



Solargiga Energy Holdings Limited
陽光能源控股有限公司

2011 Annual Results
29 March 2012

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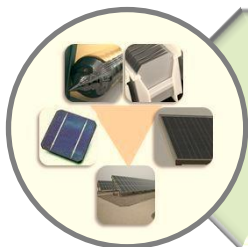
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Corporate Overview

Corporate Profile



We are one of the leading monocrystalline silicon solar ingot and wafer provider in China



We provide total solution from ingots to system installations in solar industry through our unique “inverted pyramid” business model



We are currently the only solar company cross-listed in Hong Kong (00757.HK) and Taiwan (9157.TT)

Major Achievements in 2011



Acquired cell business and completed vertical integration



Entered into 3-Year syndicated loan of US\$75 million with 11 banks

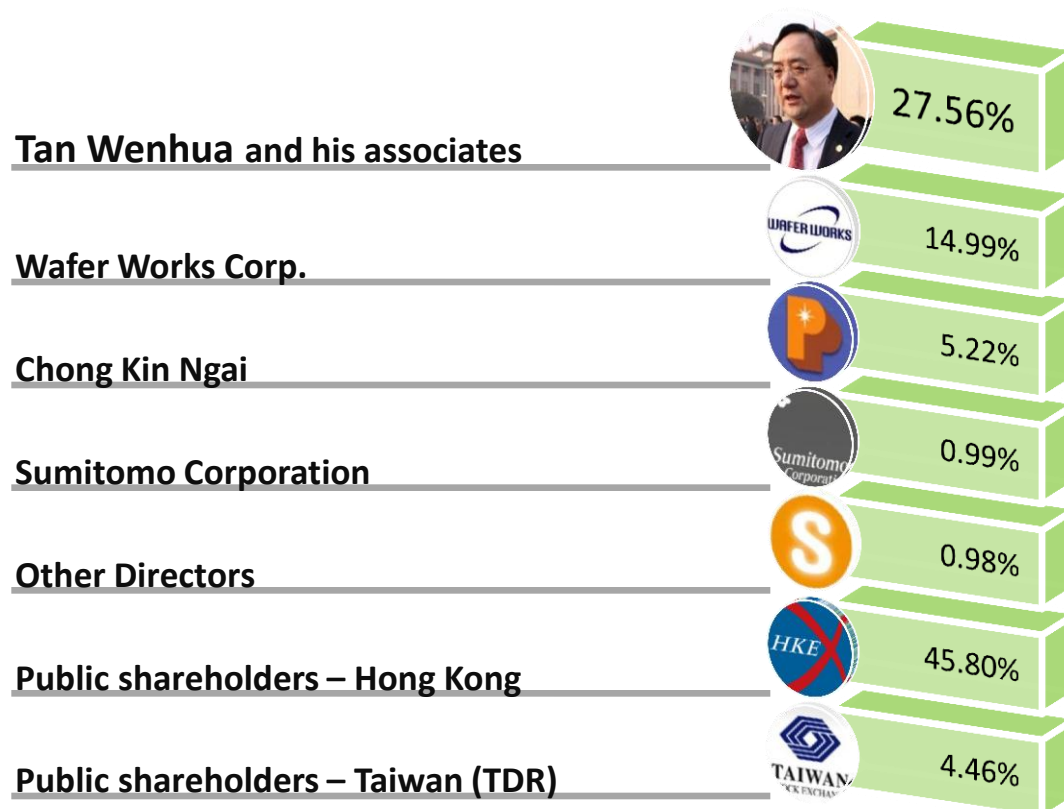


Issued 3-Year RMB denominated bonds of RMB300 million



Completed 33.5MW PV installations in Jinzhou, Liaoning Province and Golmud, Qinghai Province

Shareholding Structure



Number of issued shares

2,242,170,425

Manufacturing Base



Jinzhou, Liaoning (遼寧錦州)

- Major manufacturing base
- Polysilicon reclaiming and upgrading facilities
- **800MW monocrystalline silicon ingot**
- **900MW monocrystalline silicon wafer**
- **300MW photovoltaic cell**
- Joint venture project of **150MW photovoltaic module** which is 51% owned by the Group
- Joint venture project of **multicrystalline silicon ingot and wafer** which is 37% owned by the Group

Xining, Qinghai (青海西寧)

- Joint venture project of **400MW monocrystalline silicon ingot** which is 51% owned by the Group







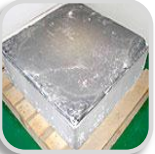





Shanghai (上海)

