

Ye Jianming & CEFC China Energy Company Limited

An introduction

EEIG



Without any defined starting or finishing point, the circle represents consistency, continuity, harmony and equality, an embodiment of the cosmology of Taoism and Confucianism.

The globe at the center indicates the global development strategies of CEFC China.

The Three Stars embody the endless cycle of life: the Tao begets one; one begets two; two begets three; three begets all things in the universe.

In Chinese constellations, the Three Stars arise in the eastern sky in both spring and autumn. According to the Chinese classic book of poetry, the Book of Songs, it is considered perfect timing when the Three Stars arise in the sky. The Three Stars hanging above the sky symbolize that the CEFC China “economic community” will enjoy a long-lasting ascent as the stars – not meteoric, yet shining and splendid.

CEFC China Energy Company Limited Profile

Corporate Culture

Business Philosophy

Arising with Strength and Achieving with Goodness

Corporate Mission

To expand cooperation in the international energy economy and contribute to the national development

Corporate Ethos

Loyalty, Unity, Rigorousness, Dedication

Collectiveness, Discipline, Order, Solemnity

Corporate Values

In harmony with heaven – follow the trend of the times

In harmony with earth – inclusiveness, erudition and tolerance

In harmony with people – equality, integrity and kindness

In harmony with inner self – courage, responsibility and dedication

Brand Image

We speak for credibility of the Chinese

We always work to accommodate others' needs first

Corporate Profile

CEFC China Energy Company Limited (hereinafter referred to as “CEFC China”) is a private collective enterprise with energy and financial services as its core business. CEFC China was established by Ye Jianming in 2002. It has two group companies, thirteen level-one subsidiaries and an A-share listed company, and has acquired shares of several foreign public companies, totaling a workforce exceeding 30,000 people.

The strategy of the company seeks to expand cooperation in the international energy economy, establish a well-organized international energy investment bank and achieve influence in the energy industry energized by its energy operations and investment. Underpinned by its European oil and gas terminals, CEFC China promotes its strategies by obtaining upstream oil and gas equities and interests, creating professional teams of finance and independent traders and facilitating fully-licensed financial services. The profits in the financial and logistics sectors are driven by its energy operations and financial services.

Meanwhile, CEFC China set up its second headquarters in the Czech Republic to operate with international banking businesses and investment, acquiring controlling shares in banks and shares in important financial groups including focused investment in airline, aircraft manufacturing, special steel, food, and nuclear power plants. CEFC China helps large-scale state owned enterprises (SOEs) to “go global” through mixed ownership cooperation, introduces cutting-edge technologies and managerial experience, facilitates international cooperation in production capacity and fuels China’s economic upgrade and supply-side reform.

CEFC China has been actively exploring development path for private enterprises. It has injected its core values into its corporate culture based on the business philosophy: “*Arising with Strength and Achieving with Goodness*”. Its innovative corporate governance model adopts a combining mechanism of strategic and financial control by the headquarters and partnership of subsidiaries so as to promote its core business, employees’ professionalism, assets securitization and delicacy management.

In 2015, the company’s revenue exceeded **RMB 263.1 billion**, enlisted again in the Fortune Global 500 and the World’s 500 Most Influential Brands, honored with the Most Influential Chinese Enterprises and Top 10 Most Internationally Competitive Leading Chinese Enterprises. As recently as November 2016, CEFC China has agreed to buy the Florentinum office complex

Property / Hong Kong & China

Three levels of Convention Plaza in Wan Chai sell for record price

HK\$1.38bn ‘strata-title’ sale will be highest in terms of unit rate for a whole floor in a building, says head of research at JLL.

