



Solargiga Energy Holdings Limited

陽光能源控股有限公司

2011 Annual Results

29 March 2012

Disclaimer



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Solargiga Energy Holdings Limited

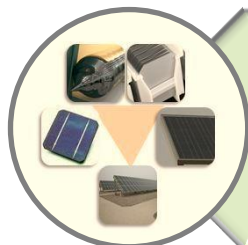
陽光能源控股有限公司

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

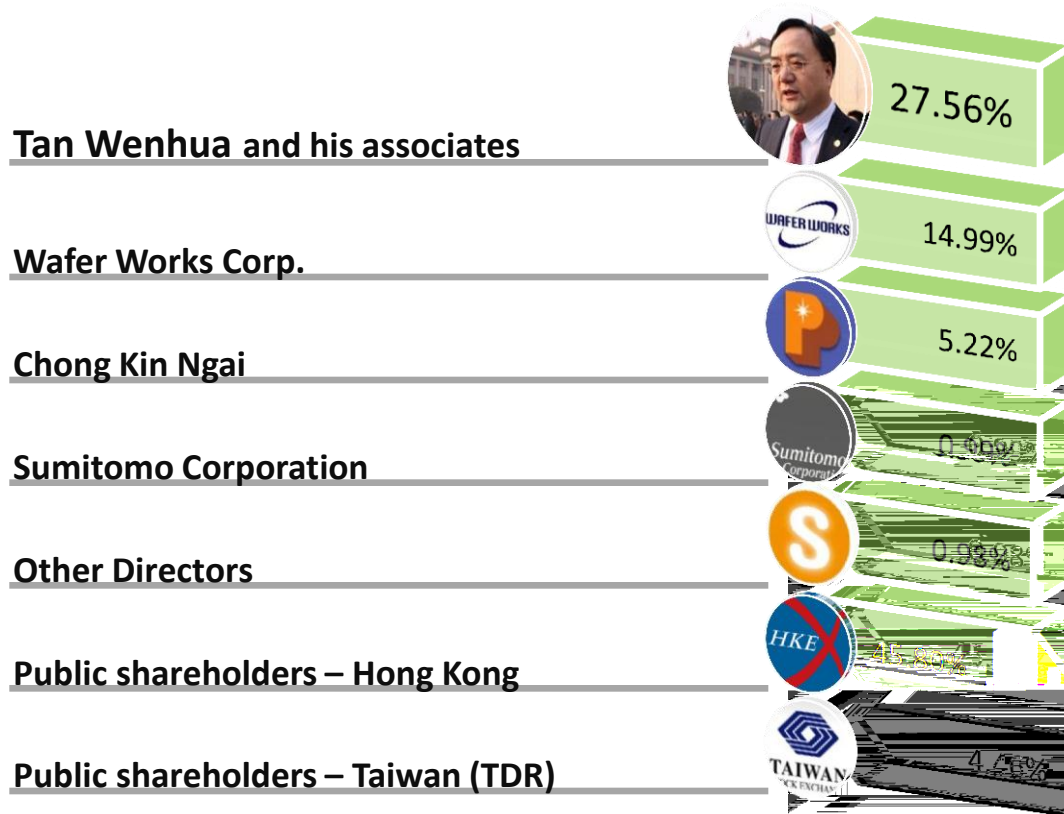


Issued 3-Year RMB denominated bonds of RMB300 million



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 ()

800MW monocrystalline silicon ingot
900MW monocrystalline silicon wafer
300MW photovoltaic cell

