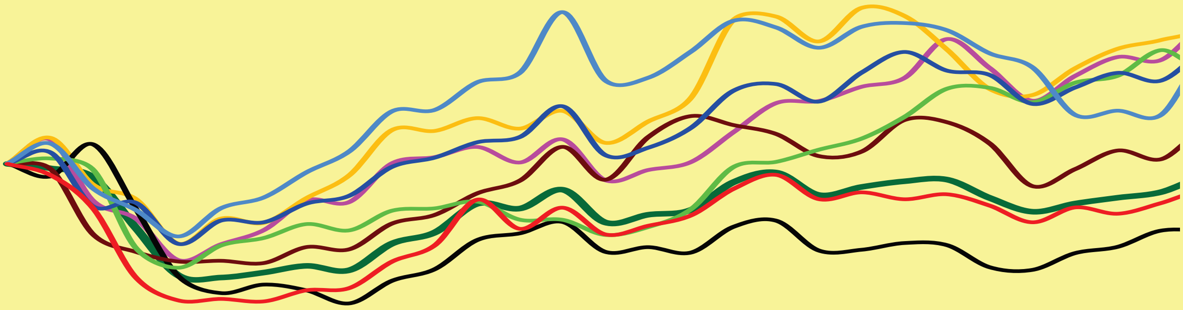

China

CleanTech Index

1Q14

Quarterly Performance Report

April 2014

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or contact contact@sinocleantech.com

The Definitive Measure of Chinese Cleantech Industry Performance

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1. China CleanTech Index Overview

The China CleanTech Index provides the definitive measure of the performance of Chinese cleantech companies that are listed on stock exchanges around the world.

The cleantech industry is split into a number of sub-sectors as detailed in the table below. Each of the sub-sectors contains companies that have both environmental and economic benefits.

Biogas	Geothermal – Hot dry rocks and conventional
Biofuels	Low Emissions Transport Technologies
Carbon Trading	Solar Thermal and Photovoltaics
Energy Efficiency & Biomaterials	Waste Management & Recycling
Energy Storage & Fuel Cells	Water
Environmental Services	Wave, Tidal & Hydro
Green Buildings	Wind Generation

The cleantech sector is fundamentally different to Socially Responsible Investments (SRI) or Environmental, Social and Governance (ESG) performance. SRI and ESG look at incremental improvements in company performance and can be seen as 'operational hygiene' measures that find the best in class. Cleantech focuses on companies whose output positively enhances the communities and ecologies in which they reside. It is about doing 'more good' rather than 'less bad'.

With over 160 companies falling under the coverage of the Index and with a combined market capitalisation of over 1 trillion Renminbi (US$165 billion), the China CleanTech Index presents for the first time a picture of the Chinese cleantech industry's growth in a single measure.

The Index is weighted by market capitalisation and is benchmarked against the following indices to show its relative performance:

- **Wilder Hill New Energy Global Innovation Index (NEX)** – which measures the performance of global clean energy stocks
- **Cleantech Index (CTIUS)** – which measures the performance of global cleantech stocks
- **China Shanghai Composite Index (SHCOMP)** – which measures the performance of stocks listed in Shanghai.
- **MSCI World (MSCI)** – which provides a measure of the performance of global stock markets.

The rules for the formulation and management of the Index have been developed with reference to global best practice. An overview of these rules is provided in the annual performance report.

The China Cleantech Index is updated each month and published on the SinoCleantech website at www.sinocleantech.com and on the Australian CleanTech website at www.auscleantech.com.au. It is published internationally in conjunction with Cleantech Investor (www.cleantechinvestor.com) and in China in conjunction with Top Capital (www.topcapital.cn).

Monthly results can be emailed directly to interested parties by subscribing at www.sinocleantech.com.

2. China CleanTech Index Performance

The China CleanTech Index underperformed all of its four benchmarks for the month of March 2014 and recorded a loss of 4.5%.