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<http://www.scmp.com/property/hong-kong-china/article/2023712/three-levels-convention-plaza-wan-chai-sell-record-price>

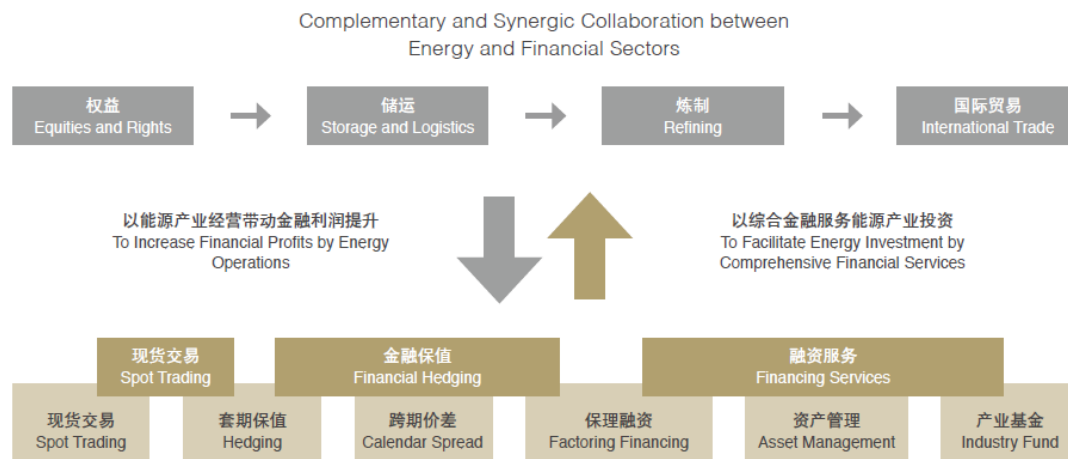
in Prague from private equity group Penta Investments.¹ The deal is reported to be worth EUR 283 million, clear illustration of their influential buying power.

The China Energy Fund Committee (Hong Kong), fully sponsored by CEFC China, is granted the UN Special Consultative Status and dedicated to energy public diplomacy and international energy research. It worked with the UN to initiate an energy prize for best practices. CEFC China is committed to promoting philanthropy through CEFC Shanghai Charity Fund, ensuring sustainable development for the company and the community. Its vision is to be a company of the people, of the community, and of the nation.

Corporate Strategy

Employing its rich international resources accumulated over years in international energy and public diplomacy, CEFC China combines its business operations with finance and builds itself into a well-organized international investment bank in the energy industry. It's core growth strategy is as follows:

1. Establish a Terminal System in Europe for Upstream Oil and Gas Resources



CEFC China aims to carry out further strategic collaboration with KMG, utilizing Kazakhstan's brand value and resources as an oil producing country. The company will further increase investment in KMGI and acquire over 10,000 gas stations and supporting oil depots in countries including Italy, Spain, Romania, Bulgaria, Germany and Switzerland so as to expand its investment layout for European terminals. In the meanwhile, the company will conduct strategic mergers and acquisitions of major refineries, oil depots and pipelines to have a say in important logistics nodes for additional upstream rights and interests. Over the next 3-5 years, the company plans to build KMGI into an influential oil and gas terminal supplier.

The downstream market will mainly be in Europe and gradually extend to emerging markets including the Middle East, Southeast Asia and India. Based on downstream demand, it aims to become a major holder of middle and up-stream oil and gas interests in Central Asia and Central and Eastern Europe by building an energy

¹ "CEFC China agrees to buy Prague office complex from Penta". November 9, 2016.
<<http://www.reuters.com/article/us-penta-cefc-realestate-idUSKBN1342LA>>

corridor through China, Kazakhstan and Europe, and connecting the Chinese market with the upstream resources of Central Asia and the European terminals.

2. Build Large Oil Reserves to Connect Domestic and Global Markets

With sufficient upstream oil and gas resources abroad, CEFC China is dedicating itself to serving China's national energy strategy by establishing overseas storage facilities, transport stations and large domestic



oil reserve bases for developing national strategic reserves and commercial storage. Partnering with centrally-administered and state-owned enterprises, CEFC China has entered the energy logistics industry by establishing key overseas logistics nodes for oil and gas, with the aim to build diversified energy storage and logistics system integrating domestic and overseas facilities. With its large oil reserves, CEFC China will be able to create an oil reserve exchange mechanism integrating oil reserves in Europe, the Middle East and China, which connects the domestic market with the global market and increases its ability to allocate resources more efficiently.