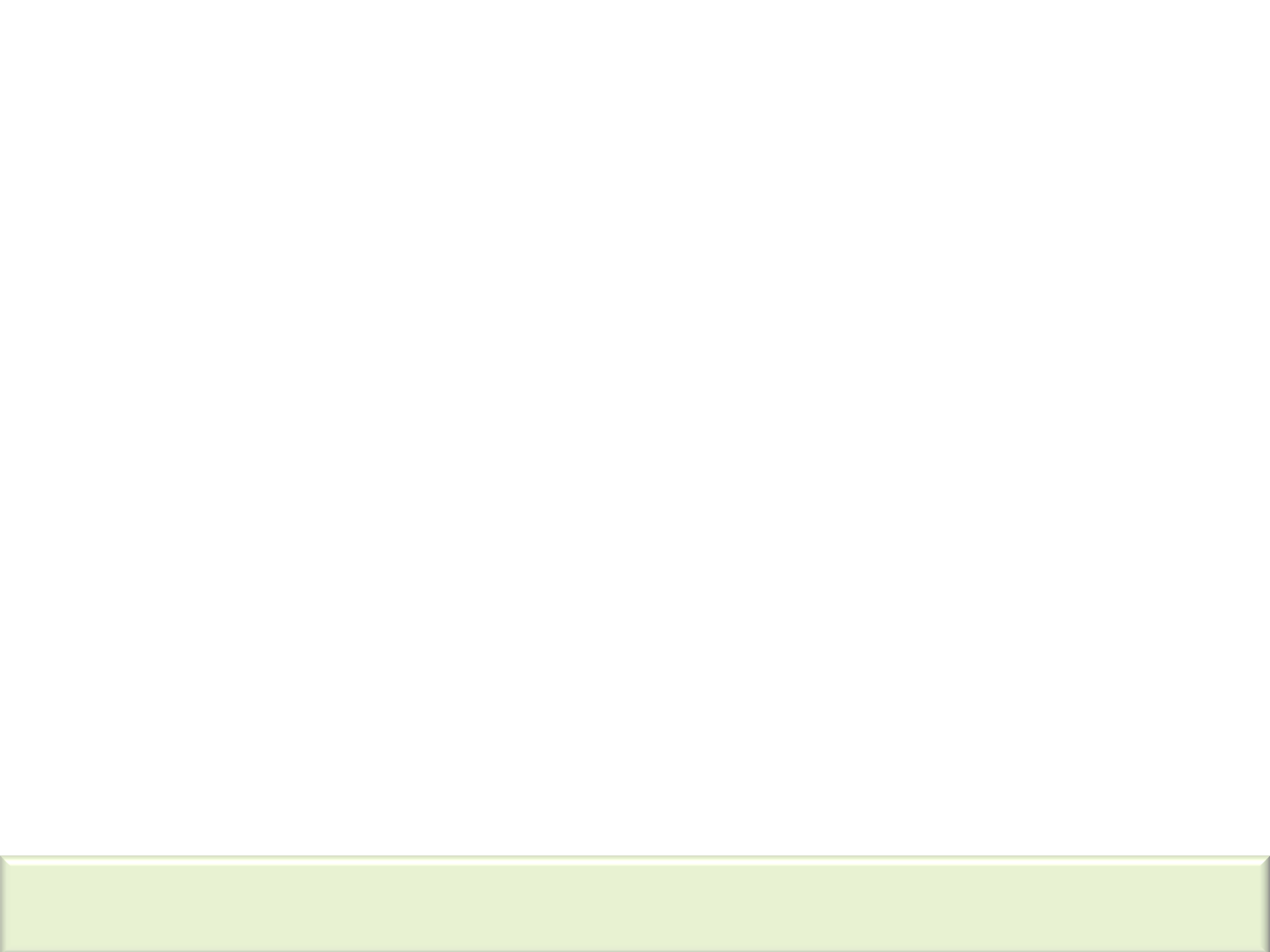
150MW photovoltaic module
multicrystalline silicon ingot and wafer

Xining, Qinghai ()

400MW monocrystalline silicon ingot

Shanghai ()





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			2,779,223			1,854,769	+49.8%
Underlying Gross Profit	313,926	101,623	415,549	95,247	317,996	413,243	+0.6%
<i>Underlying Gross Profit Margin</i>	24.6%	6.8%	15.0%	12.0%	30.0%	22.3%	-7.3pp
Reported Gross Profit			253,848			413,243	-38.6%
EBITDA			433,868			355,357	+22.1%
Profit from Operations			106,137			300,897	-64.7%
Profit Attributable to Equity Shareholders of the Company			54,291			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