The China CleanTech Index fell from 46.8 to 44.7 over the month of March recording a 4.5% loss. This compared to the NEX loss of 2.5%, the CTIUS loss of 0.9%, the Shanghai Composite loss of 1.1% and the MSCI loss of 0.1%. The China CleanTech 20 fared worse with a loss of 5.7%.

Over the first quarter of 2014, the China CleanTech Index recorded a gain of 0.7%, underperforming all but one of its benchmark indices. Over the quarter, the NEX gained 11.3%, the CTIUS gained 3.1%, the Shanghai Composite lost 3.9% and the MSCI gained 0.8%.

The twelve month gain for the China CleanTech Index now stands at 15.1% strongly outperforming both the Shanghai Composite although behind the other benchmarks.

	2009	2010	2011	2012	2013	MAR 2014	1Q14	6 Months	12 Months	3 Years
China CleanTech Index (CCTI)	77.5%	-9.6%	-48.0%	-16.5%	29.2%	**-4.5%**	**0.7%**	7.2%	15.1%	-45.1%
China CleanTech 20 (CCT20)	59.6%	-15.6%	-47.4%	-15.5%	24.1%	**-5.7%**	**-6.3%**	0.5%	1.3%	-49.8%
Wilder Hill New Energy Global Innovation Index (NEX)	39.7%	-14.6%	-40.2%	-5.5%	53.7%	**-2.5%**	**11.3%**	18.1%	56.3%	-13.0%
Cleantech Index (CTIUS)	38.1%	7.3%	-18.3%	7.3%	37.0%	**-0.9%**	**3.1%**	12.5%	27.8%	11.5%
China Shanghai Composite Index (SHCOMP)	80.0%	-14.3%	-21.7%	3.2%	-6.7%	**-1.1%**	**-3.9%**	-5.9%	-9.1%	-30.6%
MSCI World (MSCI)	27.0%	9.6%	-7.6%	13.2%	24.1%	**-0.1%**	**0.8%**	8.4%	16.7%	25.4%

The market capitalisation of the 165 stocks in the China CleanTech Index is RMB 1.06 trillion (US$171 billion) after its rebalance, up slightly from its prior peak of RMB 1.05 trillion in February 2014 and a long way up from its trough of RMB 604 billion in November 2012.

Best and Worst Stocks

The best and worst performers in terms of share price performance over the month and the first quarter of 2014 are shown in the table below.

Over the month, 13 companies recorded share price gains of more than 20% and 12 companies recorded losses of more than 20%. Over the quarter, 20 companies recorded share price gains of more than 40% and 6 companies recorded losses of more than 30%.

