

2015 年 3 月 23 日

买入
维持

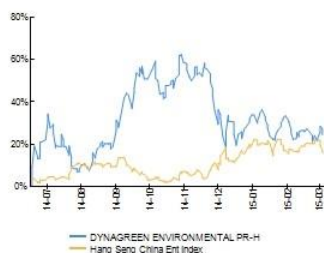
项目竣工加速，业绩超预期

绿色动力环保(1330:HK)

Market Data: Mar,5

Closing Price (HK\$)	4.28
Price Target (HK\$)	6.30
HSCEI	12,156
HSCCI	4,457
52-week High/Low (HK\$)	5.60/3.45
Market Cap (USD Mn)	577
Market Cap (HK\$ Mn)	4,473
Shares Outstanding (Mn)	1,045
Exchange Rate (RMB-HK\$)	1.26

Price Performance Chart:



Source: Bloomberg

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Related Reports

"Second-half strength" Mar 5,2015

"Significant improvement" Jan 1,2015

"Approval accelerates" Oct 30,2014

Financial summary and valuation

	2013	2014	2015E	2016E	2017E
Revenue (RMB million)	975.19	1,226.31	1,496.60	1,852.18	2,212.42
YOY (%)	4.62	25.75	22.04	23.76	19.45
Net income (RMB million)	150.90	142.05	254.91	332.86	411.23
YOY (%)	3.12	(5.87)	79.45	30.58	23.54
EPS (RMB)	0.22	0.16	0.24	0.32	0.39
Diluted EPS (RMB)	0.22	0.16	0.24	0.32	0.39
ROE (%)	12.46	6.52	10.60	12.44	13.70
Debt/asset (%)	41.29	37.92	34.67	31.58	31.58
Dividend Yield (%)	0.80	0.93	1.23	1.53	1.53
P/E (x)	15.72	21.08	13.89	10.64	8.61
P/B (x)	1.96	1.37	1.47	1.32	1.18
EV/EBITDA (x)	21.70	22.19	17.80	13.85	13.85

Note: Diluted EPS is calculated as if all outstanding convertible securities, such as convertible preferred shares, convertible debentures, stock options and warrants, were exercised. P/E is calculated as closing price divided by each year's EPS.

投资要点:

绿色动力公布年报收入为 12 亿，同比增长 26%。净利润为 1.42 亿，同比小幅下跌 5%。业绩超市场预期。

下半年建造收入大幅增加。3 个新项目在 14 年下半年破土动工，贡献建造收入 5.97 亿元，同比增长 411%，环比增长 171%。全年建造收入同比增长 14.4%至 8.18 亿。

下半年运营收入增长。3 个试运行电厂电价自之前每兆瓦 563 元上调至 650 元（涨幅 15.4%），下半年运营收入为 1.83 亿，同比增长 47%，环比增长 42%。全年运营收入同比增长 55.2%至 3.12 亿。

一次性费用导致利润同比下降。公司计提了 1350 万元的上市费用，并且计提了乳山电厂资产减值。后者由于垃圾质量问题，运营出现亏损。基于公司在处理垃圾质量问题方面的经验，我认为 15 年乳山运营将会好转。

项目进展超预期。3 座垃圾电厂的建造进展超管理层预期。管理层预计 3 座垃圾电厂将在 15 年投产（之前预计 15 年投产 2 座）。我们预计项目提前投产将带来更多的利润。

维持买入。我们在模型中反映项目进度加速，上调盈利预测。我们预计公司 15-17 年利润分别可达 2.549 亿/3.329 亿/4.112 亿，同比分别增长 79.5%/30.6%/23.5%。我们上调目标价至 HK\$6.30。目前公司股价交易在 15 年 14 倍 PE，显著低于行业龙头光大国际（15 年 21 倍 PE），我们维持买入评级。

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Investment Highlights:

Dynagreen announced annual results. Revenue was Rmb1.2b (+26% YoY) with net profit of Rmb142m (-5% YoY). The results beat market and our expectation.

Construction revenue spiked in 2H. Thanks to 3 new projects that broke ground in 2H, revenue from construction was Rmb597m in 2H, up 411% YoY or 171% HoH. Full year revenue from construction therefore increase by 14.4% YoY to Rmb818m.

Operation revenue also increased in 2H. Due to on-grid tariff hike for its 3 trial operation WTE plants in 2H from Rmb563/MWh to Rmb650/MWh (+15.4%), the company recorded revenue from operation of Rmb183m in 2H, up 47% YoY or 42% HoH. Full year revenue from operation therefore increase by 55.2% YoY to Rmb312m.