1,647,607

+7.0%

Current Liabilities

1,352,354

+21.4%

Total Assets

5,048,685

+65.9%

Total Liabilities

2,775,789

+98.6%

Net Assets

2,272,896

+38.1%

Net Tangible Assets

1,836,575

+11.6%

Key Financial Ratios



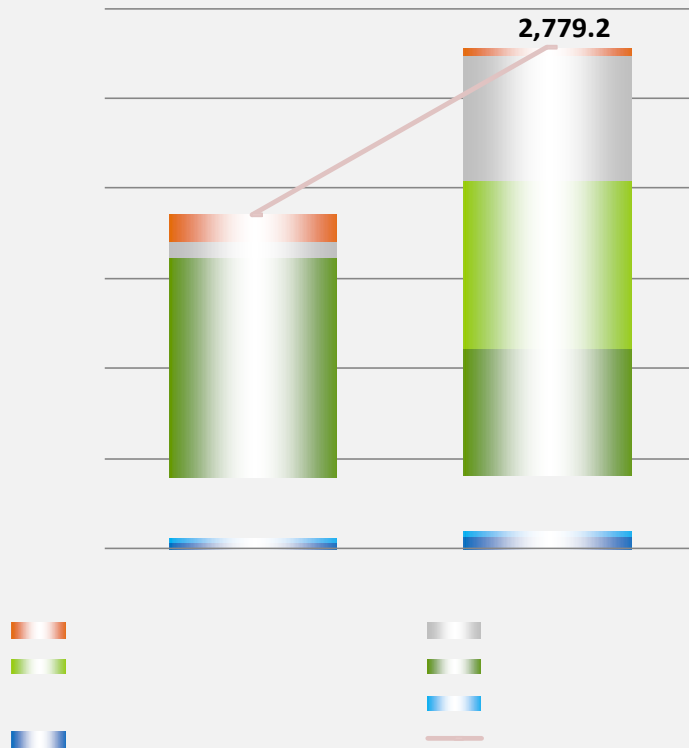
	2011	2010	Change
<u>Turnover Day Analysis</u>			
Trade Receivables Turnover (Days)	23		-10
Trade Payable Turnover (Days)	20		-12
Inventory Turnover (Days)	57		-47
<u>Gearing Analysis</u>			
Current Ratio (times)	1.2		-0.2
Total Liability Ratio (times)	1.4		+0.6
Net Debt to Equity (%)	49.1%		+36.8pp
Net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

Revenue and Shipment Volume

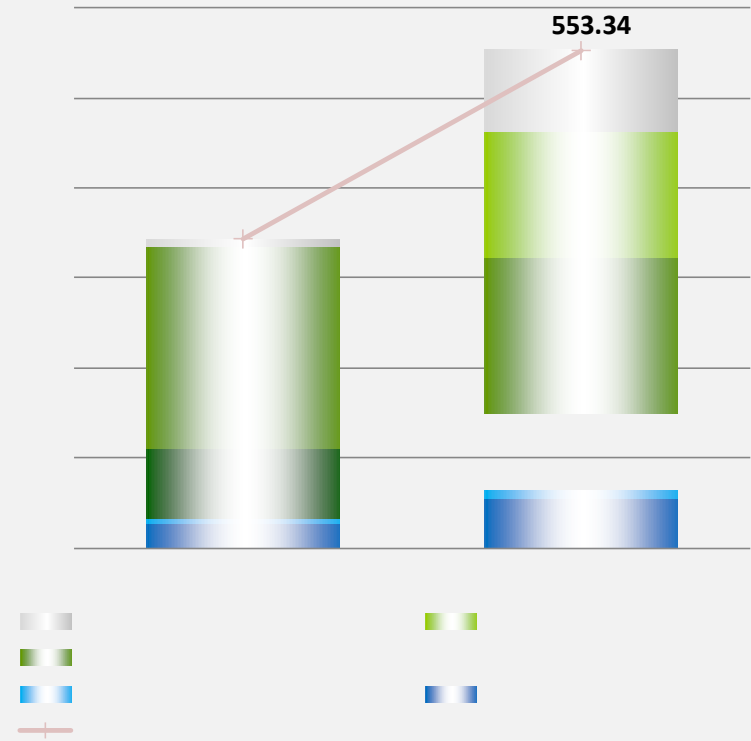


- Every parts within the value chain becomes revenue contributors after vertical integration

Revenue (RMB million)



Shipment volume (MW)