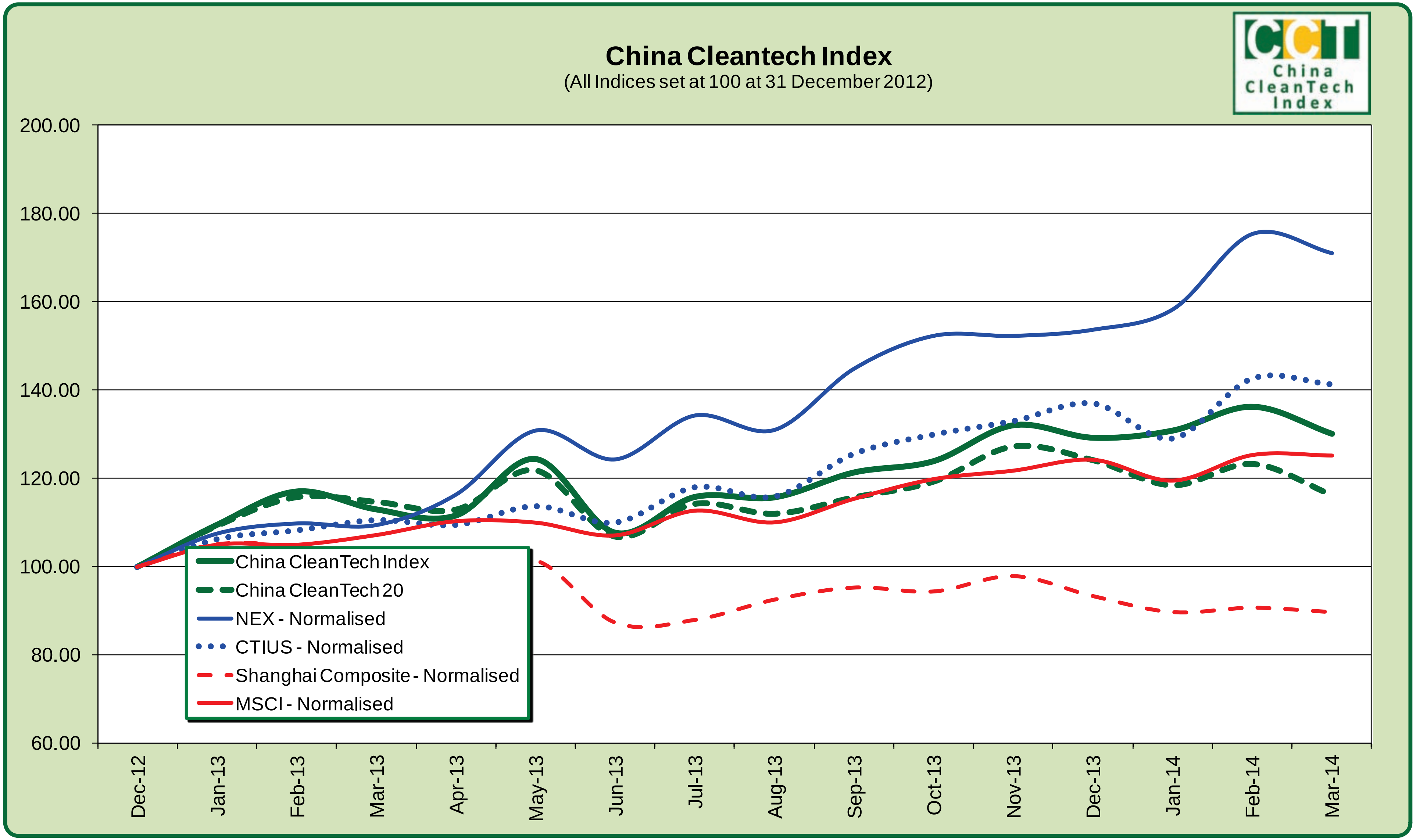
March 2014	
Best Performers Share Price Gain > 20%	**Worst Performers Share Price Loss > 20%**
China Clean Energy Inc.	LED International Holdings Ltd.
Guangzhou Hongli Opto Electronic Co Ltd	Canadian Solar Inc
HC Semitek	China Solar & Clean Energy Solns., Inc.
Bodisen Biotech, Inc.	Dongying Photovoltaic Power Co Ltd
Shenzen Das Intellitech Co., Ltd.	LDK Solar
China Singyes Solar Tech. Hold. Ltd	Suntech Power Holdings
Shunfeng Photovoltaic International	Yingli Green Energy
Advanced Battery Technologies	China Sun Group High Tech Co.
Coslight Technology International Group	Duoyuan Global Water
Hong Kong Highpower Technology, Inc.	Zhejiang Fuchunjiang Hydropower Equip
China Recycling Energy Corp.	China Energine International (Hldgs) Ltd
CleanTech Innovations Inc.	China Ming Yang Wind Power Group Ltd
Shanghai Taisheng Wind Power Equipment	
First Quarter 2014	
Best Performers Share Price Gain > 40%	**Worst Performers Share Price Loss > 30%**
China Clean Energy Inc.	LED International Holdings Ltd.
Foshan Electrical and Lighting Co., Ltd. (FSL)	SmartHeat Inc
Guangzhou Hongli Opto Electronic Co Ltd	Dongying Photovoltaic Power Co Ltd
HC Semitek	LDK Solar
Bodisen Biotech, Inc.	Suntech Power Holdings
China Singyes Solar Tech. Hold. Ltd	Duoyuan Global Water
China Solar & Clean Energy Solns., Inc.	
Shenzhen Topraysolar	
Shunfeng Photovoltaic International	
Advanced Battery Technologies	
China BAK Battery	
China Sun Group High Tech Co.	
Hong Kong Highpower Technology, Inc.	
Jinagxi Ganfeng Lithium Co.,Ltd.	
Sichuan Tianqi Lithium Industries, Inc.	
Sound Global Ltd	
China Renewable Energy Investment Ltd	
CleanTech Innovations Inc.	
Shanghai Taisheng Wind Power Equipment	
Titan Wind Energy (Suzhou) Co Ltd	

