

2015 年 3 月 20 日

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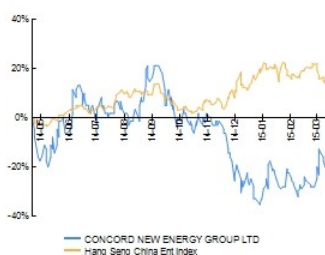
## 指引模糊

### 协合新能源 (182:HK)

#### Market Data: Mar,19

Closing Price (HK\$)	0.53
Price Target (HK\$)	0.61
HSCEI	12,122
HSCCI	4,471
52-week High/Low (HK\$)	0.77/0.36
Market Cap (US\$m)	577
Market Cap (HK\$m)	4,473
Shares Outstanding (m)	8,946
Exchange Rate (Rmb-HK\$)	1.26

#### Price Performance Chart:



Source: Bloomberg

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#### Related Reports

"CHINA WINDPOWER GROUP (182:HK)—Yearend accounts" Jan 21,2015

#### Financial summary and valuation

	2013	2014	2015E	2016E	2017E
Revenue (HK\$m)	1,883	3,550	4,133	4,534	4,896
YoY (%)	11.8	88.5	16.4	9.7	8.0
Net income (HK\$m)	150.7	318.1	462.3	563.8	637.4
YoY (%)	260.7	111.2	45.3	22.0	13.0
EPS (HK\$)	0.02	0.04	0.05	0.06	0.07
Diluted EPS (HK\$)	0.02	0.04	0.05	0.06	0.07
ROE (%)	3.0	5.5	7.4	8.3	8.6
Debt/asset (%)	49.3	46.7	49.7	52.0	53.7
Dividend yield (%)	0.0	1.0	1.5	1.8	2.0
PE (x)	31.0	14.7	10.1	8.3	7.3
PB (x)	0.9	0.8	0.7	0.7	0.6
EV/Ebitda (x)	14.9	9.2	5.8	5.3	4.6

Note: Diluted EPS is calculated as if all outstanding convertible securities, such as convertible preferred shares, convertible debentures, stock options and warrants, were exercised.

**年报结果超预期,但财务质量不理想。**协合新能源 2014 年实现净利润 3.18 亿港币( 同比上升 110.56%, 比我们预期的 3.04 亿港币高出 4.6% )。然而, 一次性增益太阳能/风电场剥离的收益占息税前利润的 33%, 不可持续。

**风电 EPC 业务没有达到毛利指引水平。**协合新能源 EPC 业务收入为 31.87 亿港币, 其息税前利润近为 1.07 亿港币。息税前利润率为 3.3%, 远低于 8%到 10%的行业平均水平。未来指引不明确, 迄今唯一确定的 EPC 项目是与华电福新合作的 750MW 合同。

**风电场利用小时数远低于行业平均水平。**2014 年协合新能源风电利用小时为 1,665, 相比于 2013 年的 1871 小时同比下降 11.54%, 低于 14 年行业平均水平 1,900 小时。弃风率为 14.12%, 高于 8%-10%的行业平均水平。主要原因是协合新能源的风电场大多位于东北部地区, 该地区弃风问题突出, 短期内难有解决方案。

**光伏业务优异,但指引并不清晰。**太阳能发电利用小时数高达 1,601, 相比于 2013 年的 1551 小时同比增长 3.22%, 高于 14 年行业平均水平 1,200 小时。弃电率为 1.7%, 反映了其优质的太阳能资产。然而, 管理层因缺乏落实的许可和土地使用权无法给出光伏发电业务 15 年装机量指引。

**下调评级至增持。**由于缺乏 2015 年的明确指引, 我们将 15 年利润从 6.27 亿港币下调到 4.61 亿港币( 同比上升 45.4% ), 16 年利润从 7.04 亿港币下调至 5.62 亿港币( 同比上升 22% ), 同时引入 17 年利润预测为 6.36 亿港币 ( 同比上升 13.7% )。鉴于国家能源局指定的高于预期的光伏装机目标和市场的乐观反应, 我们仍然维持目标价 0.61 港元不变, 相当于 15E 12x 市盈率水平和 15E 0.86x 市净率水平, 或 16E 9.54x 市盈率水平和 16E 0.79x 市净率水平。股价有 15%的上涨空间, 我们下调评级由买入降为增持。

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### Investment Highlights :

**Results beat but quality weak.** Concord New Energy reported 2014 net profit of HK\$318m (+110.56% YoY, vs our forecast of HK\$304m). However, a significant proportion of the total Ebit - c.33% - stems from a one-time gain from the disposal of solar/wind farms.