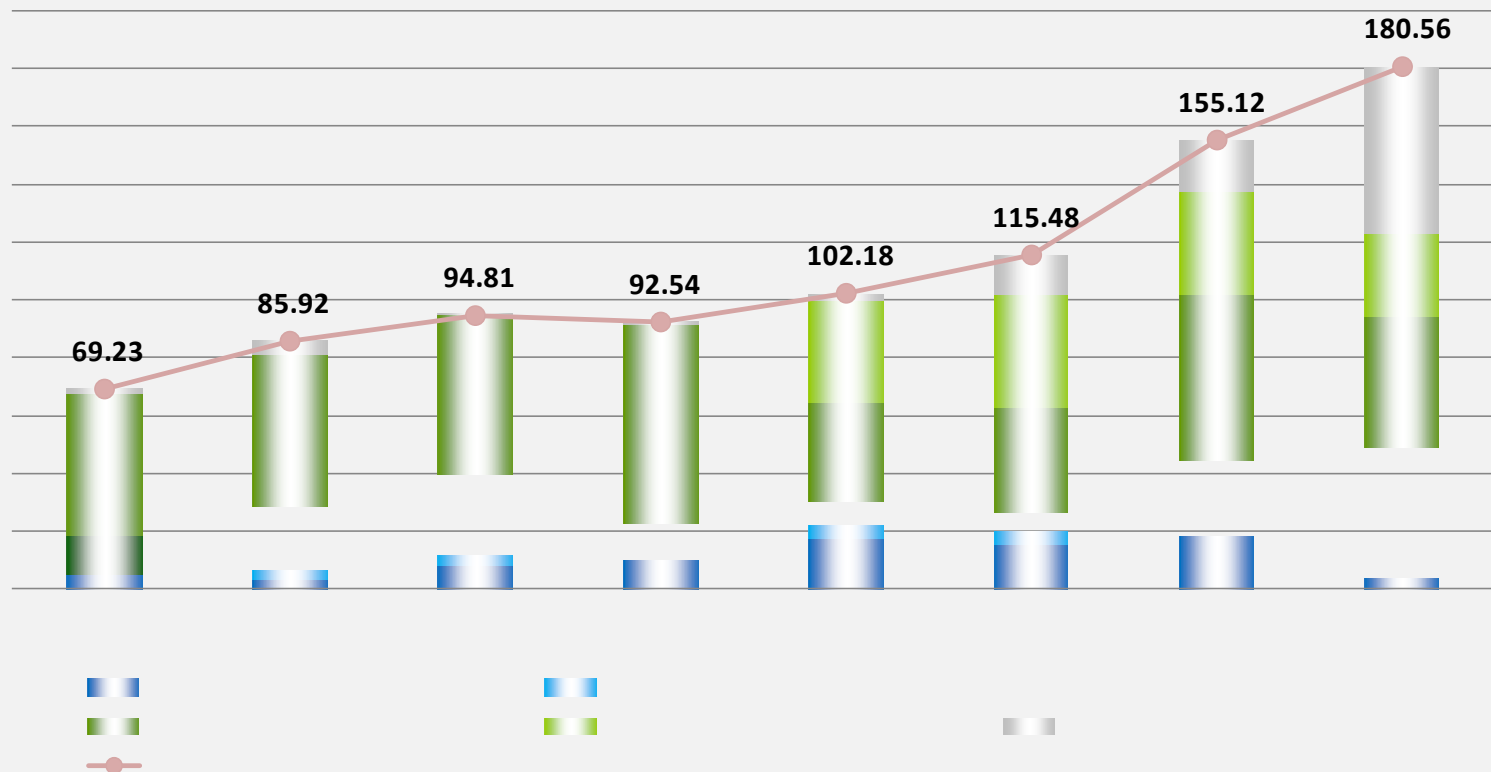


Shipment Volume – Quarterly by Products



- Shipment volume kept growing

Shipment volume (MW)