Index Rebalance

The China CleanTech Index underwent its quarterly rebalancing at the end of March which took account of recent share issues and other corporate activity.

After some detailed company research undertaken over the last quarter, 14 additional companies have been added the Index. These companies are detailed below.

Company Name	Ticker	Sub-Sector	Description
Leader Environmental Technologies	LS9.SI	Environmental Services	Leader Environmental Technologies Limited provides design, manufacture, assembly, installation and support services of environmental protection systems, primarily for industrial waste gas and wastewater emissions and wastewater treatments.
RINO International Corporation	RINO	Environmental Services	RINO International Corporation is engaged in the business of designing, manufacturing, installing and servicing wastewater treatment and flue gas desulphurization equipment for use in China's iron and steel industry. www.rinogroup.com
Tinci Holdings Limited	TNCI.LON	Environmental Services	Tinci Holdings Limited is engaged in the design and installation of environmental engineering systems to power industry customers and other heavy power users in China. Its core business is the design and management of Flue Gas Desulphurization (FGD) engineering projects. www.tinciholdings.com
Hareon Solar Technology	600401.SS	Solar	Hareon Solar Technology is engaged in the design, manufacture and sale of solar cells and modules. www.hareonsolar.com/
Trony Solar Holdings	2468.HK	Solar	Trony Solar Holdings develops, manufactures and sells solar products including BIPV projects, PV power plant projects and Off-grid PV systems. www.trony.com/
China Industrial Waste Management	CIWT	Waste	China Industrial Waste Management is engaged in the collection, treatment, disposal and recycling of industrial wastes, municipal sludge and sewage treatment. www.chinaciwt.com
China Metal Recycling	0773.HK	Waste	China Metal Recyclingis engaged in the recycling, processing and marketing of metals, including ferrous and nonferrous metals. www.chinametalrecycle.com
Dongjiang Environmental	002672.SZ	Waste	Dongjiang Environmental Company Limited activities comprise industrial waste treatment business, which involves treatment of waste liquid, sludge, waste residue and other waste generated by industrial enterprises. www.dongjiang.com.cn
Shanghai Young Sun Investment	900935.SS	Waste	Shanghai Youngsun Investment operates urban sewage treatment business and related consulting services.
CT Environmental Group	1363.HK	Water	CT Environmental Group provides one-stop centralized and customized wastewater treatment and industrial water supply services focusing on industrial wastewater treatment. www.chongto.com
HanKore Environment Tech Group	B22.SI	Water	Hankore Environment Tech Group is an integrated water environment company engaged in the financing, engineering and construction and , operation for municipal utilities. www.hankore.com
Jiangxi Sanchuan Water Meter	300066.SZ	Water	Jiangxi Sanchuan Water Meter Co is engaged in the research, development, production and distribution of water meter products. www.ytsanchuan.com
Tri-Tech Holding	TRIT	Water	Tri-Tech Holding Inc. is a provider of integrated solutions, products and technologies to water resource management and environmental protection industries. www.tri-tech.cn
Wuhan Sanzhen Industry Holding	600168.SS	Water	Wuhan Sanzhen Industry Holding is engaged in the production and supply of tap water. www.600168.com.cn