**Wind EPC business missed margin guidance.** CNE reported engineering, procurement and contracting (EPC) revenue of HK\$3.18bn with Ebit of HK\$107m, representing an Ebit margin of just 3.3% vs industrial average of 8-10%. In addition, the business has low visibility, given that the company's only confirmed EPC contract is its 750MW contract with Huadian Fuxin (816:HK).

**Wind farm utilisation below industry average.** The company reported utilisation of 1,665hrs for its wind farms in 2014, -11.54% YoY and compared with an industry average of 1,900hrs. The company also incurred a higher curtailment rate than average, at 14.12% (vs industrial average of 8-10% in 2014). This is largely to do with CNE's siting of its wind farms in northeastern China, where curtailment remains an issue.

**Solar farms shine brightest but guidance still not clear.** For the company's solar farms, it reported utilisation of 1,601hrs in 2014, up 3.22% YoY and compared with a sector average of 1,200hrs. The curtailment rate was 1.7%, which reflects the company's solar farm asset quality. However, management failed to provide specific guidance for its 2015 solar installation due to lack of confirmed permits and land use rights.

**Downgrade to Outperform.** We revise down our earnings forecasts to more cautious for CNE to reflect a higher degree of uncertainty due to the lack of business development clarity in 2015 and on, from HK\$627m to HK\$461m (+45.4% YoY) in 15E, and from HK\$704m to HK\$562 (+22% YoY) in 16E, and forecast earnings of HK\$636.4 (+13.7% YoY) in 17E. Given improved market sentiment toward the renewable energy sector by higher-than-expected 2015 NEA solar farm installation target, we maintain our target price at HK\$0.61, representing 12x 15E PE and 0.86x 15E PB, or 9.5x 16E PE and 0.79x 16E PB. With 15% upside, we downgrade our recommendation from BUY to Outperform.

# APPENDIX

## Consolidated Income Statement

(HK\$m)	2013	2014	2015E	2016E	2017E
<b>Revenue</b>	1,883	3,550	4,133	4,534	4,896
<b>Cost of Sales</b>	1,436	2,917	2,893	3,129	3,378
<b>Gross Profit</b>	446	633	1,240	1,406	1,518
<b>Other Income</b>	46	25	0	0	0
Distribution expenses	3	4	17	17	17
Administrative expenses	150	150	150	150	150
<b>EBITDA</b>	396	654	924	1,163	1,345
EBIT	297	498	707	869	1,026
Finance Costs	104	106	143	182	249
<b>Profit before tax</b>	193	392	564	688	777
Income tax expense	42	74	101	124	140
Minority interests	0	1	1	1	1
<b>Profit for the year</b>	151	318	462	564	637
<b>NT to Equity Holders</b>	151	317	461	563	636

Source: SWS Research

## Consolidated Cash Flow Statement

(HK\$m)	2013	2014	2015E	2016E	2017E
<b>ProfitBeforeTaxation</b>	193	392	564	688	777
DeprAndAmortisation	0	0	294	319	342
FinanceCost	0	0	143	182	249
LossesFromInvestments	0	0	0	0	0
ChangeInWorkingCapital	193	(98)	663	583	657
Others	0	0	0	0	0
<b>CFFFromOperatingActivities</b>	386	294	1,663	1,772	2,025
CAPEX	(357)	(1,864)	(1,200)	(1,200)	(1,200)
OtherCFFFromInvestingActivities	20	(971)	(964)	(964)	(964)
<b>CFFFromInvestingActivities</b>	(337)	(2,835)	(2,164)	(2,164)	(2,164)
EquityFinancing	258	378	0	0	0
NetChangeInLiabilities	884	2,562	741	689	382
DividendAndInterstPaid	(111)	(74)	(143)	(182)	(249)
OtherCFFFromFinancingActivities	8	(1,063)	0	0	225
<b>CFFFromFinancingActivities</b>	1,038	1,803	598	508	359
<b>NetCashFlow</b>	1,087	(738)	97	115	219