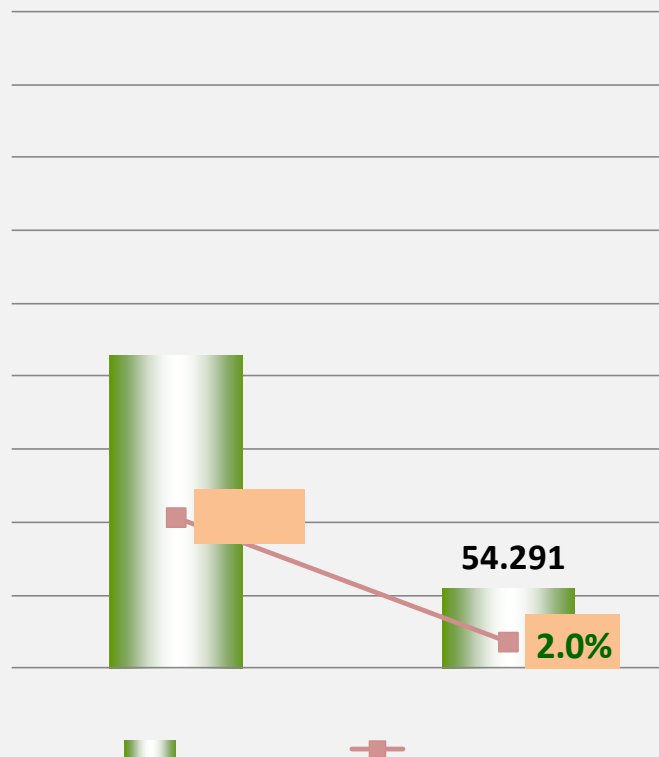
Gross Profit and Net Profit



Gross Profit (RMB million)



Net Profit (RMB million)