China Cleantech Index
(All Indices set at 100 at 31 December 2012)
China CleanTech Index
200.00
180.00
160.00
140.00
120.00
100.00
80.00
60.00
Dec-12
Jan-13
Feb-13
Mar-13
Apr-13
May-13
Jun-13
Jul-13
Aug-13
Sep-13
Oct-13
Nov-13
Dec-13
Jan-14
Feb-14
Mar-14
China CleanTech Index
China CleanTech 20
NEX - Normalised
CTIUS - Normalised
Shanghai Composite - Normalised
MSCI - Normalised

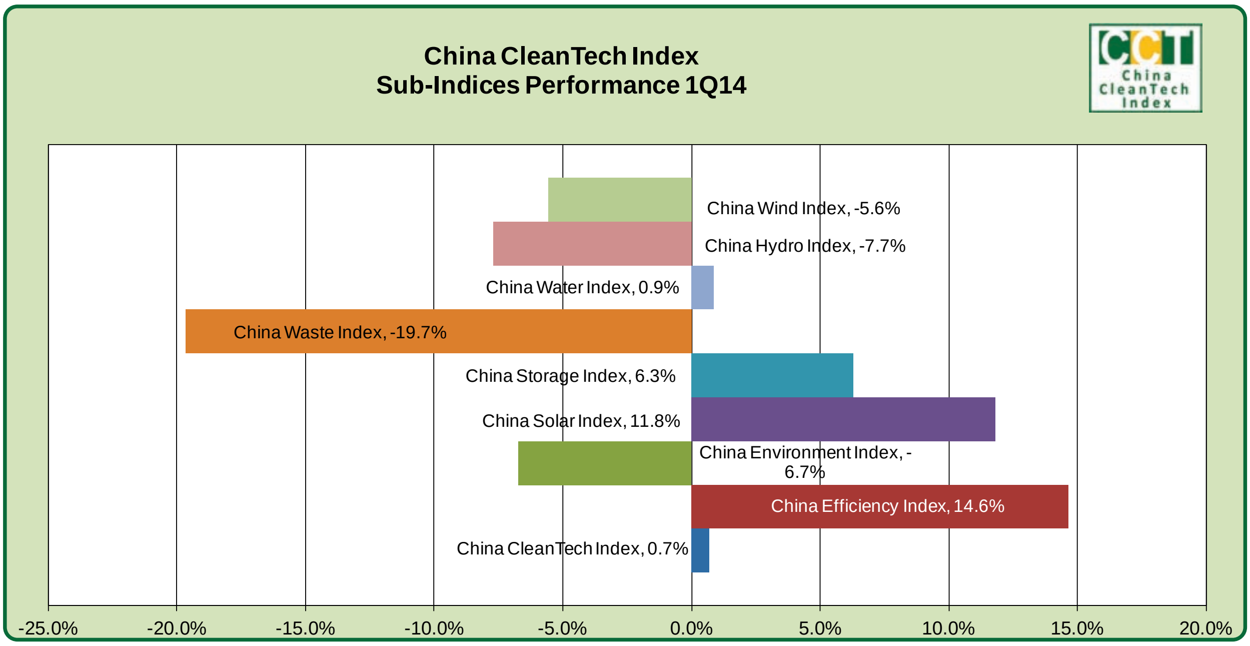
3. Component Sub-Indices

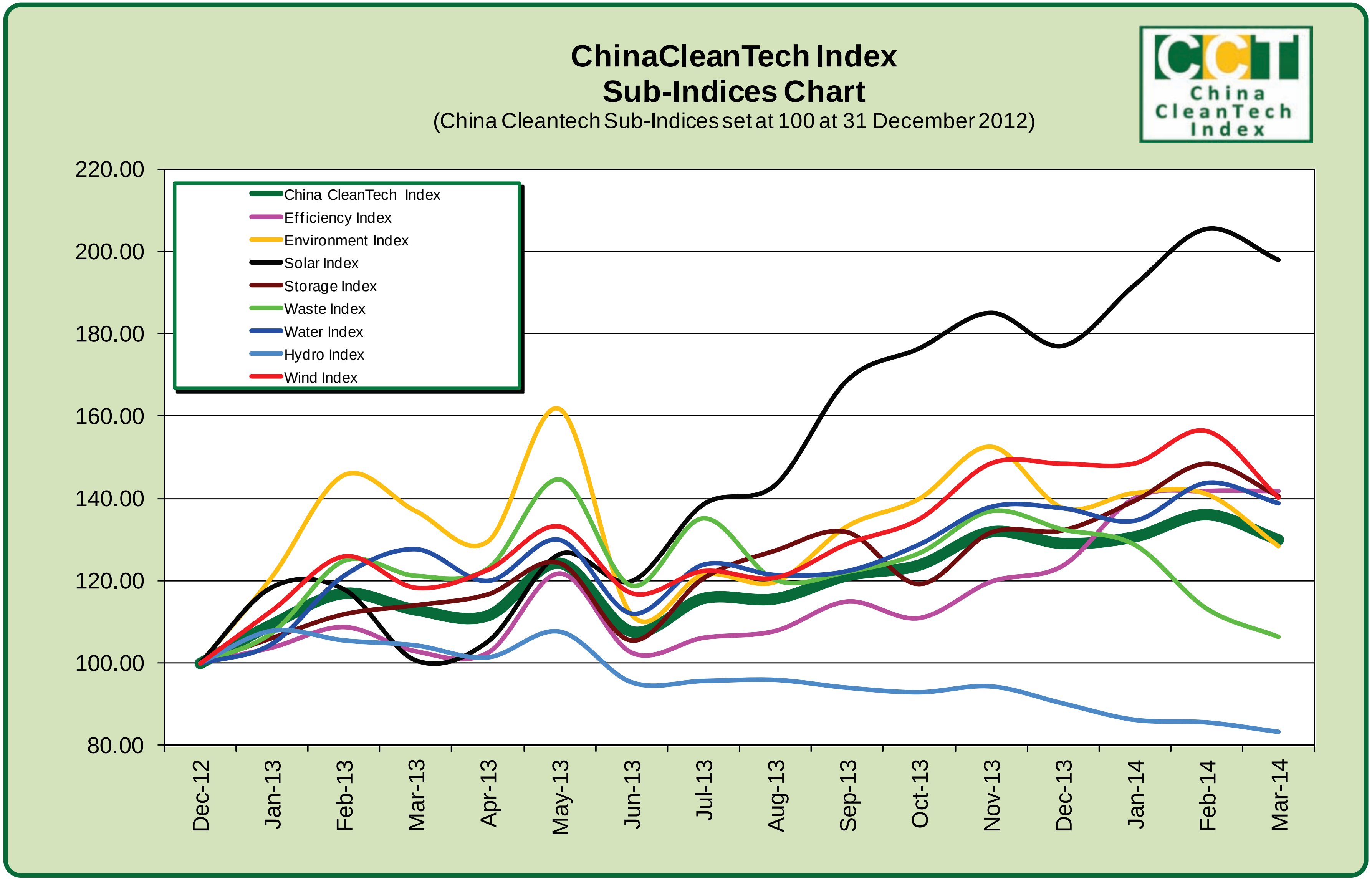
To provide an analysis of the China CleanTech Index, eight sub-indices have been developed. The performance of each of these sub-indices over the last five years and the current quarter are shown in the table and charts below.

Four of the eight sub-indices recorded gains for the quarter. The best results were the 14.6% gain for the China Efficiency Index and the 11.8% gain for the China Solar Index. The worst results were recorded by the 19.7% loss from the China Waste Index and 7.7% loss from the China Hydro Index.

