

# 2017 Interim Results Presentation

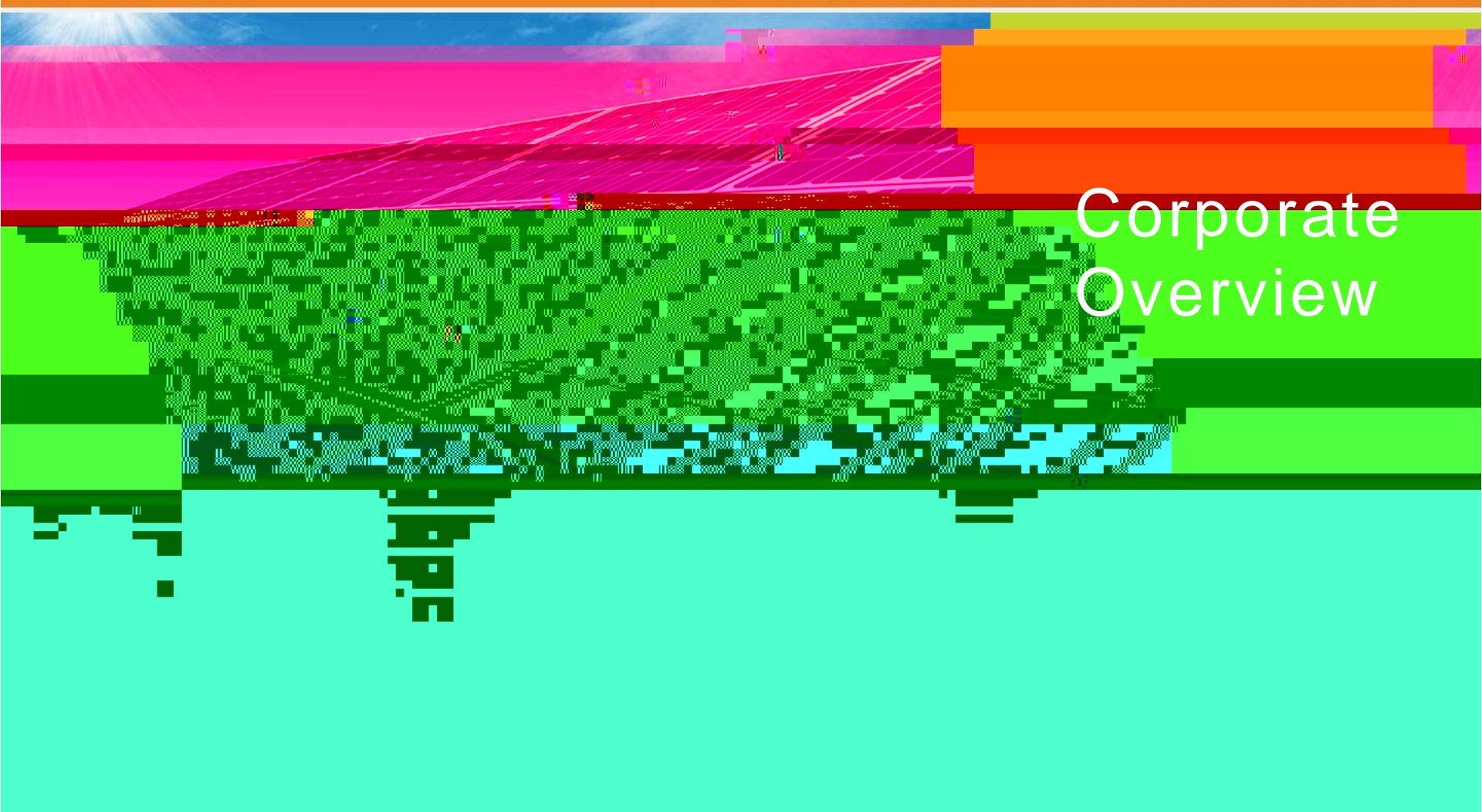






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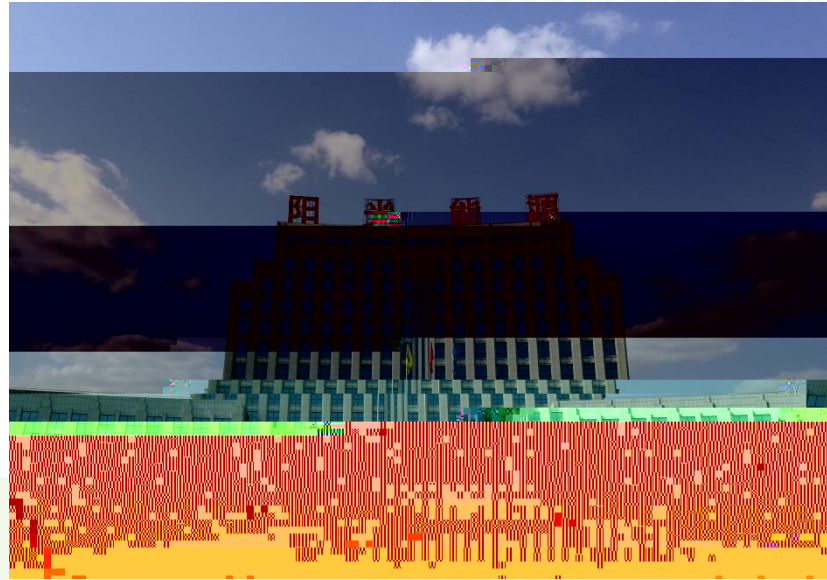




# Corporate Overview



# Corporate Overview



Established in 2001, the largest in Northeast China, high-ranking of the photovoltaic manufacturing corporate of the country. Focus on vertical integration for monocrystalline products, providing one-stop solutions from ingots, wafers, cells, modules to the development, design, construction, operation and maintenance of PV System.



Cross-listed in Hong Kong (00757.HK) and Taiwan (9157.TT)



# Corporate Overview



- One of the first corporates to engage in monocrystalline silicon solar ingots/wafers in China, with 16 years in P-type monocrystalline and 15 years in N-type monocrystalline products manufacturing experience.
- The only corporation to receive the honour of exemption of examination in monocrystalline silicon solar ingots in China.
- Having high conversion rates and consistent battery products, including anti-PID cells, large-sized





# Ingots, Wafers



- \_\_\_\_\_
- 462 monocrystalline furnace, 116 wafer slicing machines, 1.2GW capacity, top three capacity within China.

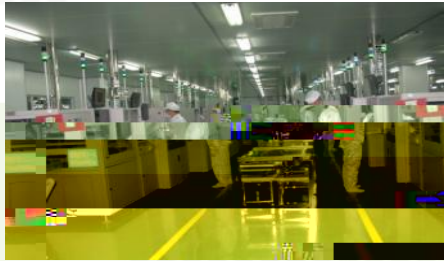
- \_\_\_\_\_
- One of the first in the field of monocrystalline ingot, with 16 and 15 years of experiences in P-type and N-type production, respectively.