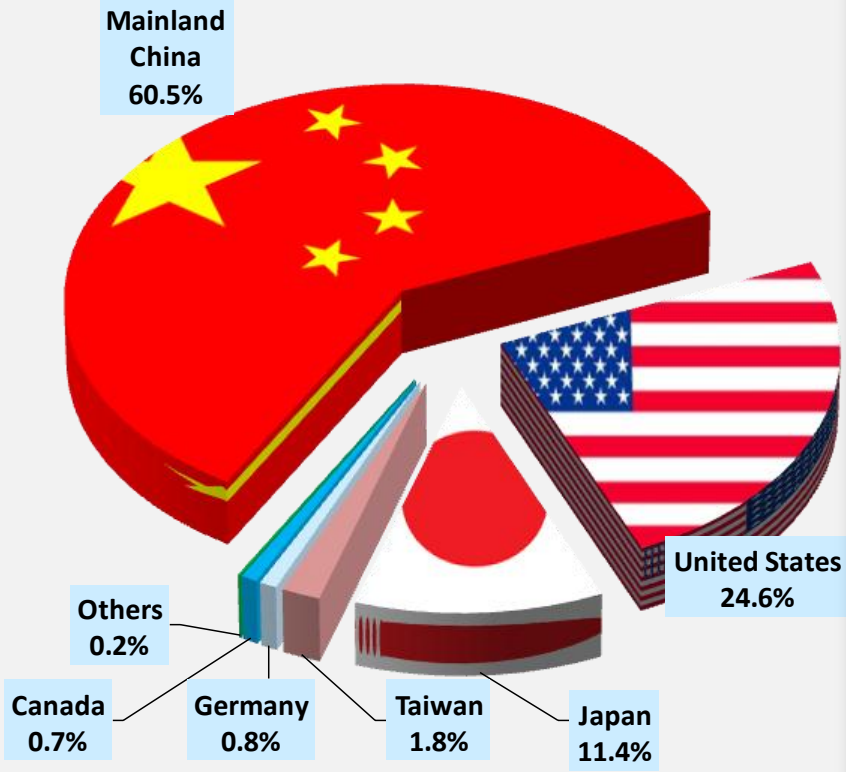


Revenue – By Geographical Segment

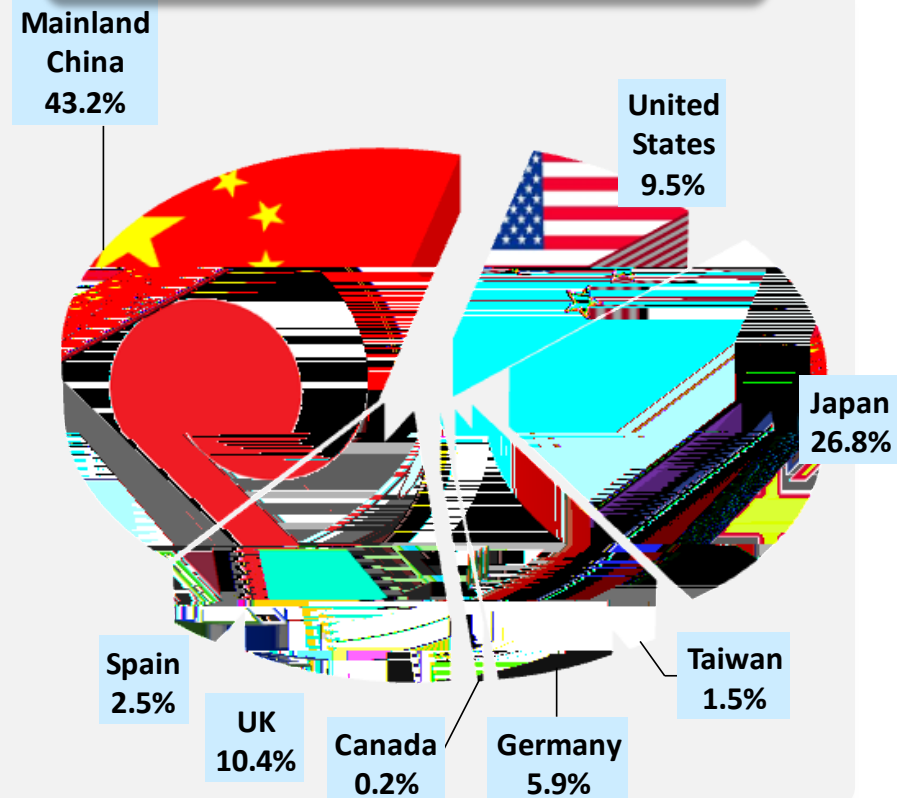


- Further expansion in overseas markets

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



Photovoltaic Cells, Modules and Installations



- Acquired PV cell business - Huachang PV ()
 -
 -
- Successfully obtained sales order of PV modules from China Power Investment Corporation () on its on-grid power plant project in Golmud, Qinghai Province
 -
- Successfully completed a 20MW on-grid power plant project in Golmud, Qinghai Province
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Photovoltaic System Installations



