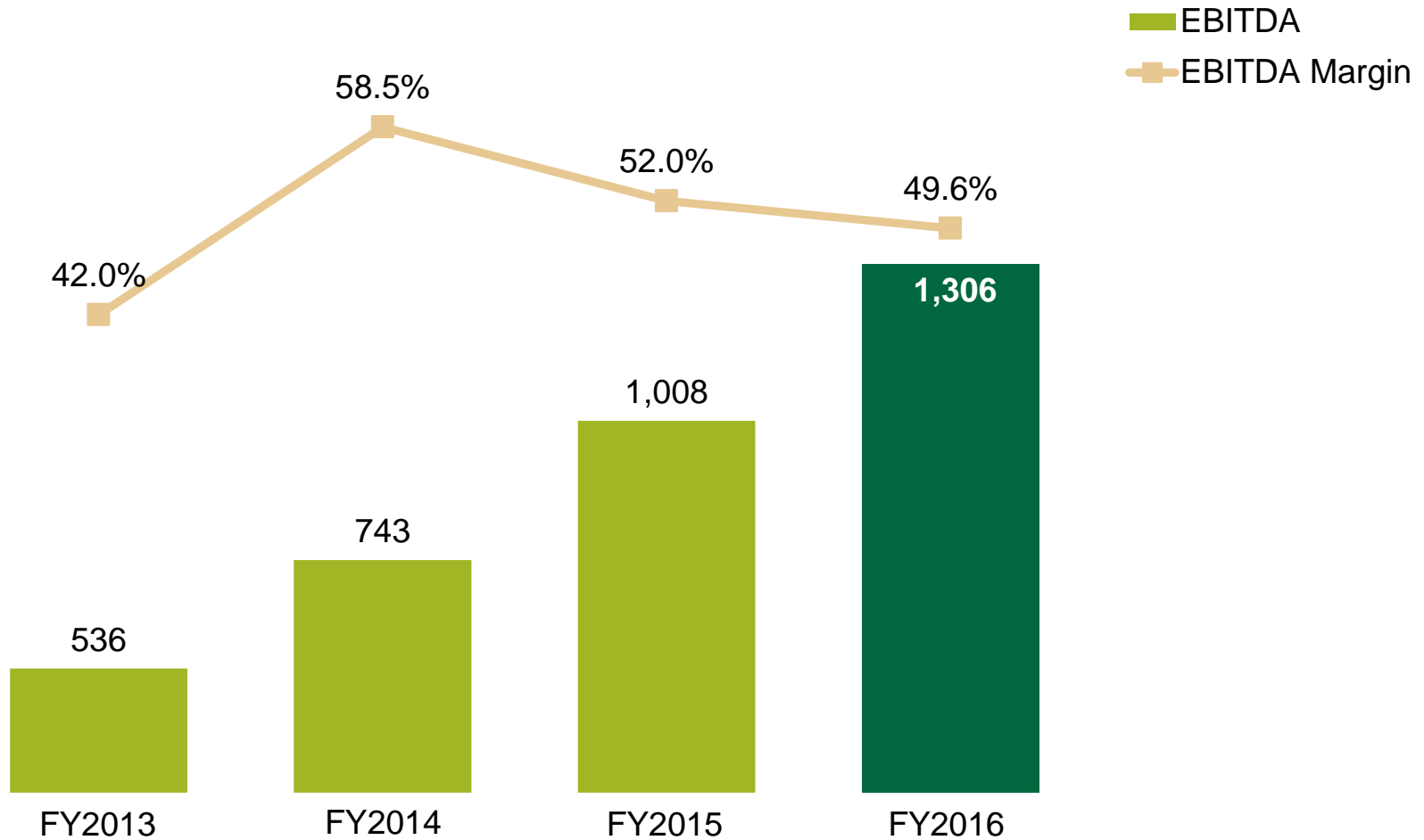
Revenue & Gross Profit Margin⁽¹⁾

(Million CNY)