- \_\_\_\_\_





# Solar cells

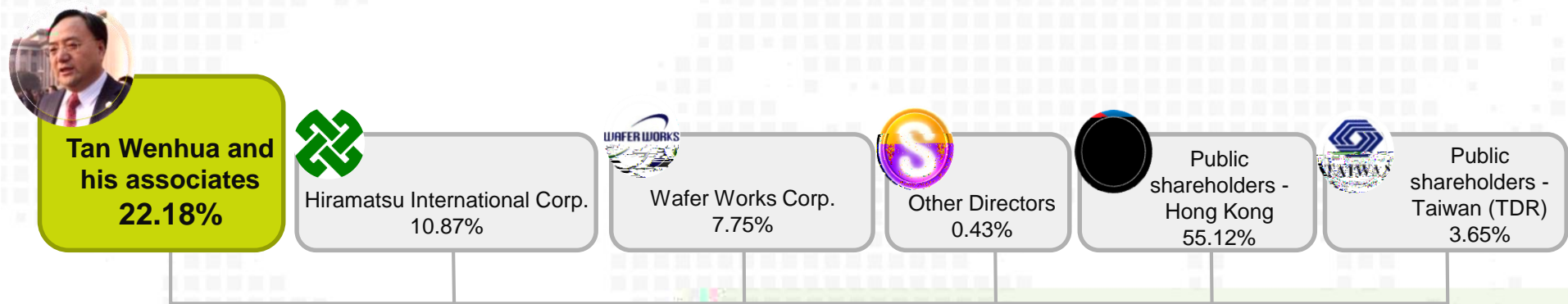








# Shareholding Structure as at 30 June 2017



**Number of issued shares 3,211,780,566**







# Major Customers



北京控股集团有限公司  
BEIJING ENTERPRISES GROUP COMPANY LIMITED



信義玻璃  
XINYI GLASS

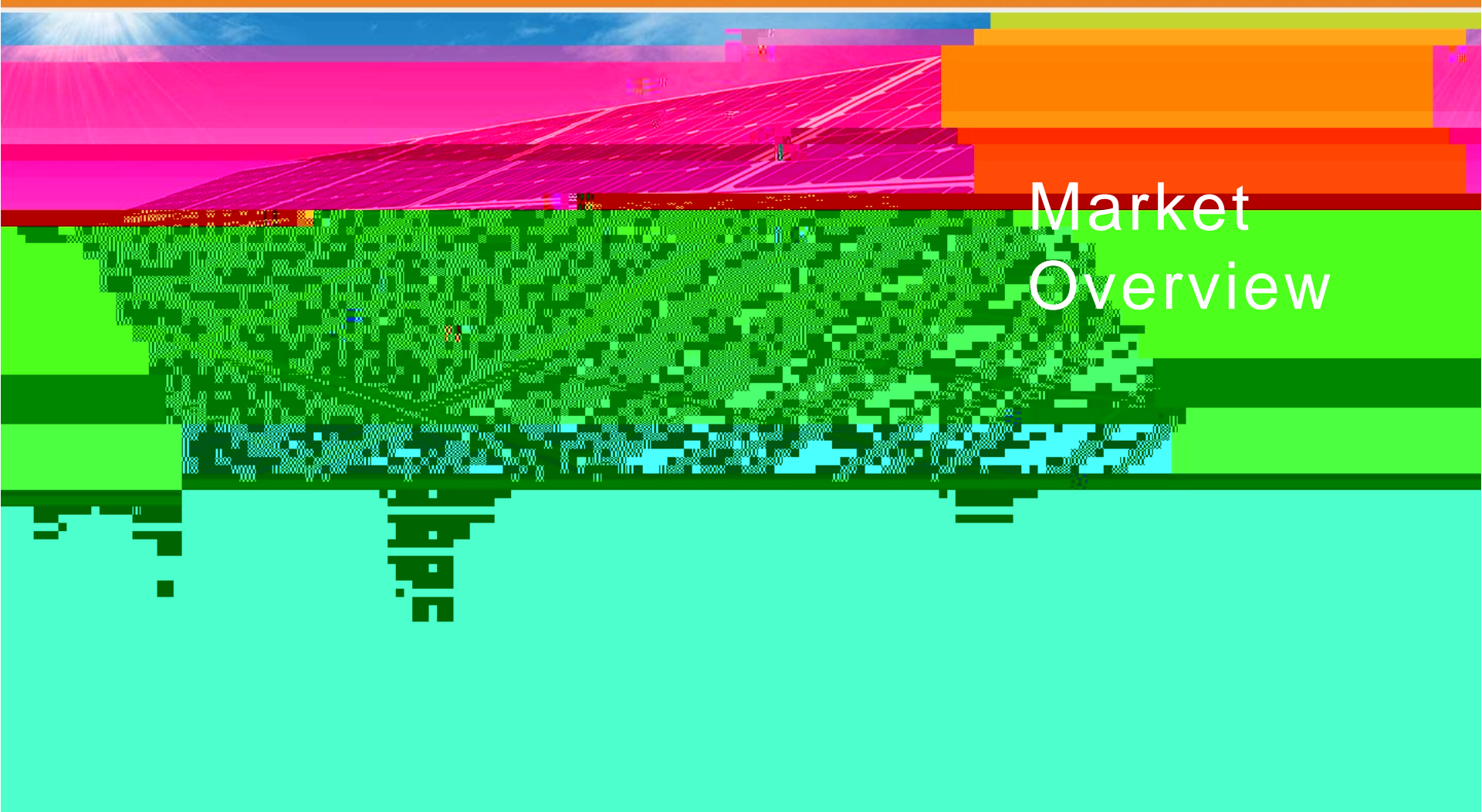


SUNTECH





# Market Overview







## USA

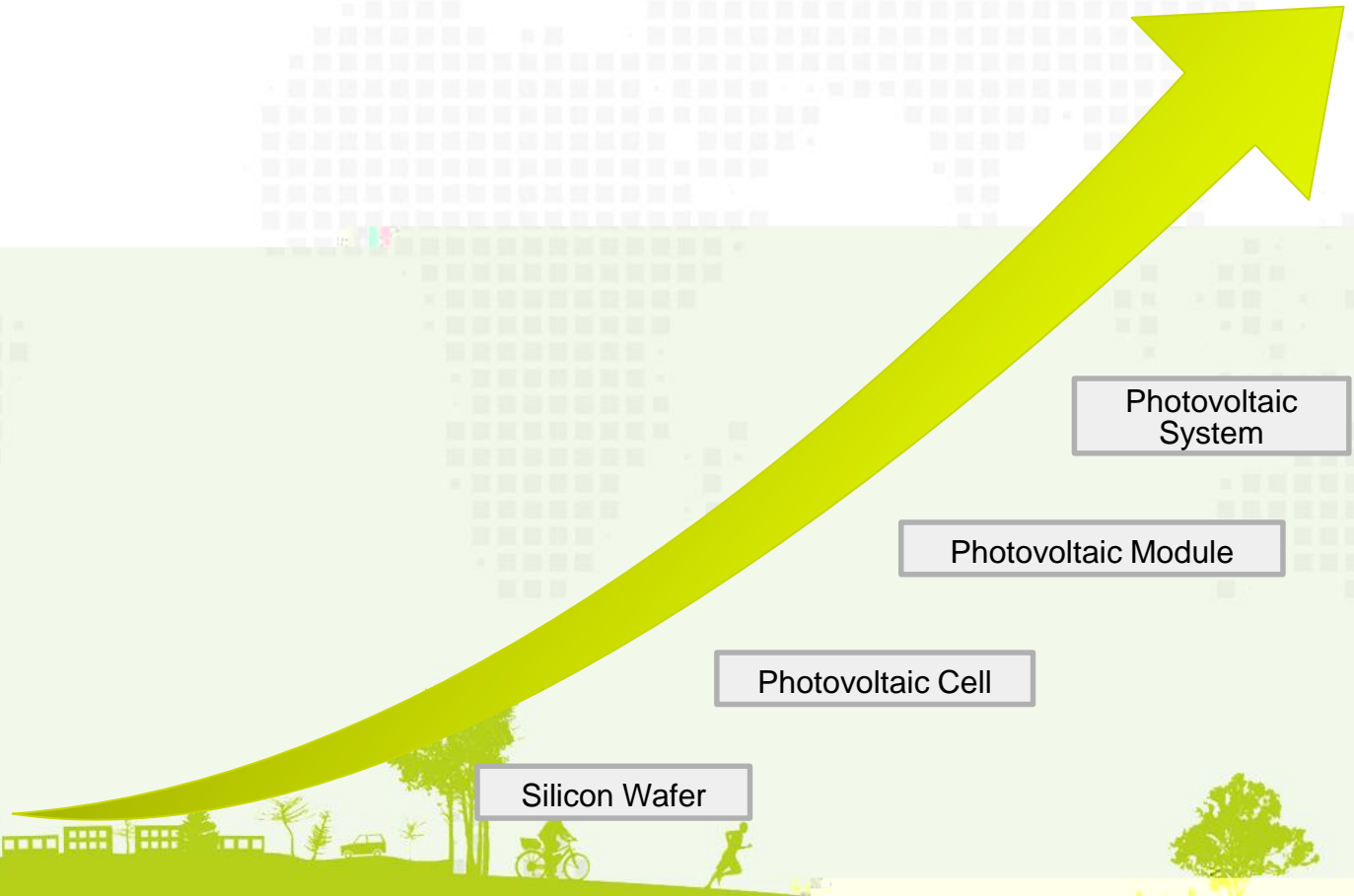
- According to the latest research data from GTM Research and the US Solar Energy Industries Association (“SEIA”), the photovoltaic installations reached 2.04GW in the first quarter in 2017 alone. According to the existing photovoltaic projects currently under construction and also those being planned, it is predicted that the newly installed photovoltaic capacity in the United States will be slightly lowered from 14.6GW in 2016 to 13.2GW in 2017, of which 66% will be large-scale ground photovoltaic power plants. By 2022