“Golden Sun Programme” projects in Liaoning Province



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



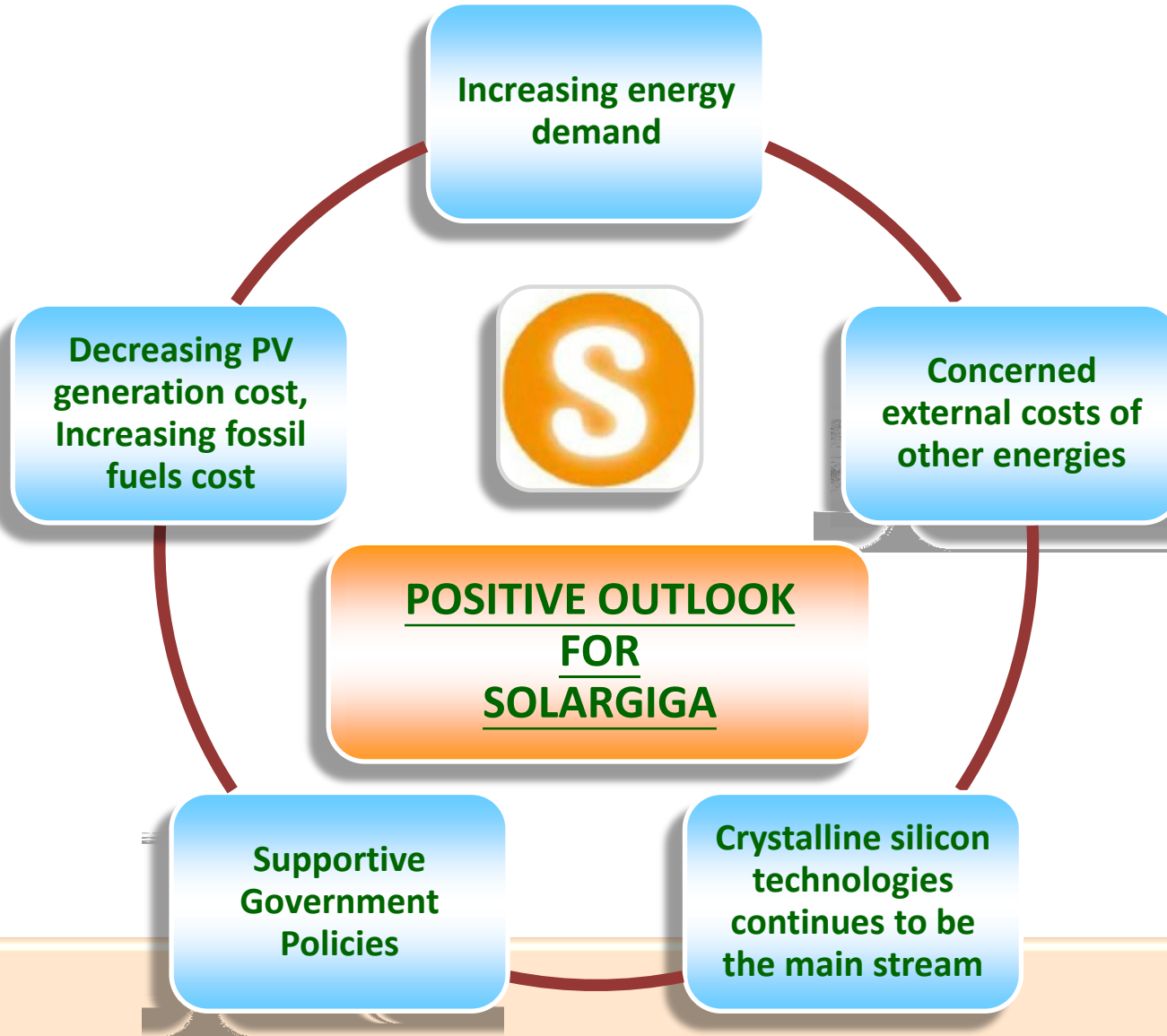


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Future Plans and Strategies

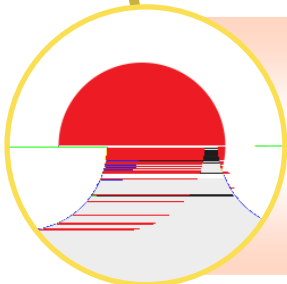
Strong Market Growth Potentials



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

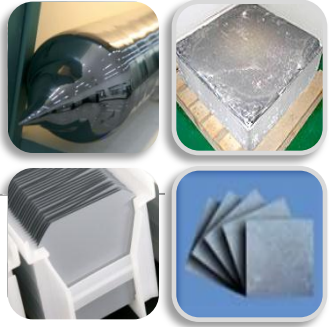


The Ministry of Economy, Trade and Industry of Japan has formulated a “Solar energy proposal”, which plans to increase the capacity of solar energy generation in 2030 to 15 times of the current level



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

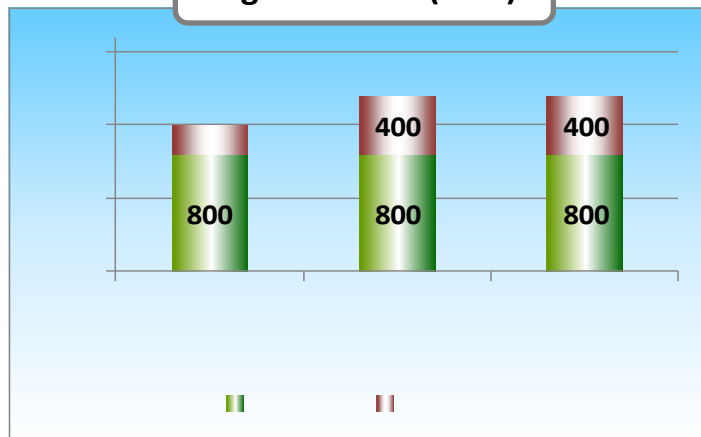
Our Mission



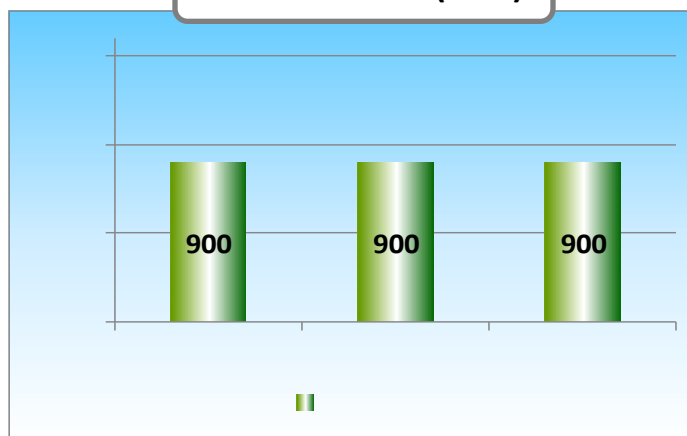
Capacity Expansion Plan – Ingot and Wafer