3. Obtain Full Financial Licenses to Serve Corporate Strategies

Private enterprises in China have very limited access to domestic capital, which puts them at a disadvantage if engaging in the capital-intensive oil industry, and do not fit well with the energy industry. Aware of this situation, Chairman Ye Jianming has developed a two-pronged approach by combining the company's energy business with its financial services. He has put forward a strategy to build a diversified financial services system by acquiring and establishing financial services platforms and obtaining full financial licenses, with the aim to use its own robust financial system to promote the company's energy development strategy.

4. Headquarters in Europe for International Investment Banking

It is the optimal time to acquire Euro-denominated assets, which are undervalued due to the impact of the global economic crisis and the sovereign debt crisis in Europe. CEFC China has set up its second headquarters in Europe as a vanguard for developing international investment banking in Europe. These efforts have positioned CEFC China to cooperate with outstanding enterprises in all of Europe.

Now, the corporate development focuses on the airline and tourism industries as well as industrial manufacturing. Through investments in airline, tourism, special steel and nuclear power, it strives to promote the company's development, jointly goes out with large-scale state-owned enterprises, brings in advanced technologies and managerial experience, enhances the interaction between domestic and international markets, bolsters the industrial upgrading and the supply-front reform in China, and securitizes its assets.

Chairman Ye Jianming

Mr. Jianming Ye, born on June 5, 1977, is Chairman and Executive Director of CEFC China Energy Company Limited, a Global Fortune 500 energy and finance conglomerate. According to the South Chinese Morning Post, “He holds a ‘full’ licence in China’s financial industry – covering insurance, brokerage, banking, trusts, commodities and asset management, alongside state-owned Citic Group and China Everbright Holdings.”²

Mr. Ye ranks as the No. 2 on the Fortune 40 Under 40 list this year, thanks largely to the remarkable rise of his company’s rise. CEFC booked USD 42 billion in revenue in 2015 alone. Mr. Ye’s story is quite remarkable. He founded CEFC in his twenties after a brief time with the forest police in his home southern province of Fujian, a province with a reputation for producing astute businesspeople. After purchasing oil assets with funds from investors in Hong Kong and Fujian. He pitched to those investors an oil business that would operate alongside China’s state oil companies, in the gaps those companies left open.

Ye Jianming, 39

Chairman and Executive Director, CEFC China Energy



Ye Jianming, the 39-year-old CEO of CEFC China Energy.
Courtesy of China Energy Fund Committee

Ye runs a \$42-billion-a-year oil business in China, (No. 229 on the *Fortune* Global 500), yet few in China know much about the mysterious tycoon or the firm he created, CEFC. Ye bought a collection of oil assets in his twenties and secured loans from state-owned banks to expand abroad, a privilege for a private company. CEFC has oil agreements in Kazakhstan, Qatar, Abu Dhabi, and Chad and has gone into ventures with state-owned giants to transport oil to China, making him a rare powerful private player aligned with the Chinese government.

Ye Jianming ranked No. 2 in Fortune's 2016 "Top 40 Under 40"

After several years of economic malaise in Europe following the 2008 global banking crisis, European energy assets started coming up for sale. In China, oil exploration, refining and sales are all dominated by the SOEs as PetroChina and Sinopec, so Mr. Ye has decided to

At the time, China was hungry for crude, but its state-backed companies were having difficulty closing some deals abroad. The optics of China’s state-backed giants marching into a country to buy and extract oil weren’t great for central Asian politicians. This paved the way for private firms like CEFC, which can strike oil deals in Europe and the Middle East where Chinese State Owned Enterprises (SOEs) could bring political liabilities.

To date, CEFC has signed agreements for oil rights or done deals in Kazakhstan, Qatar, Russia, Chad, Angola, and Abu Dhabi, and gone into ventures with China’s state-owned giants to transport oil and gas back to China.