One time non-operation expense affect net profit to the downside. The company record Rmb13.5m IPO expense in 2014. It also booked assets impairment loss for Rushan WTE plants for in 2014 due to operation loss attributing to the low quality garbage. Given the experience the company have to deal with such situation, we believe the operation condition could get better in 2015 for Rushan plant.

Projects progress beat expectation. Constructing progress of 3 WTE plants are all ahead of management expectations. The management expect 3 new WTE plants start operation in 2015 (vs. previously 2 new WTE plants). Therefore more net profit from construction and operation could be record in 2015.

Maintain BUY. We adjust our model to fact in better than expect progress of plants constructions and revise up our earnings forecasts. We expect the company to deliver net profit of Rmb254.9m (+79.5% YoY) in 15E and Rmb332.9m (+30.6% YoY) in 16E and Rmb411.2m (+23.5% YoY) in 17E. We revised up our TP to HK\$6.30. The stock is traded at 14x 15E PE and is in significant discount to industry leader China Everbright International (21x 15E PE). We maintain BUY.

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Fig 1: Revenue and profit for 2014

	2011	2012	2013	2014	YoY
Revenue	442,781	932,126	975,185	1,226,310	26%
COGS	-309,700	-698,949	-688,022	-849,159	23%
Gross profit	133,081	233,177	287,163	377,151	31%
Other gain	18,939	6,698	24,864	27,579	11%
Other income	1,726	16	4,844	8,067	67%
IPO cost			-3,783	-13,515	257%
Administration cost	-31,099	-36,712	-52,558	-83,225	58%
Other operating cost	-276	-109	-898	-271	-70%
Operating profit	122,371	203,070	259,632	315,786	22%
Financial cost	-21,624	-36,615	-74,290	-121,950	64%
Profit before tax	100,747	166,455	185,342	193,836	5%
Tax expense	-24,970	-20,115	-34,441	-51,791	50%
Net profit	75,777	146,340	150,901	142,045	-6%
Share holder of the company	75,777	146,340	150,901	142,045	-6%
Minority interest					
EPS	0.12	0.21	0.22	0.16	-25%

Source: Company data, SWS Research

Construction revenue spiked in 2H. Thanks to 3 new projects that broke ground in 2H, revenue from construction was Rmb597m in 2H, up 411% YoY or 171% HoH. Total revenue from construction therefore increase by 14.4% YoY to Rmb818m.

Operation revenue also increased in 2H. Due to on-grid tariff hike for its 3 trail operation WTE plants in 2H from Rmb563/MWh to Rmb650/MWh (+15.4%), the company recorded revenue from operation of Rmb183m in 2H, up 47% YoY or 42% HoH.

Fig 2: Revenue and profit spike in 2H14

	1H13	2H13	1H14	2H14	YoY	HoH
Revenue	706,008	269,177	391,235	835,075	210%	113%
Construction	597,965	116,979	220,145	597,466	411%	171%
Operation	106,574	152,198	171,090	237,609	56%	39%
Other	1,469	0	0	0		
COGS	-522,407	-165,615	-245,969	-603,190	264%	145%
Gross profit	183,601	103,562	145,266	231,885	124%	60%
Other gain	13,965	10,899	7,375	20,204	85%	174%
Other income	2,994	1,850	7,941	126	-93%	-98%
IPO cost			-15,065	1,550		-110%
Administration cost	-20,971	-35,370	-28,761	-39,399	25%	37%
Other operating cost	-1	-897	-40	-231	-74%	478%
Operating profit	179,588	80,044	116,716	199,070	149%	71%
Financial cost	-32,054	-42,236	-62,773	-59,177	40%	-6%
Profit before tax	147,534	37,808	53,943	139,893	270%	159%
Tax expense	-30,527	-3,914	-19,516	-32,275	725%	65%
Net profit	117,007	33,894	34,427	107,618	218%	213%
Share holder of the company	117,007	33,894	34,427	107,618		
Minority interest	0	0	0	0		
EPS	0.17	0.05	0.05	0.11	75%	76%