- Polysilicon reclaiming and upgrading facilities

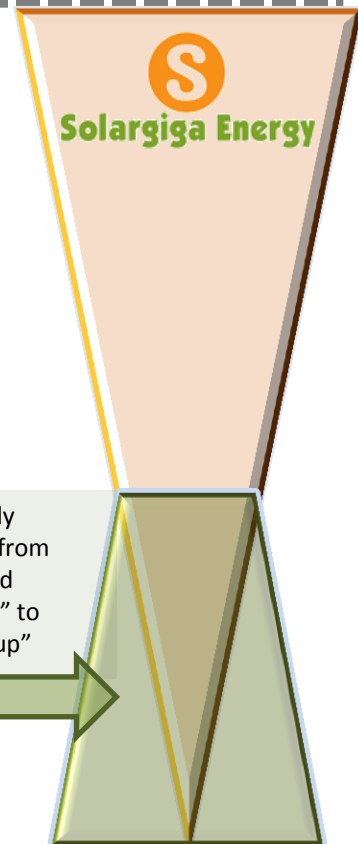


Product Range



Silicon		   	<ul style="list-style-type: none"> Reclaiming and upgrading of polysilicon Long term business relationship with renowned polysilicon suppliers
Ingot			<ul style="list-style-type: none"> 800MW in Jinzhou + 400MW in Xining
Wafer			<ul style="list-style-type: none"> 900MW
Cell			<ul style="list-style-type: none"> 300MW
Module			<ul style="list-style-type: none"> 150MW
System			<ul style="list-style-type: none"> Completed 33.5MW PV installations in 2011 (Jinzhou and Golmud)

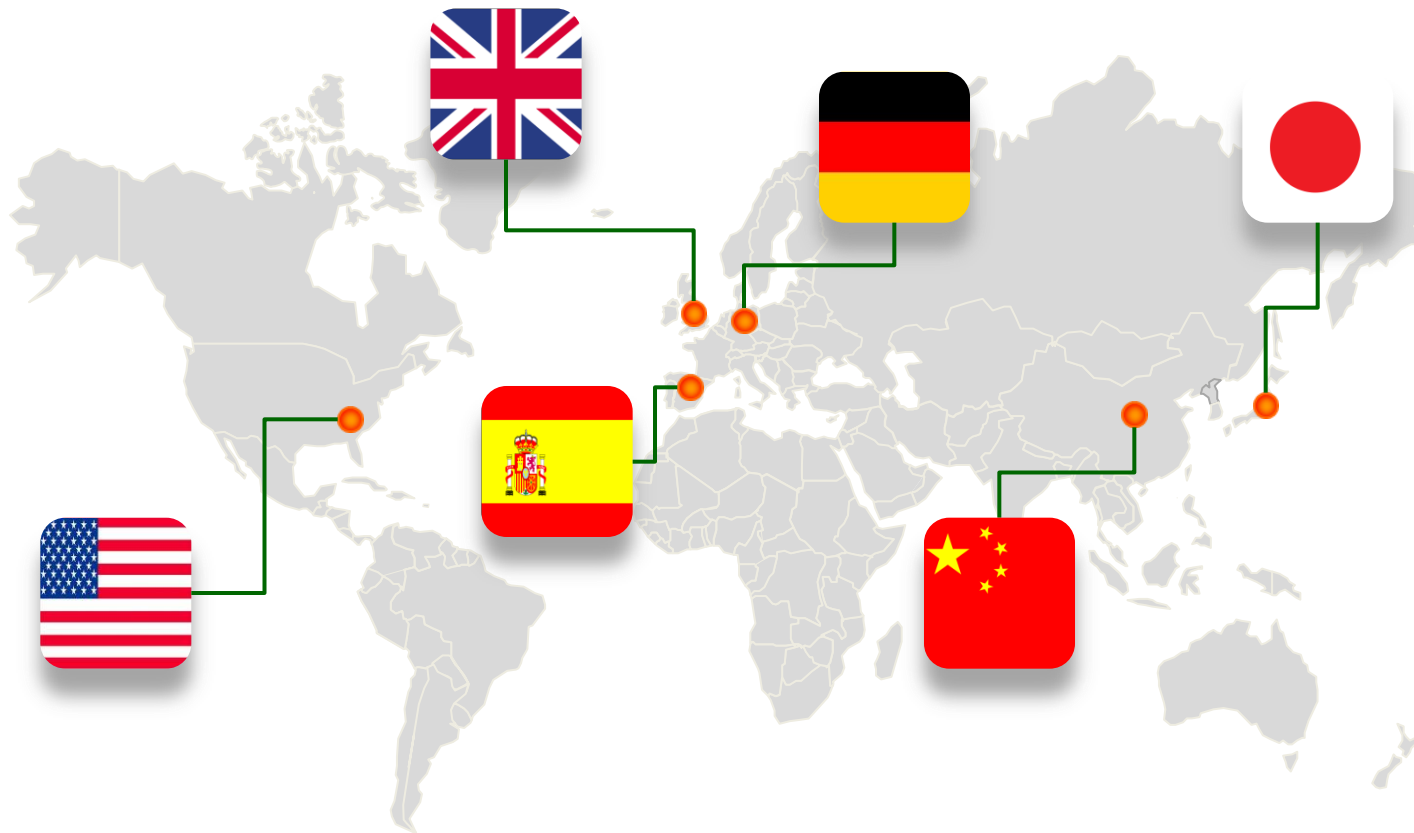
Vertical Integration Strategy



Customer Base



- Well-diversified customer base in the PRC and overseas
- Maintained long-term relationship with customers





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Financial Performance

Results Highlight



- Revenue hits record RMB2.7 billion (2010: RMB1.8 billion)
- Shipment volume reached record high at 553MW (2010: 342MW)
- One-off write down of inventories RMB161.7 million (2010: Nil)