² Yam, Shirley. “Who’s that 39-year-old paying HK\$1.4 billion for three office floors?” February 21, 2017. <<http://www.scmp.com/business/companies/article/2072726/whos-39-year-old-paying-hk14-billion-three-office-floors>>

avoid competing against these large enterprises and instead capitalize on overseas resources. CEFC is building an energy storage and logistics system in Europe from its second headquarters in the Czech Republic to create an exchange between China, Europe and the Middle East, which in turn, serves China's ambitions to have overseas storage locations connected with world markets.

CEFC's won a license to import crude into China in the last year, a potentially lucrative venture. China is the world's second-largest consumer of crude behind the U.S., but declining profits and margins at the country's oil SOEs are increasing the pressure for reform.

Besides energy, Mr. Ye says CEFC might focus on its fledgling investment bank division in the future, which already has investments in the energy sector, which are in tandem with the government's \$4 trillion **One Belt One Road** foreign investment program.

China has the power, now can 'One Belt, One Road' take it down the path to glory?

Jean-Pierre Lehmann says with globalisation stalling and sought-after soft power still elusive, solutions for Beijing may lie along its new silk roads

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COMMENTS: 5


Jean-Pierre
Lehmann

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<http://www.scmp.com/comment/insight-opinion/article/2019640/china-has-power-now-can-one-belt-one-road-take-it-down-path>

Former and Current Posts

Among his post as Chairman for CEFC, Mr. Ye is also Chairman of China Energy Fund Committee, a Hong Kong based think tank with consultative status with the UN, Chairman of the Academy of Chinese Culture, Director of the Shanghai Energy Security Research Center, Chairman of CEFC Shanghai Charity Fund, Economic Adviser to the President of the Czech Republic, and Political Adviser to the New People's Party of Hong Kong. He is also Chairman of the Board of Trustees of the Institute for the Analysis of Global Security (IAGS).

Mr. Ye served as an Executive Chairman of CEFC International Limited from January 4, 2012 to December 2, 2013. He served as Deputy Manager of Zhongneng Fund Association Corporation. He was Founder of Fujian Huaxin Holdings Co., Ltd. and served as its

Chairman of the Board of Directors since 2006. He served as Chairman of the Board of Directors at Shanghai Zhenong Co., Ltd. since 2007. He served as the Chairman of the Board of Directors at CEFC from 2008 to 2009. He was Founder of Singapore Petrol Development Pte Ltd. and served as its Chairman of the Board of Directors since 2011.

Newsroom

“Who’s that 39-year-old paying HK\$1.4 billion for three office floors?”

<http://www.scmp.com/business/companies/article/2072726/whos-39-year-old-paying-hk14-billion-three-office-floors>

Ye Jianming isn’t a name that rings many bells. But it will, considering what he’s achieved so far in a country where the state firms take all. He is the sole private entrepreneur to win a stake in an Abu Dhabi onshore oil concession – which has a lifespan of 40 years – with 4 per cent. British Petroleum and China National Petroleum Corp got 10 and 8 per cent respectively. Why would state giants like CNOOC and Sinopec Group tolerate that? He holds a “full” licence in China’s financial industry – covering insurance, brokerage, banking, trusts, commodities and asset management, alongside state-owned Citic Group and China Everbright Holdings.

“CEFC China agrees to buy Prague office complex from Penta”

<http://www.reuters.com/article/us-penta-cefc-realestate-idUSKBN1342LA>

CEFC China has agreed to buy the Florentinum office complex in Prague from private equity group Penta Investments, the firms said in a statement on Wednesday. They did not disclose the value of the transaction, but the local CTK news agency put it at around 283 million euros (\$311.50 million) without identifying its sources.

“CEFC China Takes Shares from the Biggest Oil Gas Field in UAE”

<http://www.crossroadstoday.com/story/34554521/cefc-china-takes-shares-from-the-biggest-oil-gas-field-in-uae>

China Energy Company Limited (CEFC China), which ranks 34th among the Fortune Global 500's energy industry list, announced yesterday that it has gained 40 years of equities in the biggest land oil gas field in Abu Dhabi, UEA.