Source: Company data, SWS Research

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Appendix

Consolidated Income Statement

Rmbm	2013	2014	2015E	2016E	2017E
Revenue	975	1,226	1,497	1,852	2,212
Construction	715	818	1,095	1,232	1,482
Operation	201	312	313	530	612
Tech service	7	1	0	0	0
Interest income	38	58	97	89	91
Cost of Sales					
Construction	-688	-849	-1,042	-1,251	-1,487
Operation	-572	-668	-876	-985	-1,186
Tech service	-115	-181	-166	-265	-302
Gross Profit	-0	0	0	0	0
Other Income	0	0	0	0	0
EBITDA					
EBIT	287	377	455	602	725
Finance Costs	30	36	79	105	122
Profit Before Tax	-1	-0	-0	-0	-1
Income Tax Expense	-53	-83	-99	-157	-178
Minority Interests	338	451	562	698	842
Profit for the Year	263	329	434	550	669

Table 2: Consolidated Cash Flow Statement

Rmbm	2013	2014	2015E	2016E	2017E
Profit Before Taxation	185	194	307	401	495
Depr And Amortisation	37	0	0	0	0
Finance Cost	80	122	127	148	173
Losses From Investments	0	0	0	0	0
Change In Working Capital	-530	-615	-878	-885	-1,179
Others	-27	-55	-52	-68	-84
CFF From Operating Activities	-234	-302	-443	-336	-510
CAPEX	-132	13	-9	-10	-10
Other CFF From Investing Activities	-2	0	0	0	0
CFF From Investing Activities	-133	13	-9	-10	-10
Equity Financing	-2	966	0	0	0
Net Change In Liabilities	799	-118	263	310	366
Dividend And Interst Paid	0	0	0	0	0
Other CFF From Financing Activities	-91	0	0	0	0
CFF From Financing Activities	707	848	263	310	366
Net Cash Flow	318	507	-242	-104	-239
FCFF	(197)	(203)	(386)	(261)	(419)
FCFE	163	1,085	748	829	1,388

Consolidated Balance Sheet

Rmbm	2013	2014	2015E	2016E	2017E
CurrentAssets	501	749	1,132	1,145	1,050
BankBalancesAndCash	185	502	762	767	663
TradeAndOtherReceivables	1,232	1,465	2,060	2,160	2,385
Inventories	3	6	7	8	9
OtherCurrentAssets	4	4	4	4	4
LongTermInvestment	19	21	24	24	24
PPE	5	7	7	8	9
IntangibleAndOtherAssets	965	1,346	1,598	2,437	3,166
TotalAssets	2,413	3,350	4,462	5,409	6,261
CurrentLiabilities	0	0	0	0	0
Borrowings	911	1,709	1,591	1,855	2,165
TradeAndOtherPayables	267	378	608	669	736
OtherCurrentLiabilities	6	8	23	25	28
LongTermLiabilities	33	43	63	69	76
TotalLiabilities	1,217	2,139	2,285	3,005	3,585
MinorityInterests	0	0	0	0	0
ShareholderEquity					
ShareCapital	700	700	1,045	1,045	1,045
Reserves	497	511	1,132	1,359	1,631
EquityAttributable	1,197	1,211	2,177	2,404	2,676
TotalLiabilitiesAndEquity	2,413	3,350	4,462	5,409	6,261

Source: SWS Research

Key Financial Ratios

	2013	2014	2015E	2016E	2017E
Ratios per share (RMB)					
Earnings per share	0.22	0.16	0.24	0.32	0.39
OperatingCFPerShare	-0.04	-0.40	-0.47	-0.39	-0.57
DividendPerShare					
Key Operating Ratios(%)					
NetAssetsPerShare	1.73	2.46	2.30	2.56	2.87
ROIC	12.6	13.2	12.6	13.0	12.7
ROE	12.5	6.5	10.6	12.4	13.7
GrossProfitMargin	29.4	30.8	30.4	32.5	32.8
EBITDAMargin	34.6	36.8	37.5	37.7	38.1
EBITMargin	27.0	26.9	29.0	29.7	30.2
GrowthRateOfRevenue	4.6	25.8	22.0	23.8	19.4
GrowthRateOfProfit	0.0	-0.1	0.8	0.3	0.2
DebtToAssetRatio	63.8	51.2	55.6	57.3	58.8
TurnoverRateOfNetAssets	80.5	56.3	62.3	69.2	73.7
TurnoverRateOfTotalAssets	0.0	0.0	0.0	0.0	0.0
EffectiveTaxRate	17.0	21.6	13.5	13.7	13.7
DividendYield					
Valuation Ratios (X)					
PE	15.7	21.1	13.9	10.6	8.6
PB	2.0	1.4	1.5	1.3	1.2
EVSale	4.9	3.6	3.1	2.7	2.6
EVEBITDA	14.1	9.7	8.2	7.2	6.7

Source: SWS Research

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