(RMB'000)	1H2011	2H2011	2011	1H2010	2H2010	2010	Change
Revenue	1,274,146	1,505,077	2,779,223	796,411	1,058,358	1,854,769	+49.8%
Underlying Gross Profit ⁽¹⁾	313,926	101,623	415,549	95,247	317,996	413,243	+0.6%
Underlying Gross Profit Margin ⁽¹⁾	24.6%	6.8%	15.0%	12.0%	30.0%	22.3%	-7.3pp
Reported Gross Profit	287,261	(33,413)	253,848	95,247	317,996	413,243	-38.6%
EBITDA ⁽¹⁾	260,544	173,324	433,868	86,609	268,748	355,357	+22.1%
Profit from Operations	159,365	(53,228)	106,137	60,916	239,981	300,897	-64.7%
Profit Attributable to Equity Shareholders of the Company	112,792	(58,501)	54,291	41,164	172,957	214,121	-74.6%
Basic EPS (RMB cents)			2.46			11.85	-79.2%

Note:

(1) Excluded one-off inventory write-down of RMB161,701,000 (1H2011: 26,665,000; 2H2011: 135,036,000) in 2011 (2010: Nil).

Financial Position



(RMB'000)

Current Assets

Current Liabilities

Total Assets

Total Liabilities

Net Assets

Net Tangible Assets

2011

2010

Change

1,647,607

1,540,546

+7.0%

1,352,354

1,113,576

+21.4%

5,048,685

3,043,223

+65.9%

2,775,789

1,397,508

+98.6%

2,272,896

1,645,715

+38.1%

1,836,575

1,645,715

+11.6%

Key Financial Ratios



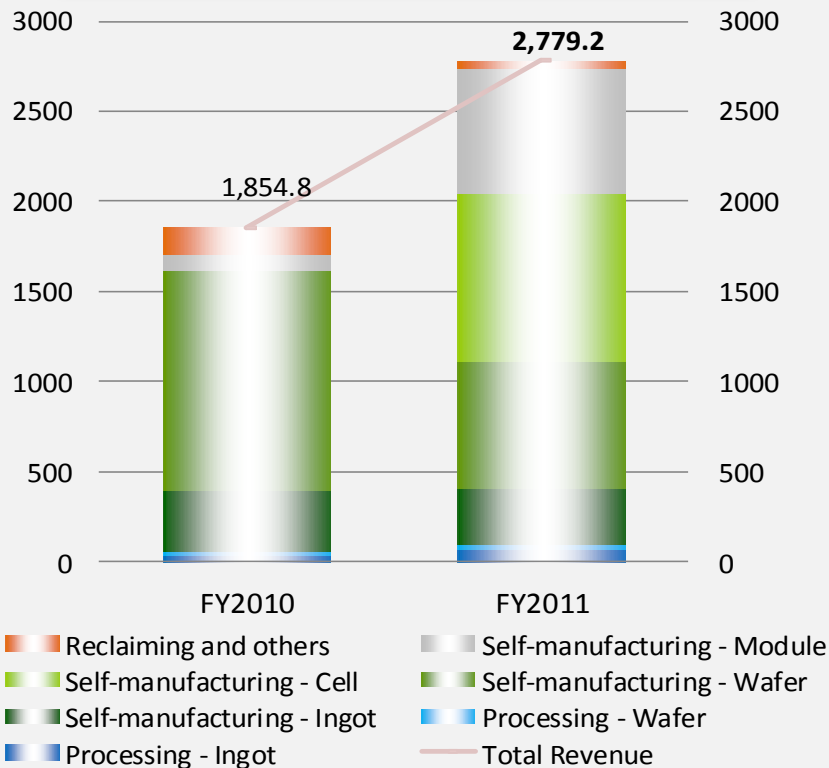
	2011	2010	Change
<u>Turnover Day Analysis</u>			
Trade Receivables Turnover (Days)	23	33	-10
Trade Payable Turnover (Days)	20	32	-12
Inventory Turnover (Days)	57	104	-47
<u>Gearing Analysis</u>			
Current Ratio (times)	1.2	1.4	-0.2
Total Liability Ratio (times)	1.4	0.8	+0.6
Net Debt to Equity (%)	49.1%	12.3%	+36.8pp
Net Debt to Tangible Net Worth (%)	62.5%	17.2%	+45.3pp
Interest Coverage Ratio (times)	5.1	16.3	-11.2
<u>Return Analysis</u>			
Return on Assets (%)	1.1%	7.0%	-5.9pp
Return on Equity (%)	2.4%	13.3%	+10.9pp