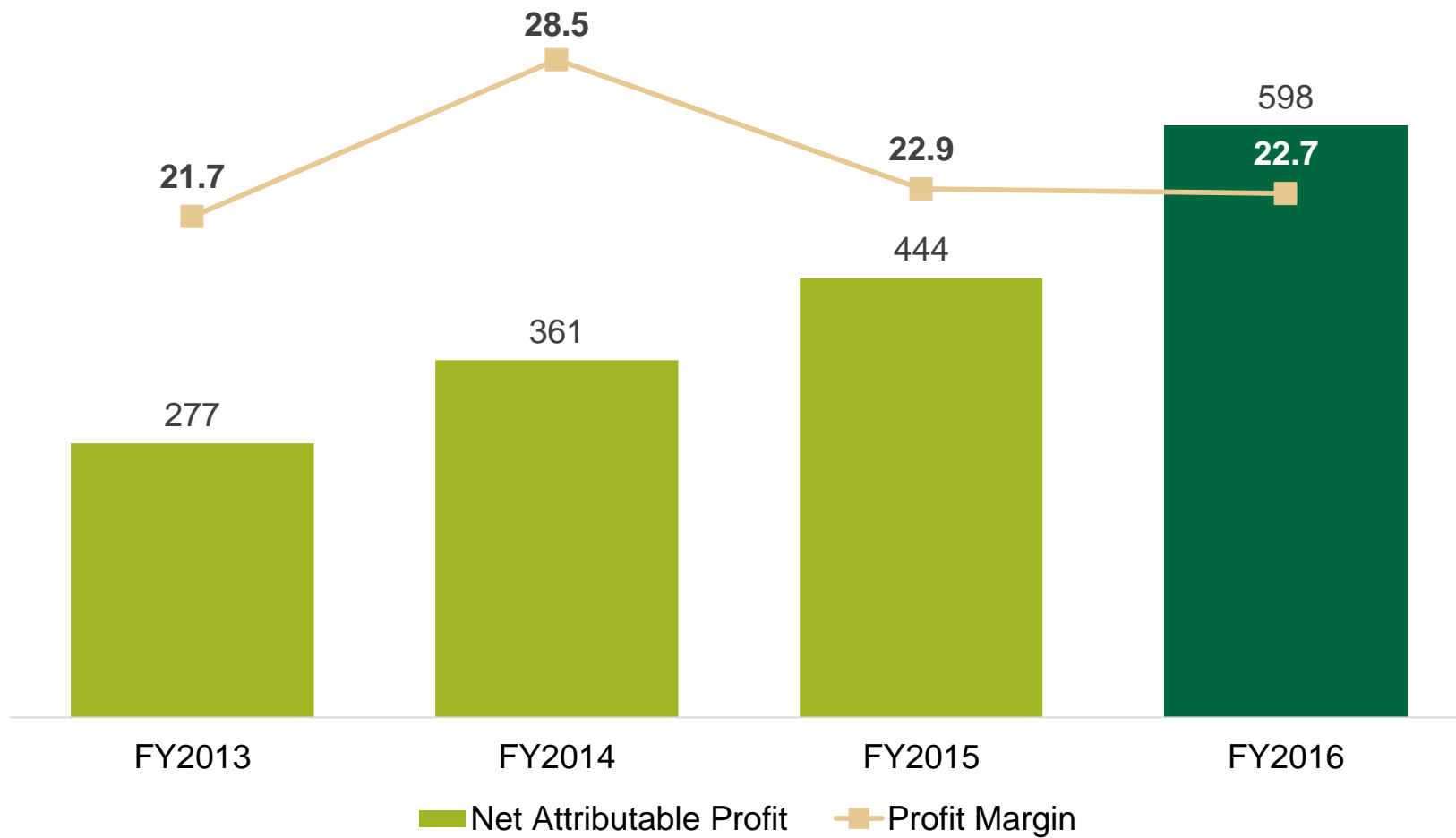
EBITDA⁽²⁾ & EBITDA Margin

(Million CNY)