“CEFC China Energy wins 4 percent stake in UAE oil project”

<http://www.cnbc.com/2017/02/20/the-associated-press-cefc-china-energy-wins-4-percent-stake-in-uae-oil-project.html>

DUBAI, United Arab Emirates (AP) — The United Arab Emirates' main state oil company has agreed to give CEFC China Energy a 4 percent stake in a major onshore oil project a day after awarding a minority stake to another Chinese company. The Abu Dhabi National Oil Company said Monday that CEFC is paying an entry fee of \$888 million for the concession operated by the Abu Dhabi Company for Onshore Petroleum Operations, also known as ADCO.

“China's CEFC Agrees With Kazakh State Oil Unit On Stake Transfer”

http://www.rigzone.com/news/oil_gas/a/148037/chinas_cefc_agrees_with_kazakh_state_oil_unit_on_stake_transfer

BEIJING, Jan 9 (Reuters) - Private group CEFC China Energy has signed a new deal with a unit of Kazakhstan's state oil and gas company owning assets mainly in Europe to go ahead with a stake transfer that was agreed a year earlier, CEFC executives said on Monday.

“China's CEFC buys 51 percent of KMG International shares in Rompetrol”

<http://www.nineoclock.ro/chinas-cefc-buys-51-percent-of-kmg-international-shares/>

The KMG International NV (KMGI), the major shareholder of the Rompetrol Rafinare (Rompertol Refinement) announced on Thursday that negotiations between the national company KazMunayGas from Kazakhstan and the Chinese company CEFC, for the transaction to purchase 51 percent of the KMGI shares have reached the final stage.

“China's oil baron invests in Evergrande” <http://www.ejinsight.com/20170106-chinas-oil-baron-invests-in-evergrande/>

In an eye-catching deal, China Evergrande Group (03333.HK) introduced eight strategic investors who will contribute 30 billion yuan for a combined 13.16 percent of the enlarged equity interest in the firm's property unit Hengda Real Estate. The transaction values Hengda at 228 billion yuan (US\$33.3 billion), surpassing top developer China Vanke's (02202.HK) 224 billion yuan market capitalization.

“CEFC Shanghai International Group Again Ranks 1st in the 2016 Top 100 Shanghai Private Enterprises” <http://uk.cefc.co/detail/news/645?lang=cn>

On the afternoon of 25th, August, the list of 2016 Top 100 Shanghai Enterprises was released, and CEFC Shanghai International Group Limited (CEFC Shanghai) ranks 8th on the list and for a second straight year 1st among private companies. A symposium of company representatives themed on “Forging Confidence in Innovative Development, Lending Support to Science and Innovation Center Construction” was also held...

“CEFC hits record \$837m of clean energy investments in 2015-16”

<http://reneweconomy.com.au/2016/cefc-hits-record-837m-clean-energy-investments-2015-16-14162>

The Clean Energy Finance Corporation has marked its third year of operation with a record \$837 million committed to new investments in the Australian clean energy sector, contributing to projects with a total value of \$2.5 billion...

“CEFC China Energy invests in East Siberian oilfield”

http://economictimes.indiatimes.com/articleshow/47998083.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

BEIJING: A small Chinese energy firm has signed a deal with a state-controlled Russian oil company to invest in an East Siberian oilfield project...

“China's CEFC adds to Czech buying spree”

<http://www.reuters.com/article/us-czech-china-cefc-idUSKCN0R50B320150905>

China's sixth largest private company CEFC added to a weeklong buying spree in the Czech Republic on Saturday, announcing deals to buy a majority stake in a top brewery group and a share in an airline company in the central European country...

“China's CEFC bumps up Travel Service stake to 49.92%”

<http://www.ch-aviation.com/portal/news/45186-chinas-cefc-bumps-up-travel-service-stake-to-4992>

CEFC China Energy Company has increased its shareholding in Travel Service Airlines (QS, Prague) to 49.92% after it exercised rights to an additional 39.92% tranche...

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Prepared by
James A. Gilliar