Revenue and Shipment Volume

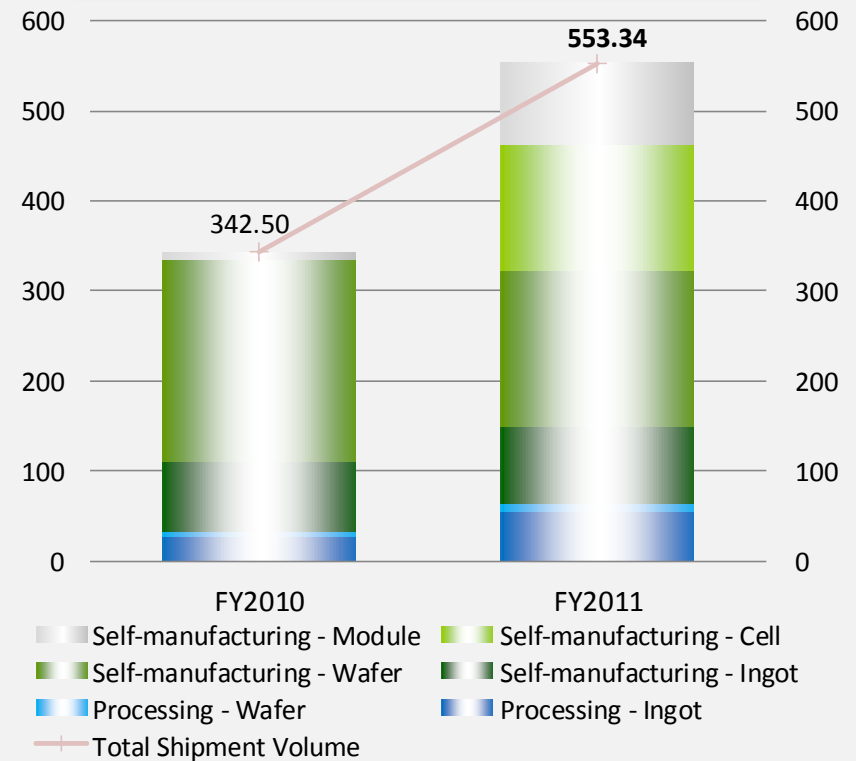


- Every parts within the value chain becomes revenue contributors after vertical integration

Revenue (RMB million)



Shipment volume (MW)