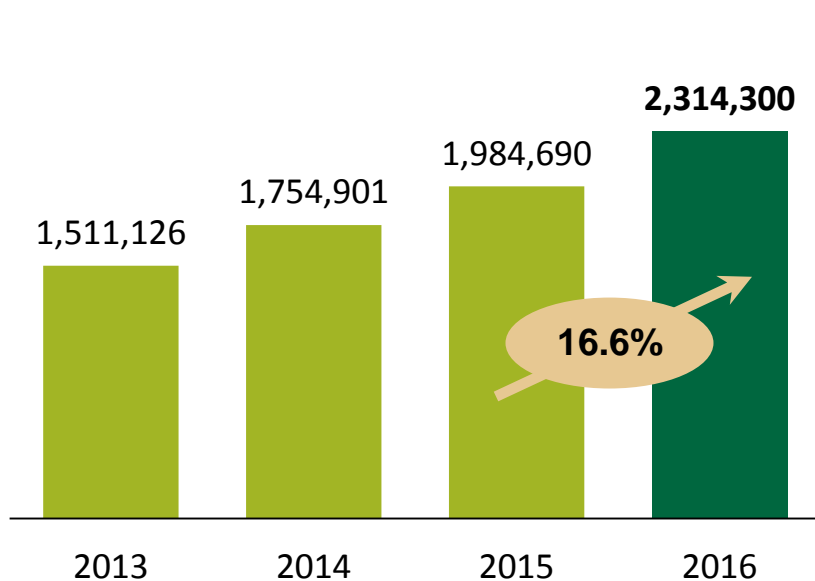


Net Attributable Profit & Profit Margin

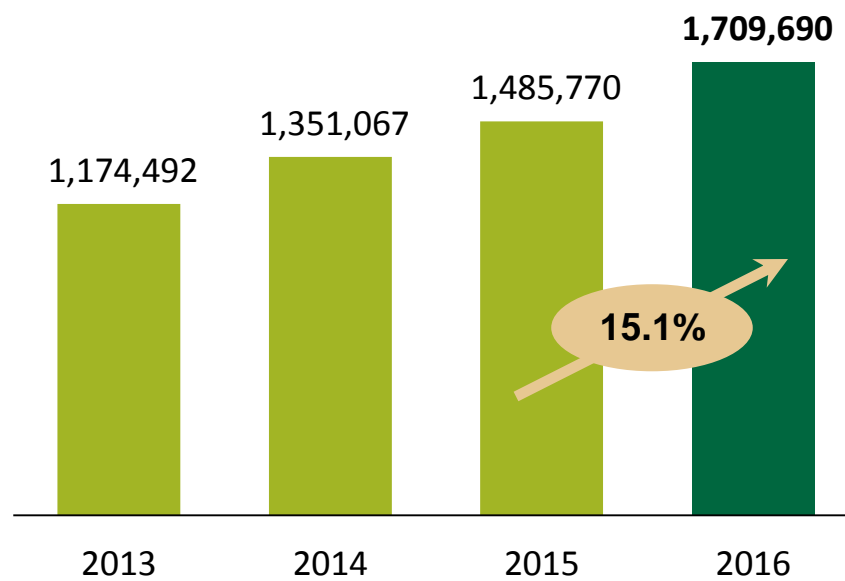
(Million CNY)



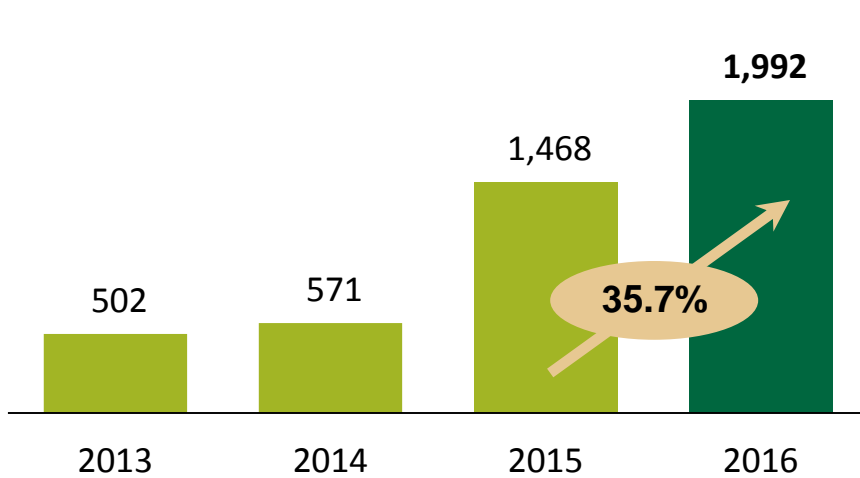
Electricity Generation (MWh)



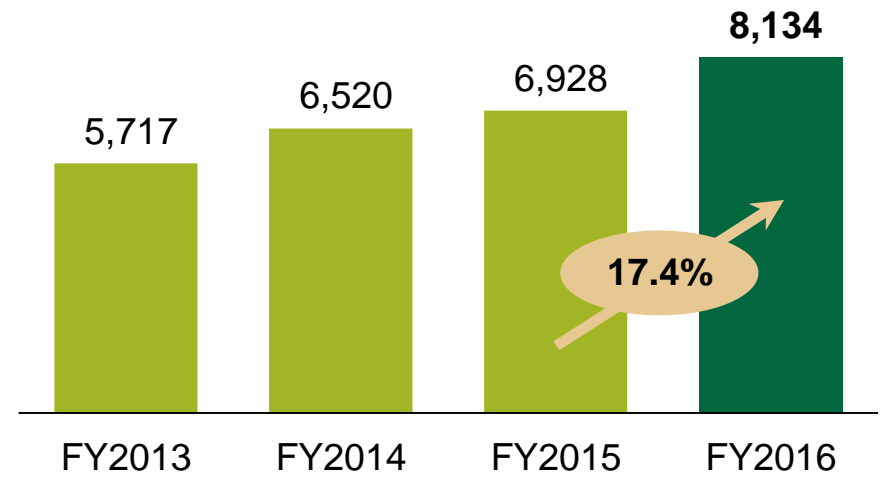
On-grid Electricity (MWh)