Source : SWS Research

## Consolidated Balance Sheet

(HK\$m)	2013	2014	2015E	2016E	2017E
<b>CurrentAssets</b>	4,209	4,188	3,995	4,171	4,456
BankBalancesAndCash	1,850	1,105	1,202	1,317	1,536
TradeAndOtherReceivables	524	550	605	666	732
Inventories	449	350	500	500	500
<b>OtherCurrentAssets</b>	1,385	2,182	1,688	1,688	1,688
<b>LongTermInvestment</b>	1,856	1,995	2,759	3,523	4,287

PPE	2,238	2,818	3,839	4,687	5,513
IntangibleAndOtherAssets	1,548	1,789	1,766	1,766	1,766
TotalAssets	9,851	10,790	12,358	14,146	16,022
CurrentLiabilities	3,573	3,492	3,776	4,002	4,241
Borrowings	271	187	70	70	70
TradeAndOtherPayables	1,305	2,355	2,774	3,000	3,240
OtherCurrentLiabilities	1,997	950	932	932	932
LongTermLiabilities	1,284	1,542	2,363	3,361	4,359
TotalLiabilities	4,857	5,034	6,139	7,363	8,600
MinorityInterests	22	101	102	103	104
ShareholderEquity	5,052	10,635	11,770	12,334	12,971
ShareCapital	80	89	89	89	89
Reserves	0	4,891	5,565	5,565	5,565
EquityAttributable	4,971	5,654	6,117	6,680	7,318
TotalLiabilitiesAndEquity	9,851	10,790	12,358	14,146	16,022

Source: SWS Research

### Key Financial Ratios

	2013	2014	2015E	2016E	2017E
<b>Ratios per share (HKD)</b>					
Earnings per share	0.02	0.04	0.05	0.06	0.07
Diluted earnings per share	0.02	0.04	0.05	0.06	0.07
Operating CF per share	0.04	0.03	0.19	0.20	0.23
Dividend per share	0.00	0.01	0.01	0.01	0.01
Net assets per share	0.57	0.65	0.71	0.77	0.84
<b>Key Operating Ratios(%)</b>					
ROIC	1.7	5.6	7.2	7.6	7.6
ROE	3.0	5.5	7.4	8.3	8.6
Gross profit margin	20.3	14.7	21.0	22.1	22.1
EBITDA Margin	21.8	19.0	24.6	28.2	30.1
EBIT Margin	15.8	14.0	17.1	19.2	21.0
Growth rate of Revenue(YoY)	11.8	88.5	16.4	9.7	8.0
Growth rate of Profit(YoY)	260.7	111.2	45.3	22.0	13.0
Debt-to-asset ratio	49.3	46.7	49.7	52.0	53.7
Turnover rate of net assets	0.38	0.62	0.66	0.67	0.66
Turnover rate of total assets	0.19	0.33	0.33	0.32	0.31
Effective tax rate (%)	21.8	18.8	18.0	18.0	18.0
Dividend yield (%)	0.0	1.0	1.5	1.8	2.0
<b>Valuation Ratios (X)</b>					
P/E	31.0	14.7	10.1	8.3	7.3
P/B	0.9	0.8	0.7	0.7	0.6
EV/Sale	3.3	1.7	1.4	1.5	1.4
EV/EBITDA	14.9	9.2	5.8	5.3	4.6

Source: SWS Research

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BUY: Share price performance is expected to generate more than 20% upside over a 12-month period.

Outperform: Share price performance is expected to generate between 10-20% upside over a 12-month period.

Hold: Share price performance is expected to generate between 10% downside to 10% upside over a 12-month period.

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