# Business Review



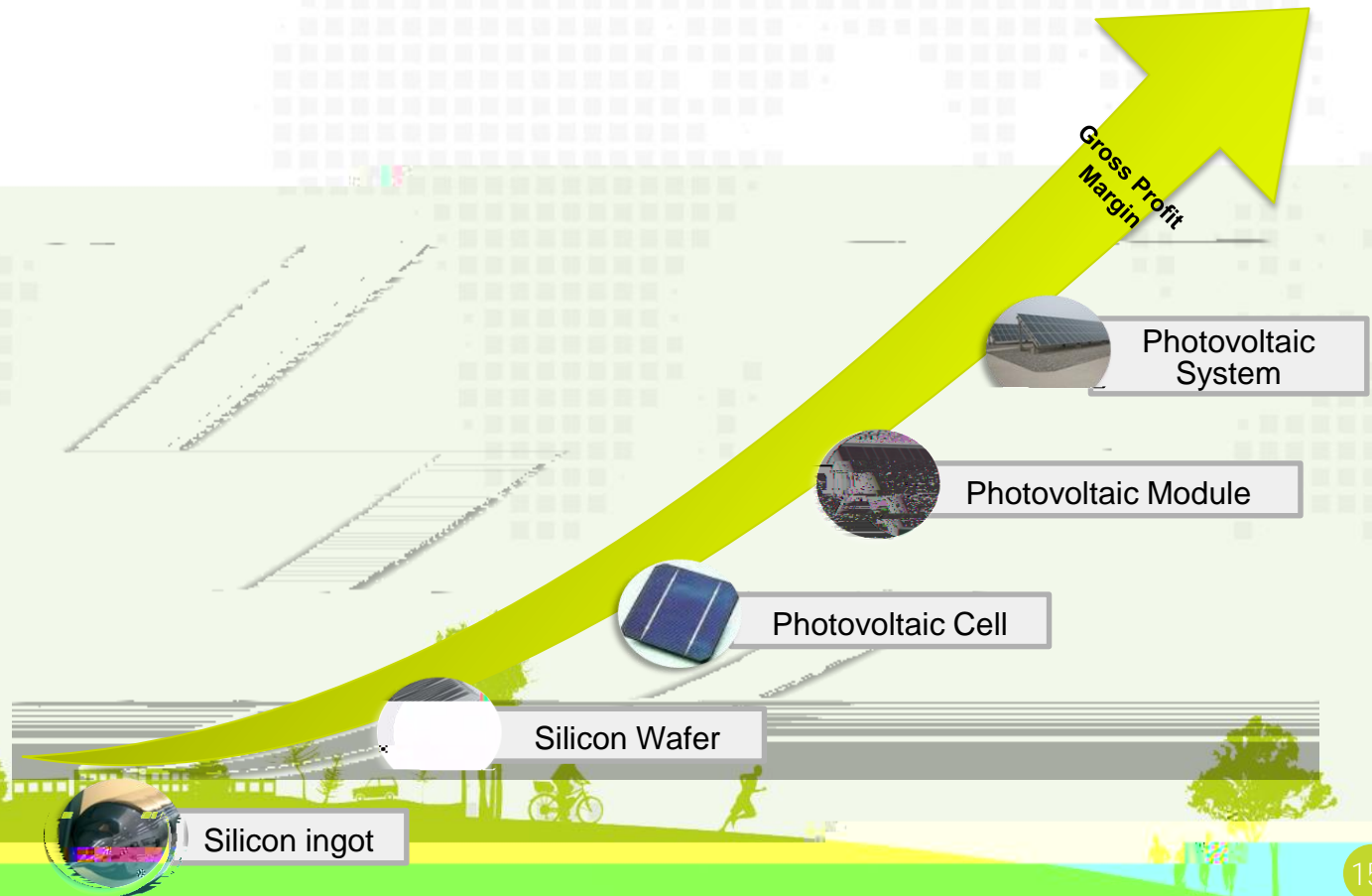


Silicon Wafer

Photovoltaic Cell

Photovoltaic Module

Photovoltaic System





# Production Capacity and Product Range

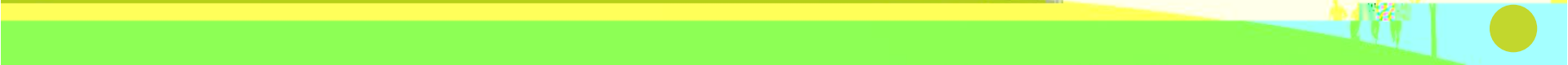


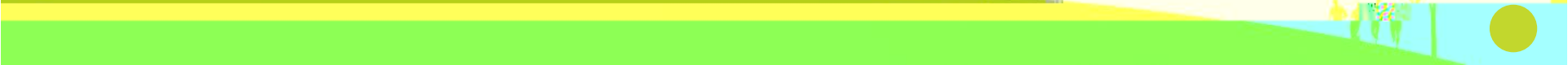






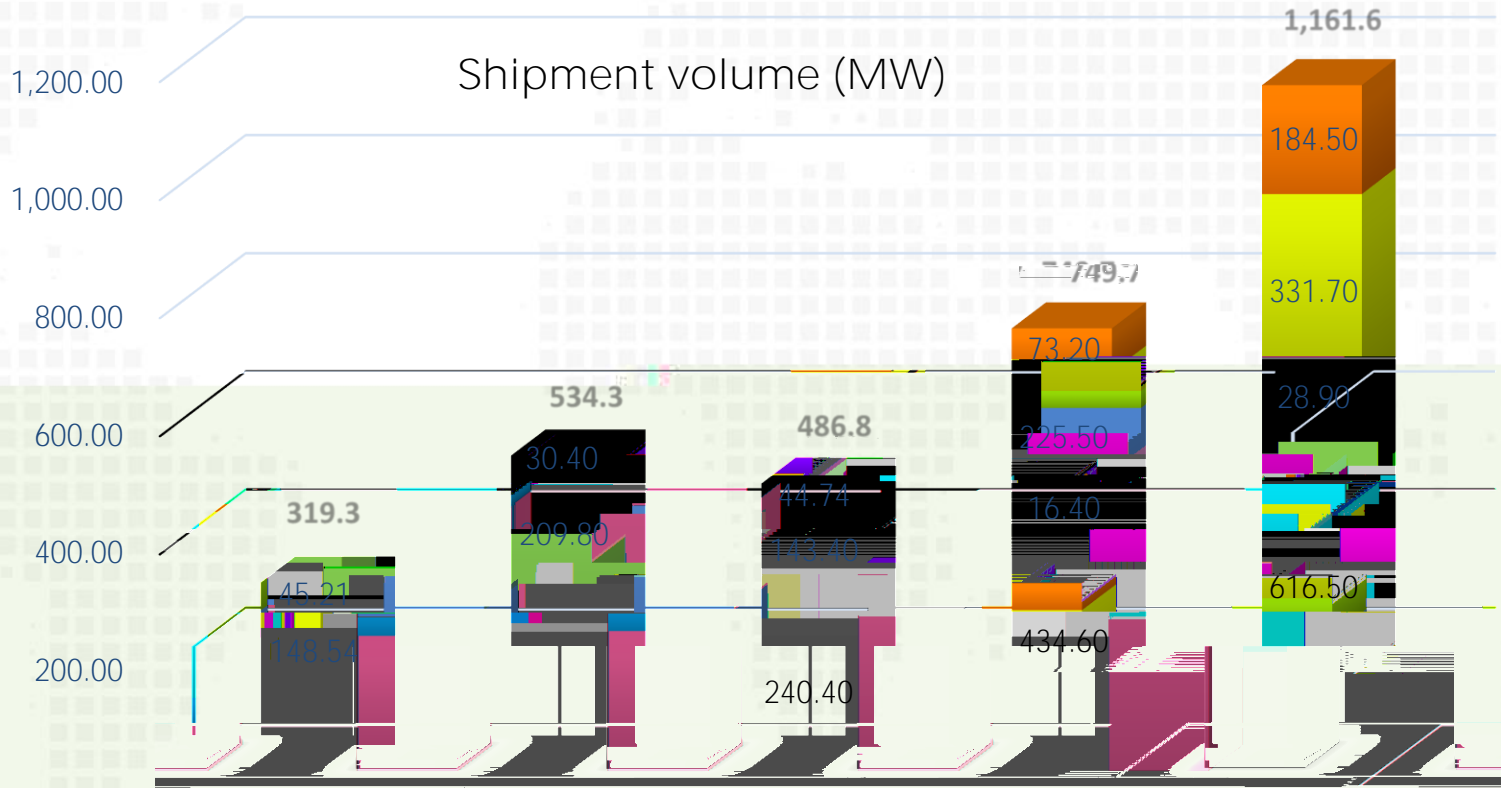
# Financial Performance



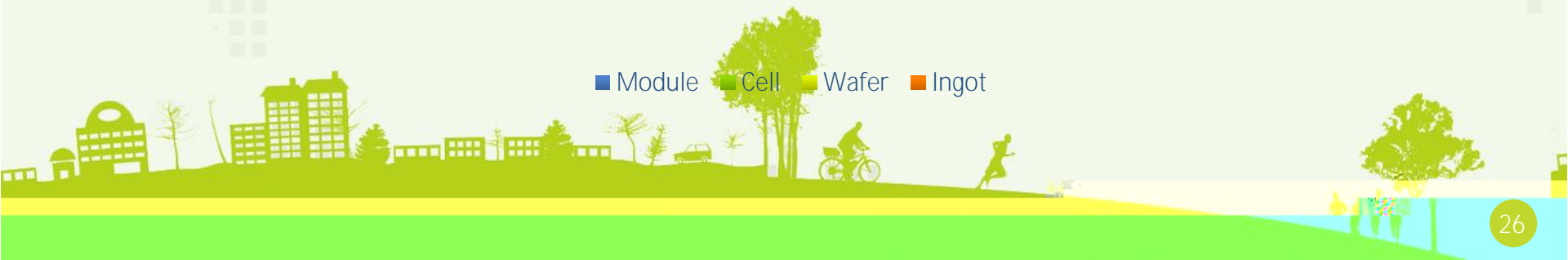




# For 6 months ended Shipment Volume, Grown Rapidly



■ Module ■ Cell ■ Wafer ■ Ingot



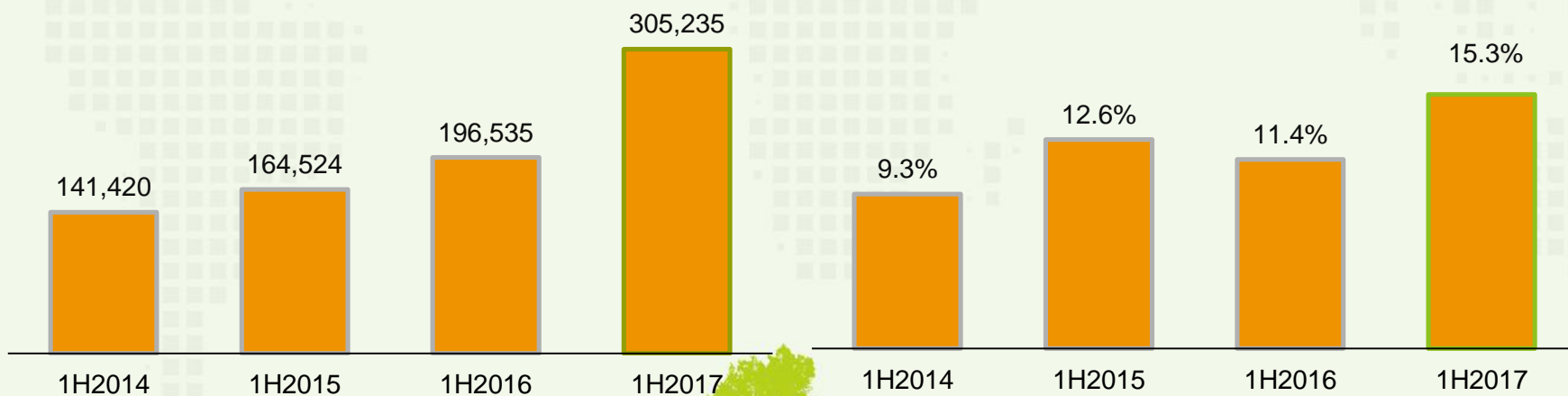



# Gross Profit and Gross Profit Margin, Steadily Growth



- The Group completed the upgrade and transformation work on certain segment of the production capacity, production capacities and production volume has resumed normal. It enjoys advantages of economies of scale from its production scale. Through expansion of upstream and