Steam Supply ('000 tons)

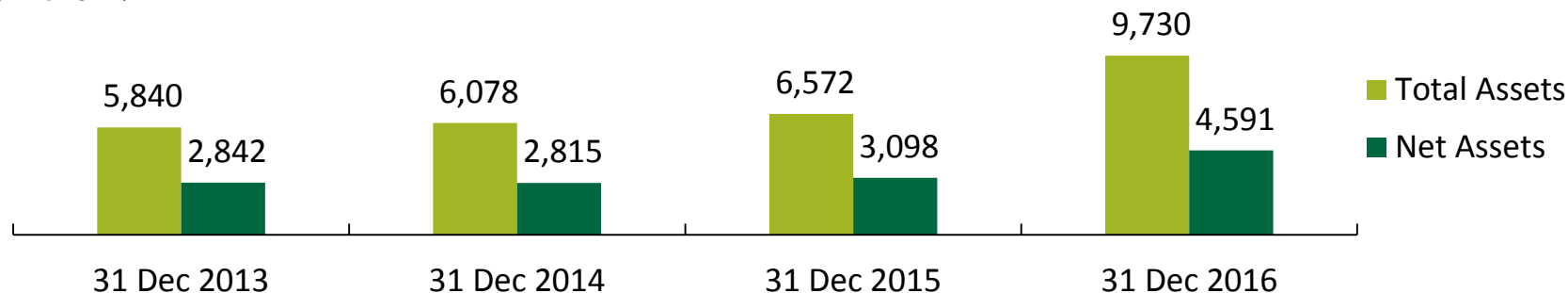


Waste Treatment ('000 tons)

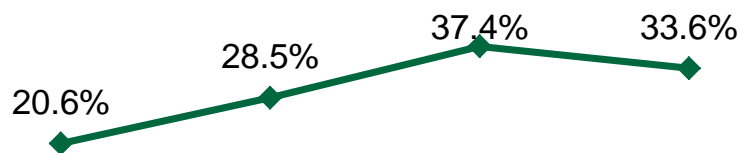


Total Assets & Net Assets

(Million CNY)