Revenue – Quarterly by Products



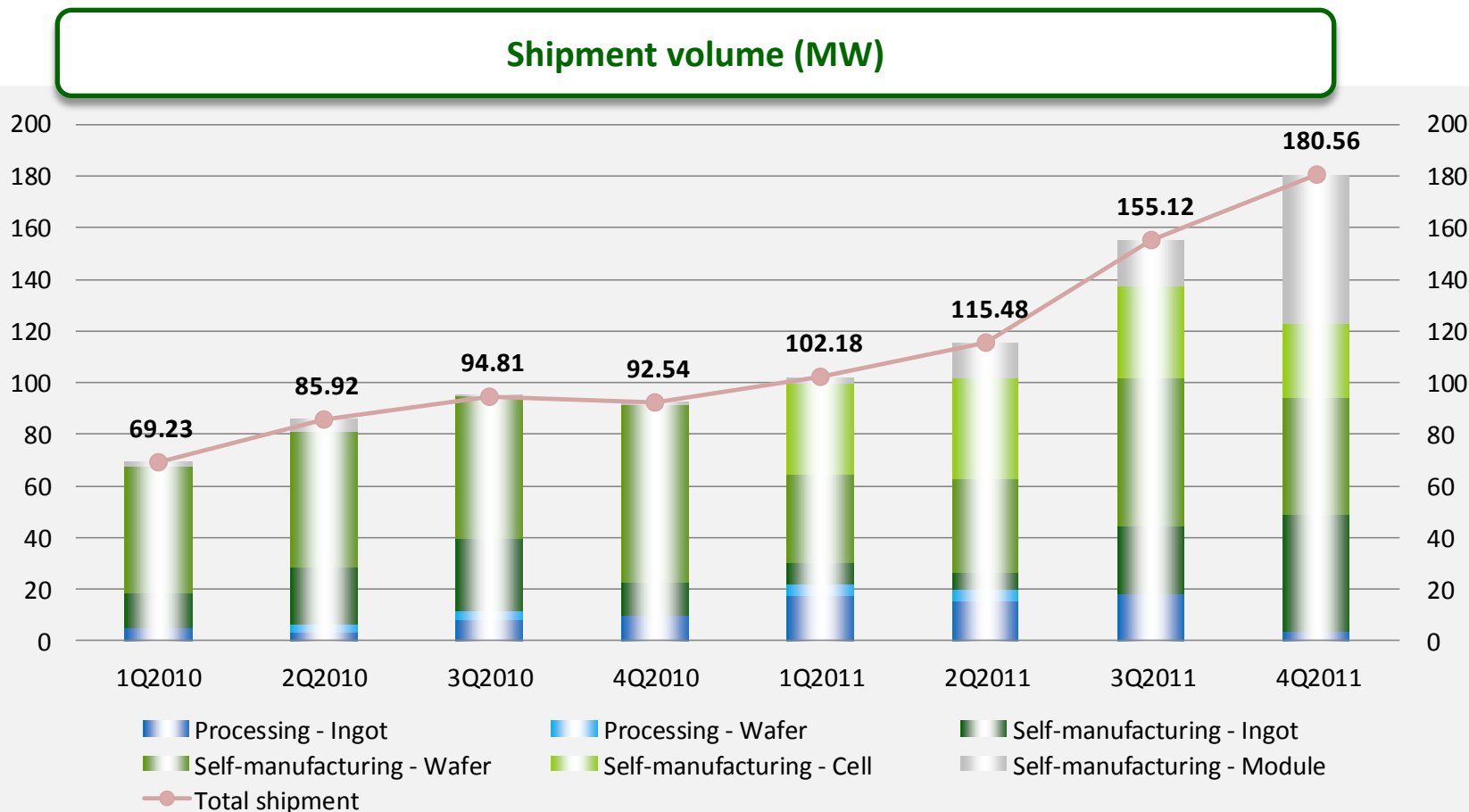
- Revenue growth quarter-on-quarter

(RMB million)	1Q2010	2Q2010	3Q2010	4Q2010	FY2010	1Q2011	2Q2011	3Q2011	4Q2011	FY2011
Processing - Ingot	5.7	4.9	12.7	14.6	37.9	24.1	19.4	23.1	4.6	71.2
Processing - Wafer	0.1	10.7	11.8	-	22.6	12.9	12.7	-	-	25.6
Self Manufacturing - Ingot	56.6	90.3	123.6	62.9	333.4	35.2	22.2	105.9	146.0	309.3
Self Manufacturing - Wafer	247.1	274.9	307.3	398.5	1,227.8	192.0	182.2	223.8	107.4	705.4
Self Manufacturing - Cell	-	-	-	-	-	291.6	285.9	214.2	137.4	929.1
Self Manufacturing - Module	19.2	56.8	0.2	11.8	88.0	24.9	132.5	139.4	396.9	693.7
Reclaiming and others	5.8	24.3	49.2	65.8	145.1	10.2	28.3	2.5	3.9	44.9
Total	334.5	461.9	504.8	553.6	1,854.8	590.9	683.2	708.9	796.2	2,779.2