downstream products sales volume, it drives the growth of the Group's consolidated gross profit margins under the vertical integration strategy.
- The Group recorded a gross profit of RMB305.235 million and a gross profit margin of 15.3% for the six months ended 30 June 2017, as compared to a gross profit of RMB196.535 million and a gross profit margin of 11.4% for the corresponding period ended 30 June 2016.

**Gross Profit Margin (%)**



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- Since upgrade and transformation work was performed on upstream ingot and wafer manufacturing capacities last year, utilization ratio was relatively low and affected the realization of the benefit from economy of scale; long-term raw material, polysilicon, supply contract led to last year's losses. Since the turn of the year, production has resumed normal operations and external shipment volume increased from 749MW in the corresponding period of last year to 1,161MW in the first half of 2017, representing an increase of 55%.
  - Further, long-term supply contract of high purchase price raw material, polysilicon, has mainly been completed and with the huge jump in capacity utilisation, the Group's bargaining power has improved significantly. Gross profit margins has also improved from 11.4% to 15.3%, representing an increase of 34%. The Group was able to enjoy the full benefit of economy of scale, and hence officially turned around its losses. Based on the above reasons, comparing to the operating profit of RMB30.283 million in the corresponding period of 2016, operating profit increased significantly to RMB181.663 million during the first half of 2017. This represented an increase of 500%.