Interest-bearing Debt/Total Assets



31 Dec 2013 31 Dec 2014 31 Dec 2015 31 Dec 2016

◆ Debt/Total Assets

EBITDA/Interest



31 Dec 2013 31 Dec 2014 31 Dec 2015 31 Dec 2016

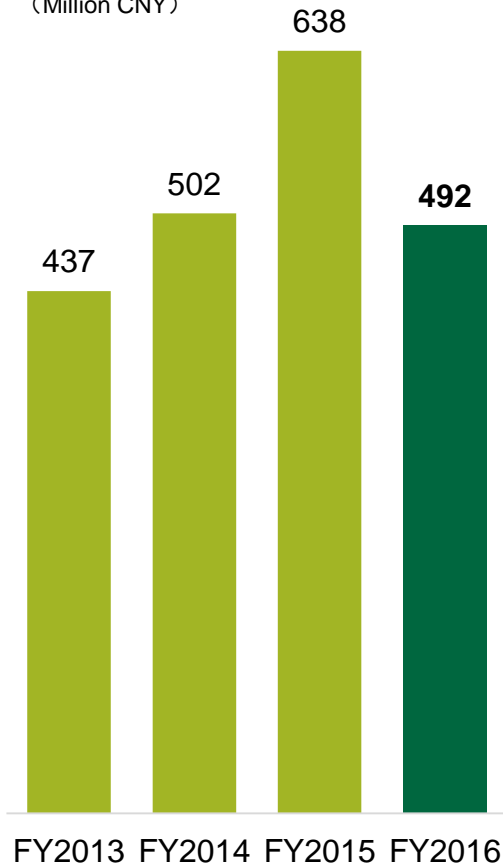
◆ EBITDA/Interest

We will explore different funding options to streamline our capital structure

Healthy Cash Flows

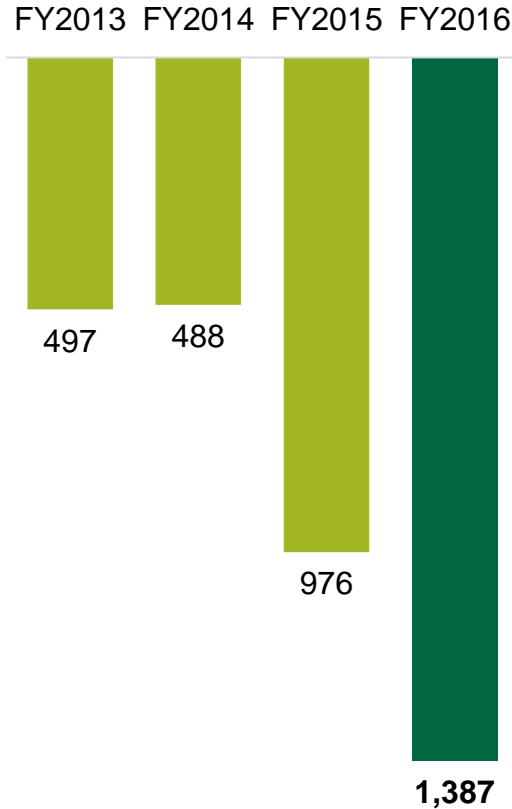
Operating Cash Flow

(Million CNY)



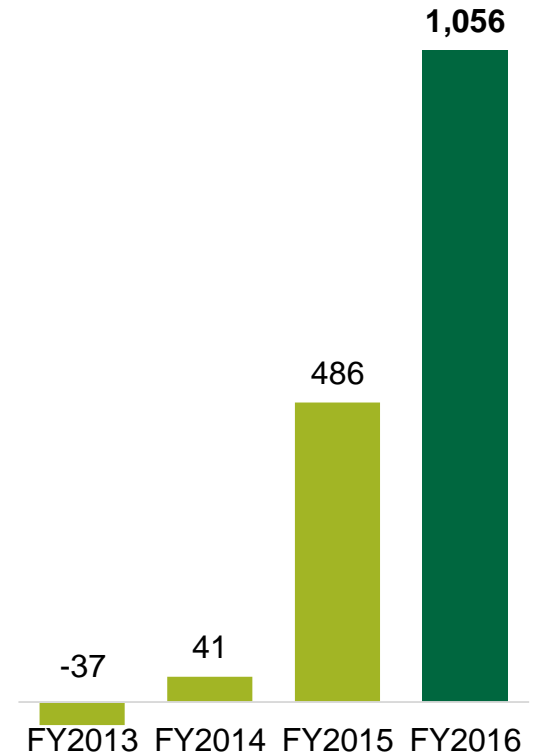
Investing Cash Flow

(Million CNY)



Financing Cash Flow

(Million CNY)