Shipment Volume – Quarterly by Products



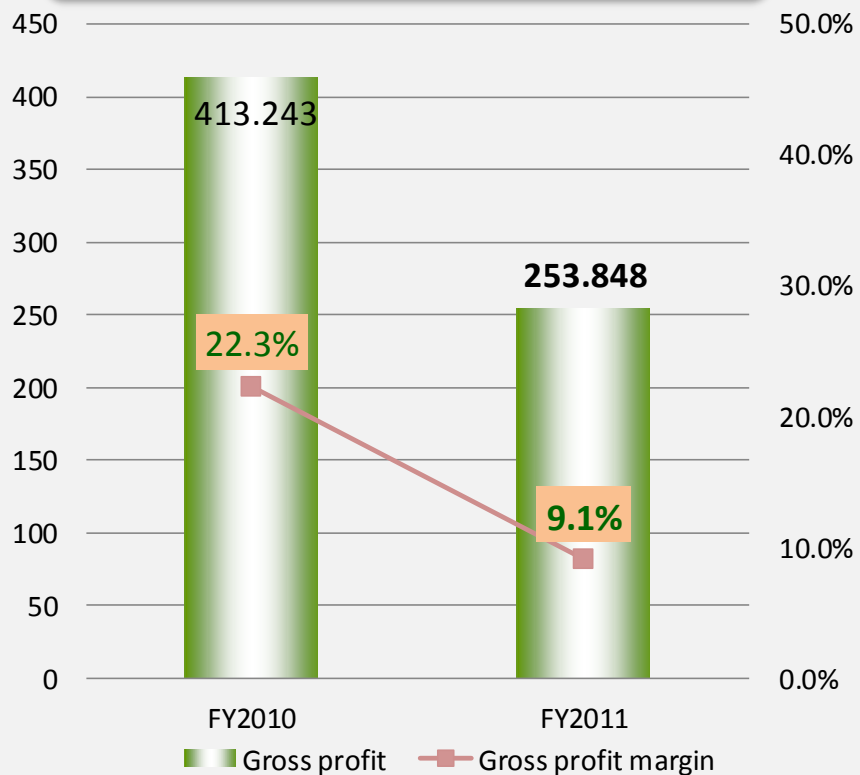
- Shipment volume kept growing



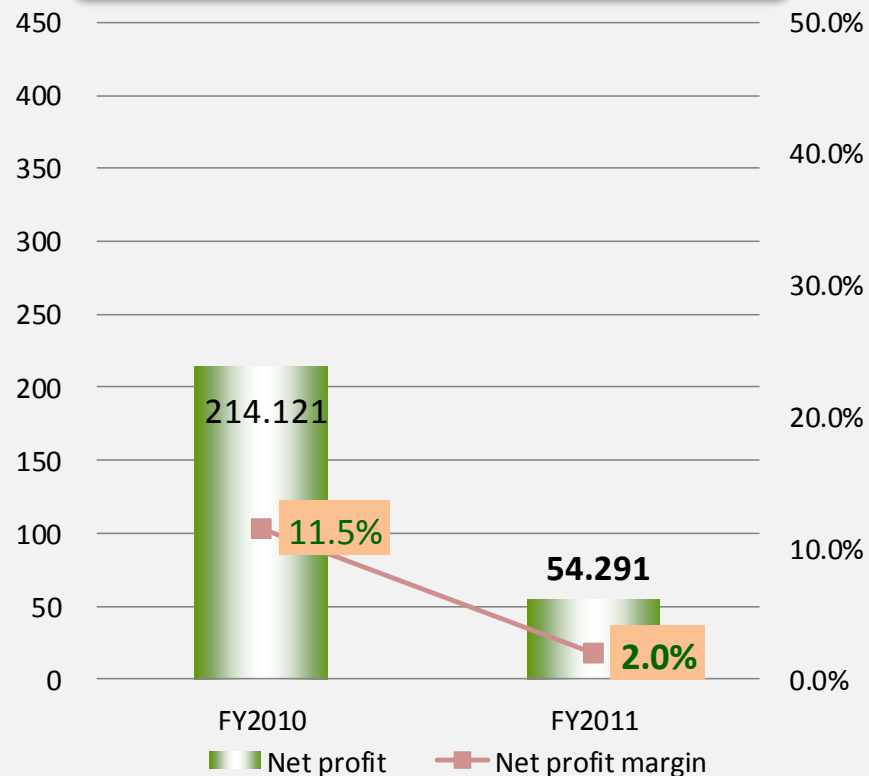
Gross Profit and Net Profit



Gross Profit (RMB million)



Net Profit (RMB million)