# Results Highlight



(RMB '000)	2017.6.30	2016.12.31	Change
<b>Current Assets</b>	<b>2,829,165</b>	2,284,503	544,662
<b>Current Liabilities</b>	<b>3,368,143</b>	2,937,233	430,910
<b>Total Assets</b>	<b>4,653,393</b>	4,274,548	378,845
<b>Total Liabilities</b>	<b>3,649,668</b>	3,395,860	253,808
<b>Net Assets</b>	<b>1,003,725</b>	878,688	125,037
<b>Net asset per share (RMB)</b>	<b>0.29</b>	0.25	16%
<b>Net asset per share (HKD)</b>	<b>0.34</b>	0.29	16%

Note: RMB 1 = HKD 1.175





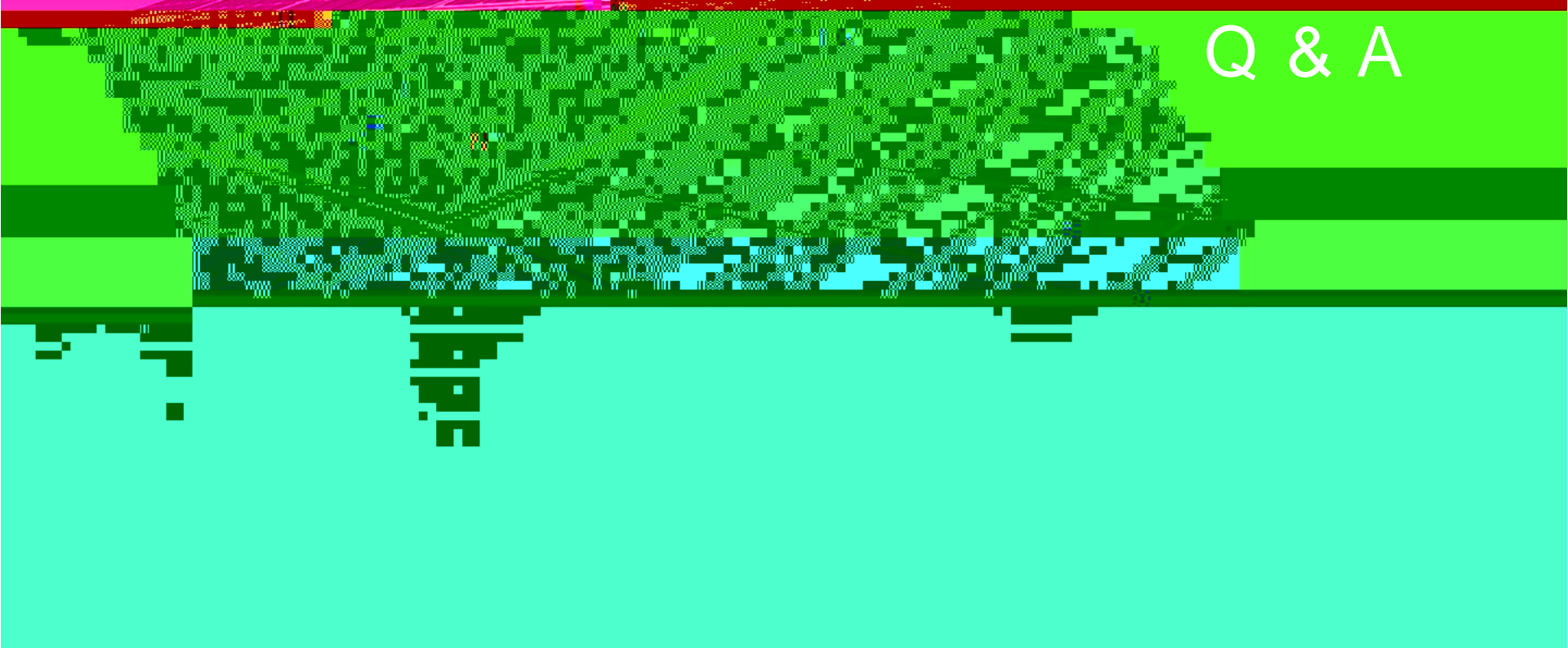
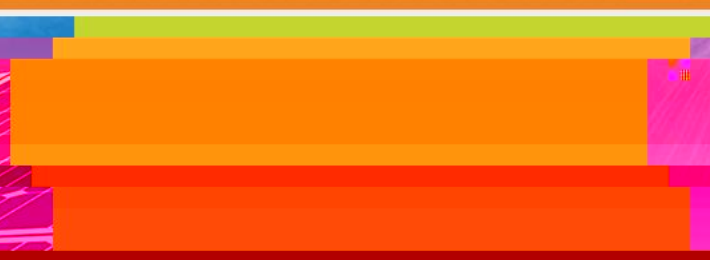
# Financial Ratios





# Future Plans and Strategies





Q & A