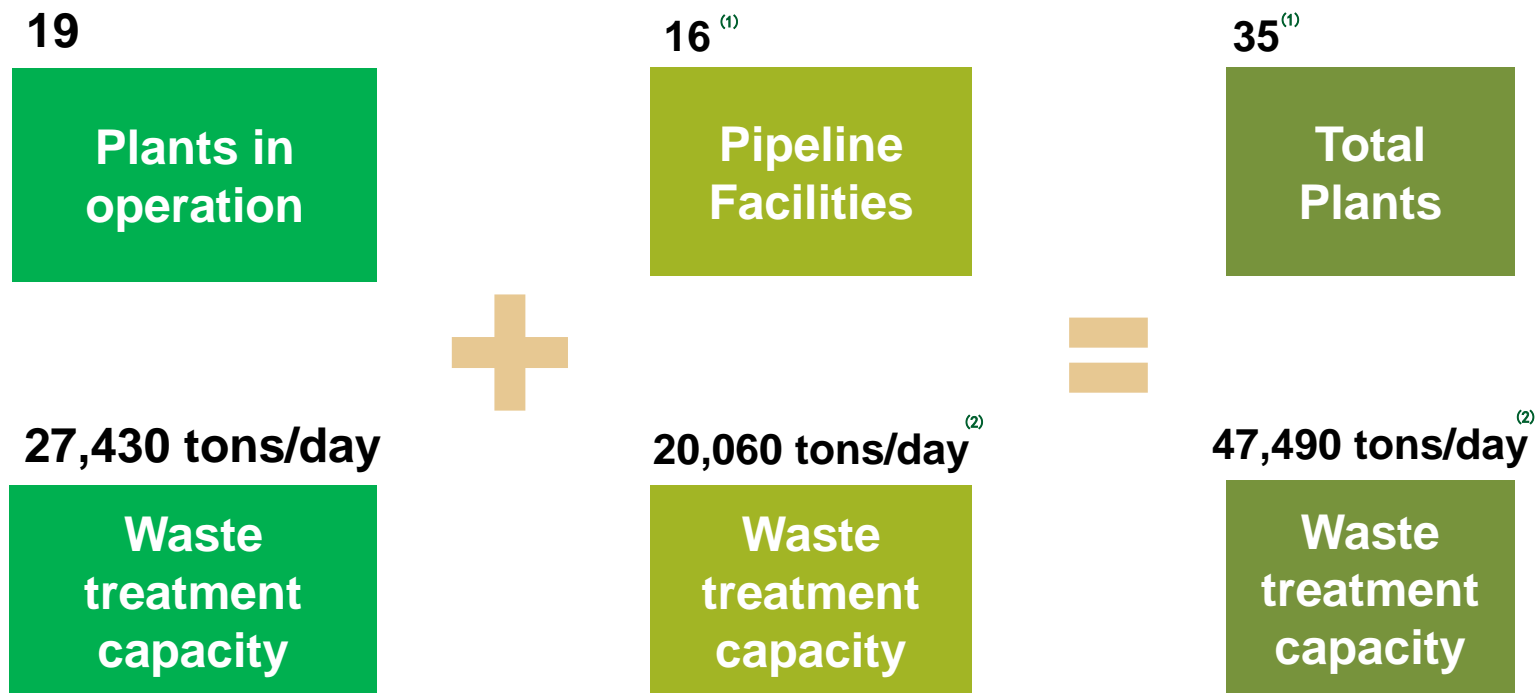


4. Industry Prospects



We are a pioneer in China's WTE industry

With our pipeline facilities commencing operation in the following years, we are able to maintain a fast pace of development and strengthen our market leading position in China's WTE industry.

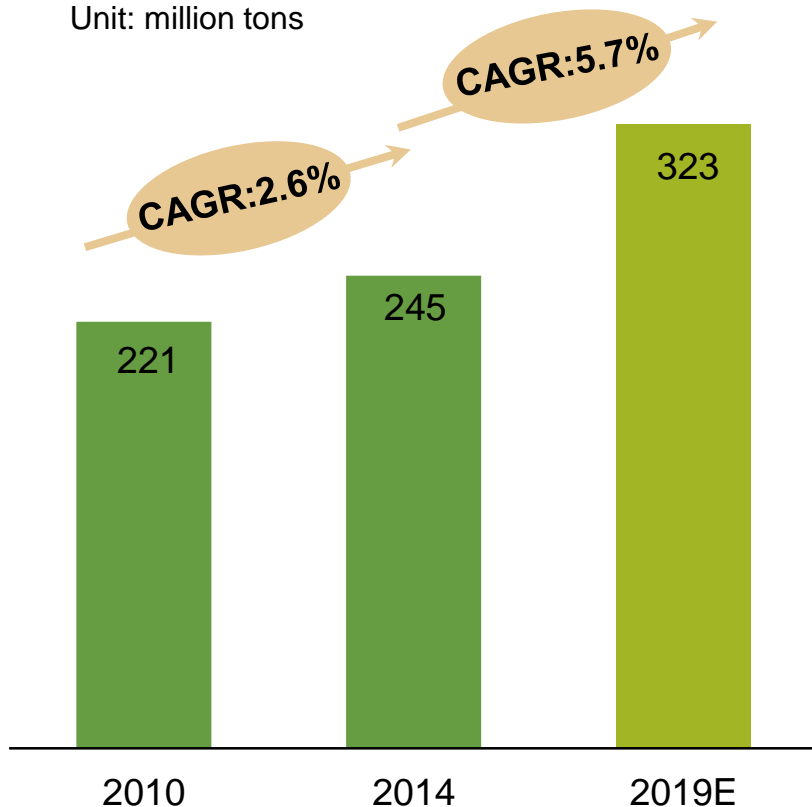


(1) As of 31 December 2016, pipeline plants include 4 under construction, 12 in planning

(2) As of 31 December 2016, waste treatment capacity refers to those of the 4 under construction, 12 in planning, 3 in expansion