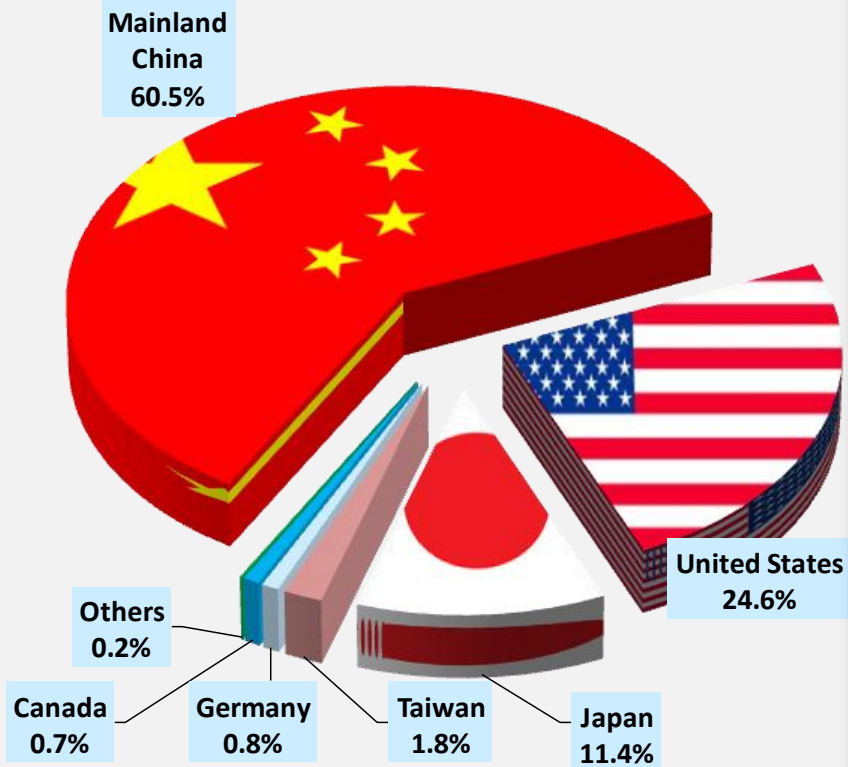


Revenue – By Geographical Segment

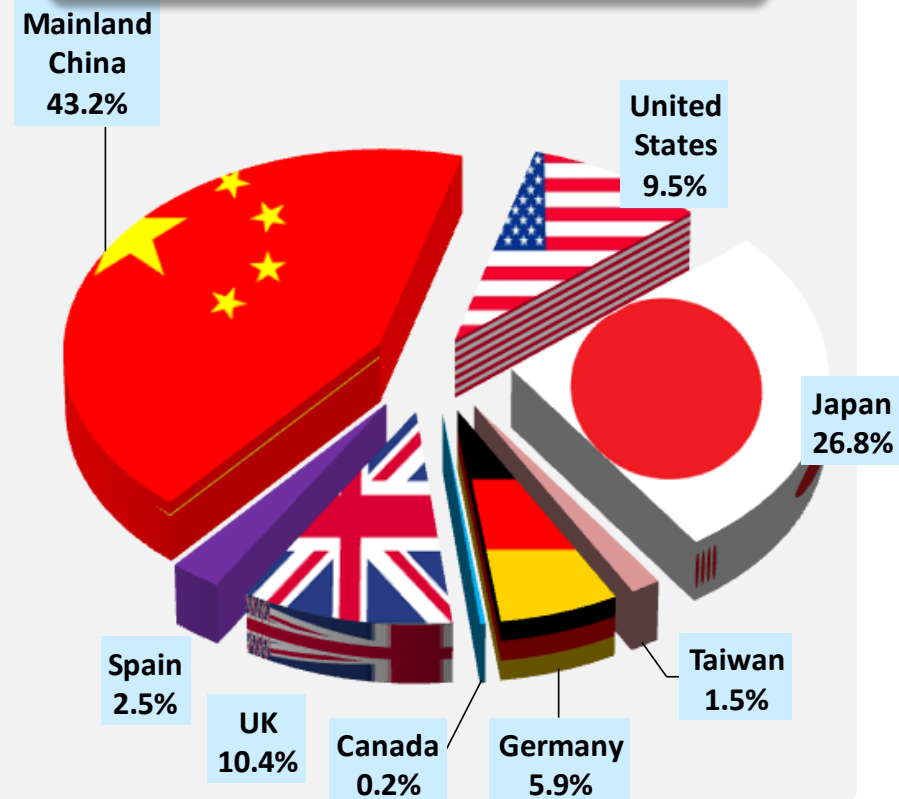


- Further expansion in overseas markets

2010



2011





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Business Review

Solar Ingots and Wafers



- Completed ingot production plant in Xining, Qinghai, strengthened our leading position in monocrystalline solar products in the industry
- Manufacture of N-type products which are used to produce high conversion efficiency solar products (22-23%)
- Start shipping N-type products to customers in mainland China and Japan in 2011, total shipment volume during the year was approximately 55.4MW





- **Acquired PV cell business - Huachang PV (華昌光伏)**
 - Provide stable supply and quality products for the Group's module business and to improve the operation efficiency thereof
 - Capacity has been expanded to 300MW, and the output from new capacity is expected to be delivered to customers in Japan and US
- **Successfully obtained sales order of PV modules from China Power Investment Corporation (中國電力投資集團) on its on-grid power plant project in Golmud, Qinghai Province**
 - 25MW PV modules has been shipped to China Power Investment Corporation in 2011.
- **Successfully completed a 20MW on-grid power plant project in Golmud, Qinghai Province**
 - Completed the project in December 2011 and to enjoy the Feed-in-Tariff of RMB1.15 per kWh
 - Substantially completed 13.5MW “Golden Sun Programme” projects in Liaoning Province in 2011