China CleanTech Sub-Indices

	2009	2010	2011	2012	2013	1Q14
China Efficiency Index	102.4%	31.8%	-60.4%	-30.9%	23.5%	14.6%
China Environment Index	157.4%	13.5%	-31.1%	-21.8%	37.7%	-6.7%
China Solar Index	92.4%	-13.0%	-57.5%	-36.2%	76.9%	11.8%
China Storage Index	141.0%	-15.1%	-36.6%	11.7%	32.2%	6.3%
China Waste Index	65.7%	99.1%	-25.9%	-12.5%	32.5%	-19.7%
China Water Index	113.5%	9.6%	-49.7%	-8.0%	37.6%	0.9%
China Hydro Index	78.9%	-35.6%	-23.0%	1.1%	-9.9%	-7.7%
China Wind Index	45.8%	-21.0%	-57.7%	-32.5%	48.5%	-5.6%





ChinaCleanTech Index
Sub-Indices Chart
(China Cleantech Sub-Indices set at 100 at 31 December 2012)
China CleanTech Index
Efficiency Index
Environment Index
Solar Index
Storage Index
Waste Index
Water Index
Hydro Index
Wind Index
220.00
200.00
180.00
160.00
140.00
120.00
100.00
80.00
Dec-12
Jan-13
Feb-13
Mar-13
Apr-13
May-13
Jun-13
Jul-13
Aug-13
Sep-13
Oct-13
Nov-13
Dec-13
Jan-14
Feb-14
Mar-14

4. Index Component Companies

The 20 largest Index constituents by market capitalisation on 31 March 2014 are provided in the table below. These stocks will be the constituents of the China CleanTech 20 until the Index rebalance on 30 June 2014.

In the China CleanTech 20, the greatest sub-sector representations are Water with eight companies followed by Wind with four companies.

New entrants to this list at this rebalance are Shunfeng Photovoltaic International, Sichuan Tianqi Lithium Industries and Guangdong Golden Dragon Development. These have taken the place of Shanghai Aero Auto Electromechanical, Beijing SPC Environment Protection and Beijing SJ Environmental Protection.

	Company	Sector	Exchange	Code
1	China Yangtze Power Co., Ltd.	Wave, Tidal, Hydro	Shanghai (SH)	600900.SS
2	China Longyuan Power Group Corp	Wind	HKSE	0916.HK
3	China Everbright International	Water	HKSE	0257.HK
4	Beijing Enterprises Water Group	Water	HKSE	0371.HK
5	GCL-Poly Energy Holdings	Solar	HKSE	3800.HK
6	Beijing Originwater Technology Co., Ltd.	Water	Shenzhen SX (SHE)	300070.SZ
7	Sinohydro Group Ltd	Wave, Tidal, Hydro	Shanghai (SH)	601669.SS
8	Chongqing Water Group Company Limited	Water	Shanghai (SH)	601158.SS
9	Xinjiang Goldwind Science & Technology Co.	Wind	Shenzhen SX (SHE)	002202.SZ
10	Tsinghua Tongfang Co., Ltd.	Energy Efficiency & Biomaterials	Shanghai (SH)	600100.SS
11	Huaneng Renewables Corp Ltd	Wind	HKSE	0958.HK
12	Sound Environmental Resources Co., Ltd.	Waste	Shenzhen SX (SHE)	000826.SZ
13	Chengdu Xingrong Investment Co.,Ltd	Water	Shenzhen SX (SHE)	000598.SZ
14	Shunfeng Photovoltaic International	Solar	HKSE	1165.HK
15	Beijing Capital Co., Ltd.	Water	Shanghai (SH)	600008.SS
16	Sinovel Wind Group Company Limited	Wind	Shanghai (SH)	601558.SS
17	Fujian Longking Co., Ltd	Environmental Services	Shanghai (SH)	600388.SS
18	Sichuan Tianqi Lithium Industries, Inc.	Storage & Fuel Cells	Shenzhen SX (SHE)	002466.SZ
19	Guangdong Golden Dragon Development Inc.	Water	Shenzhen SX (SHE)	000712.SZ
20	Tianjin Capital Environmental Protection Group Co., Ltd.	Water	Shanghai (SH)	600874.SS