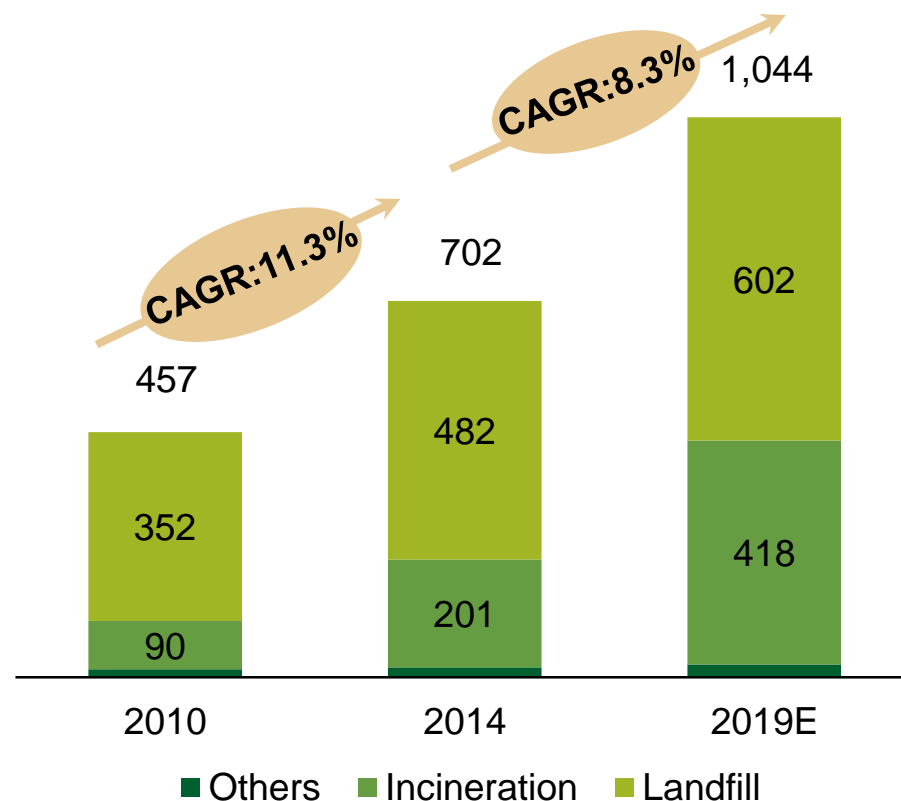
Total Municipal Solid Waste Continues to Increase