Photovoltaic System Installations



“Golden Sun Programme” projects in Liaoning Province



20MW on-grid power plant project in Golmud, Qinghai Province

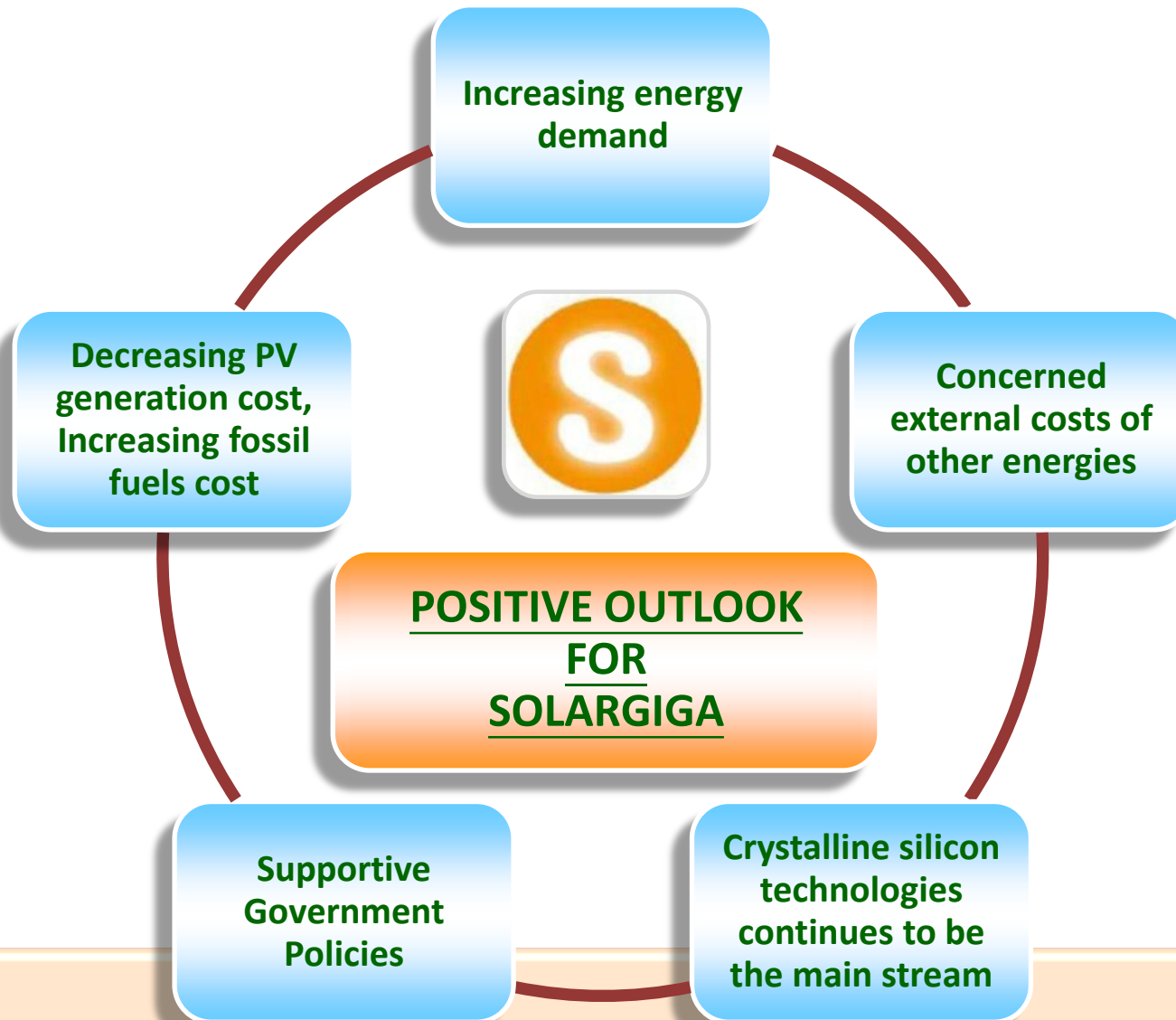




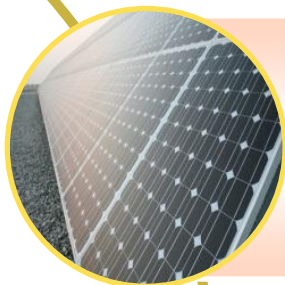
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Future Plans and Strategies

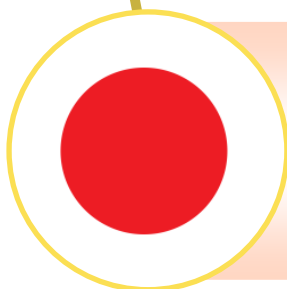
Strong Market Growth Potentials



Government Policies Update



Developed countries such as Europe reduce the subsidies to solar energy, the focus of future solar energy industry development will gradually incline to Asia-Pacific Region



The Ministry of Economy, Trade and Industry of Japan has formulated a “Solar energy proposal”, which plans to increase the capacity of solar energy generation in 2030 to 15 times of the current level



The Chinese government grants subsidies and feed-in-tariffs to solar energy projects and strongly supports the development of solar energy industry. The PV installed capacity will be increased to at least 15GW in 2015

Our Mission



- Top player in monocrystalline ingots and wafers
- Key player in multicrystalline ingots and wafers
- One of the best quality cell and module providers



Capacity Expansion Plan – Ingot and Wafer



Ingot – Mono (MW)



Wafer – Mono (MW)



Capacity Expansion Plan – Cell and Module



Cell (MW)



Module (MW)



Capacity Expansion Plan – Installation



- 300kW system in Jinzhou Binhai new zone and 16.8kW system in Henan Pingdingshan have been installed
- 13.5MW system installations under “Golden Sun Programme” have been completed
- 20MW system installation in Golmud, Qinghai has been completed

Road lighting



Thin film



SPV



BIPV



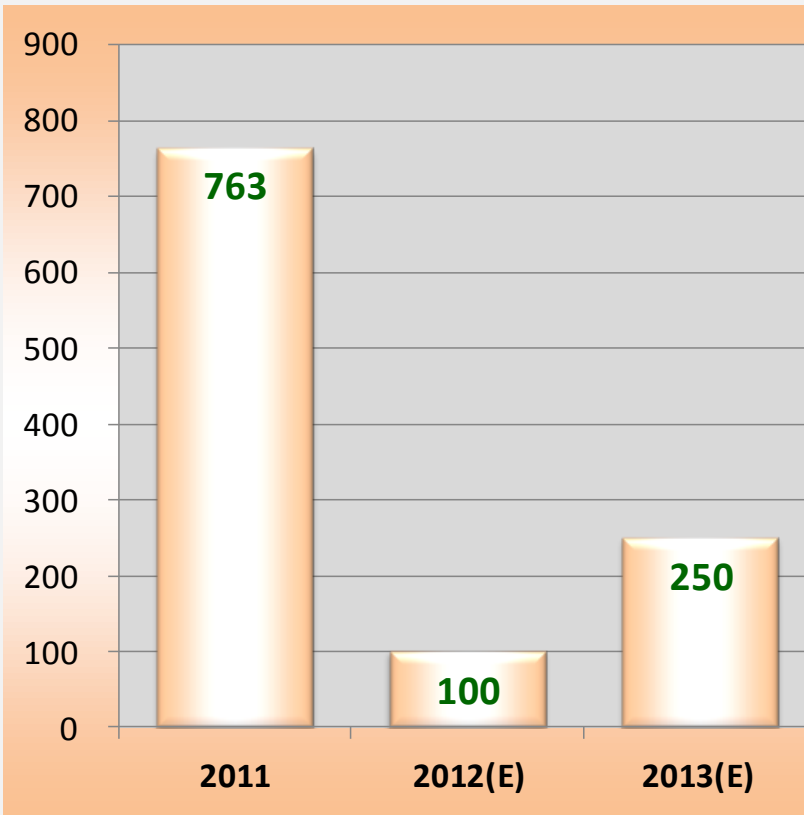
Solar roof top



Future Capex Plan



Capex Plan 2011-2013 (RMB million)





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Thank You