Ingot – Mono (MW)



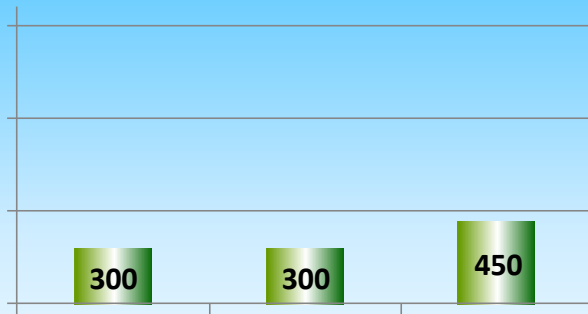
Wafer – Mono (MW)



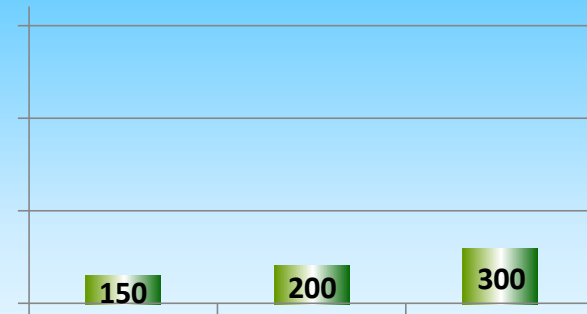
Capacity Expansion Plan – Cell and Module



Cell (MW)



Module (MW)



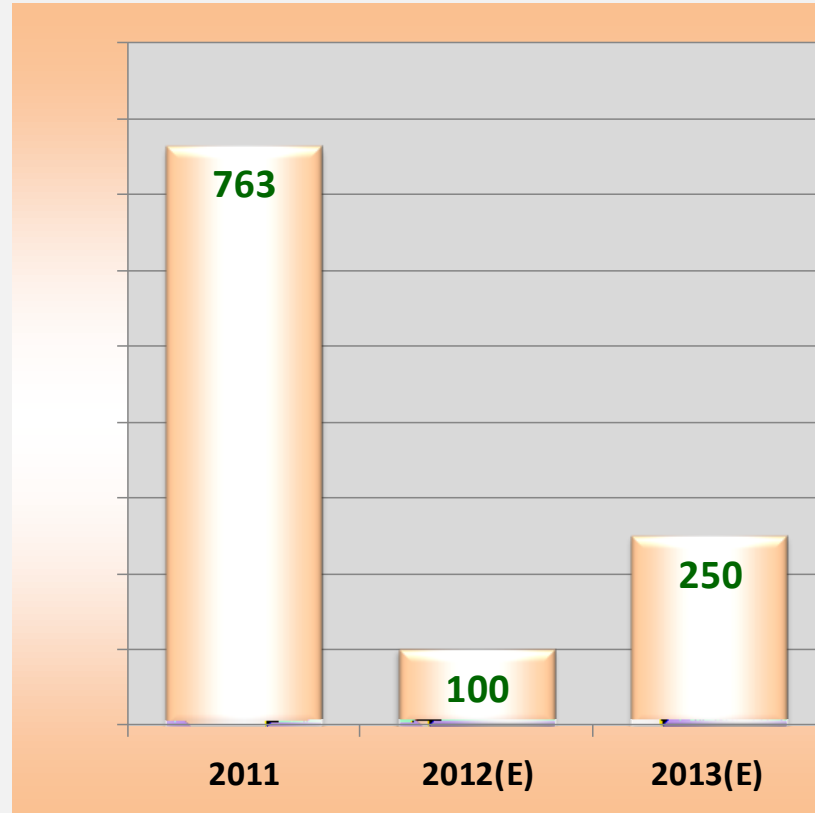
Capacity Expansion Plan – Installation



Future Capex Plan



Capex Plan 2011-2013 (RMB million)





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Thank You