Unit: million tons

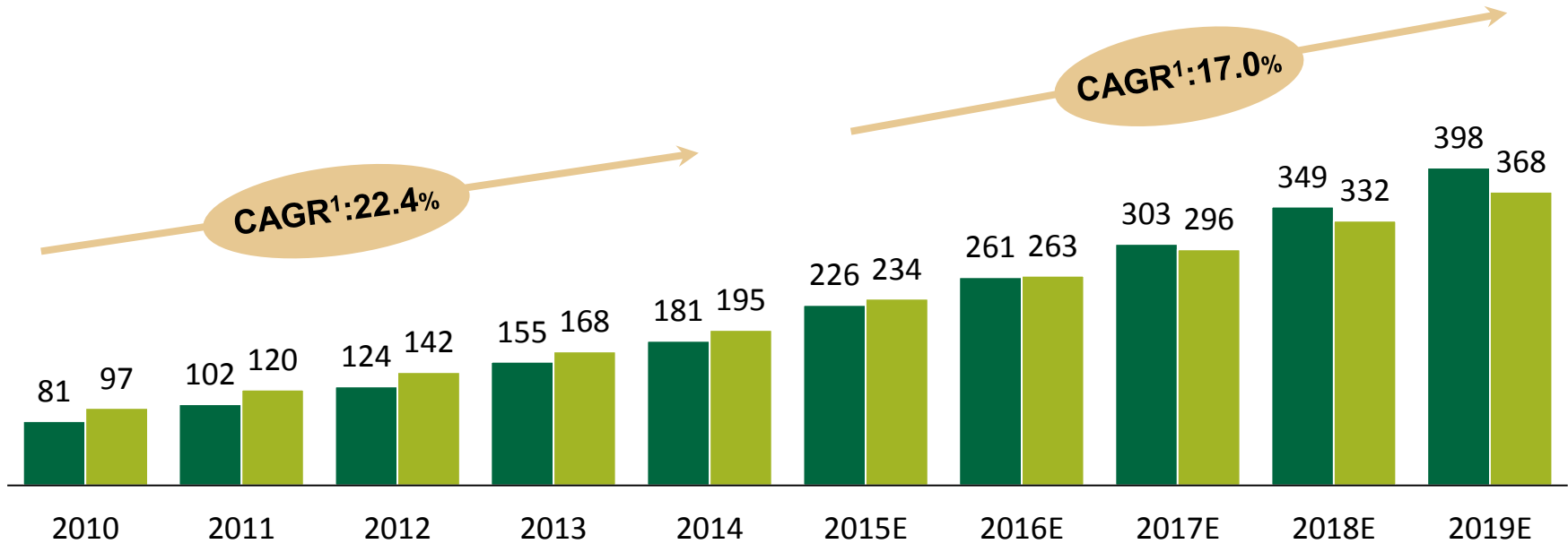


Incineration Treatment Capacity Increases Significantly

Unit: 1,000 tons / day



Total WTE Industry in China Grows Rapidly



- Waste treatment capacity of WTE plants in operation (1,000 tons / day)
- No. of WTE plants

*Note (1): CAGR is calculated based on waste treatment capacity
All the above industry data is as of December 31, 2014 and provided by Frost & Sullivan (Beijing) Inc., Shanghai Branch Co..*

More opportunities backed by the Paper jointly issued by four ministries of China⁽¹⁾ to strengthen the incineration treatment of municipal waste

Setting Goals

- The incineration treatment of municipal waste to be the major technical route of the country
- By 2020, 50% of municipal waste to be treated through incineration
- **As the market leader, the Company can capitalize on the growth of the industry during the 13th Five-Year-Plan to achieve development**

Strengthening Development

- Land for WTE projects and facilities to be included in the priority list in urban planning
- To encourage the improvement and expansion of existing WTE plants
- **This favors the continuous increase in Company's business scale and capacity**

Clean Incineration

- To adopt advanced technologies and tighter quality control measures to prevent and control fly ash pollution
- To establish clean incineration standards and evaluation system by 2017
- **The company implements clean incineration and will gain first-mover advantage**

Neighbourhood-friendly

- To centralize control and build facilities that benefit the neighborhood households
- To turn short-term compensation to long-term sustainable development, and achieve mutual gains

Comprehensive Supervision

- To strictly manage bidding process and reduce unhealthy competition among bidders
- To enforce information transparency, make operation & emission data available, and allow the public to monitor
- **Company always bids rationally and promotes healthy competition, and needs to practice more self-discipline.**

Paper w.r.t. further strengthening the work of municipal solid waste incineration”

5 Nov 2016

(1): Paper No. 227 Jiancheng [2016]. Four ministries are Ministry Housing & Urban-Rural Development, National Development and Reform Commission, Ministry of Land & Resources and Ministry of Environmental Protection

5. Strategic Plans



1. Maintain market leading position

- Expanding waste treatment capacity of existing facilities
- Through organic and inorganic growth opportunities

4. Expand internationally

- Specific focus on Southeast Asia and other developing countries
- Enhancing our brand image and international recognition



2. Continuously improve technical capabilities

- Adopting advanced pre-treatment technologies from Europe, in synergy with our own
- Enhancing operating efficiency and reduce emissions at our WTE facilities

3. Diversifying in the WTE value chain

- Expanding our WTE business to related areas such as sludge treatment
- Growing our EMC and third party project management businesses

6. Investment Highlights



 **Industry** – Sustainable Growth with Huge Potential

 **Position** – First-mover and Leader in China's WTE Industry

 **Network** – Well-positioned with Most Extensive Footprints in China

 **Technology** – Exceptional Technical Expertise and R&D Capabilities

 **Acquisition** – Experienced and Outperforming Industrial Consolidator

 **Operation** – Efficient Business Process and Advanced Operational System

 **Team** – Strong Management & Corporate Governance

**FY2016: Recommended final tax-exempt cash dividend of
5.05 Singapore cents per share**

Not less than
50%



Our Directors intend to declare dividends of not less than 50% of our net profits attributable to our shareholders for FY2016 and FY2017*

** Investors should note that all the foregoing statements, including the statement on the Proposed Dividend, are merely statements of our present intention and do not constitute legally binding statements in respect of our future dividends which may be subject to modification (including reduction or non-declaration thereof) in our Directors' sole and absolute discretion. Investors should not treat the Proposed Dividend or the dividends declared and paid by our subsidiaries as an indication of our Group's future dividend policy. No inference should be or can be made from any of the foregoing statements as to our actual future profitability or ability to pay dividends.*



Thank you! Q&A



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