



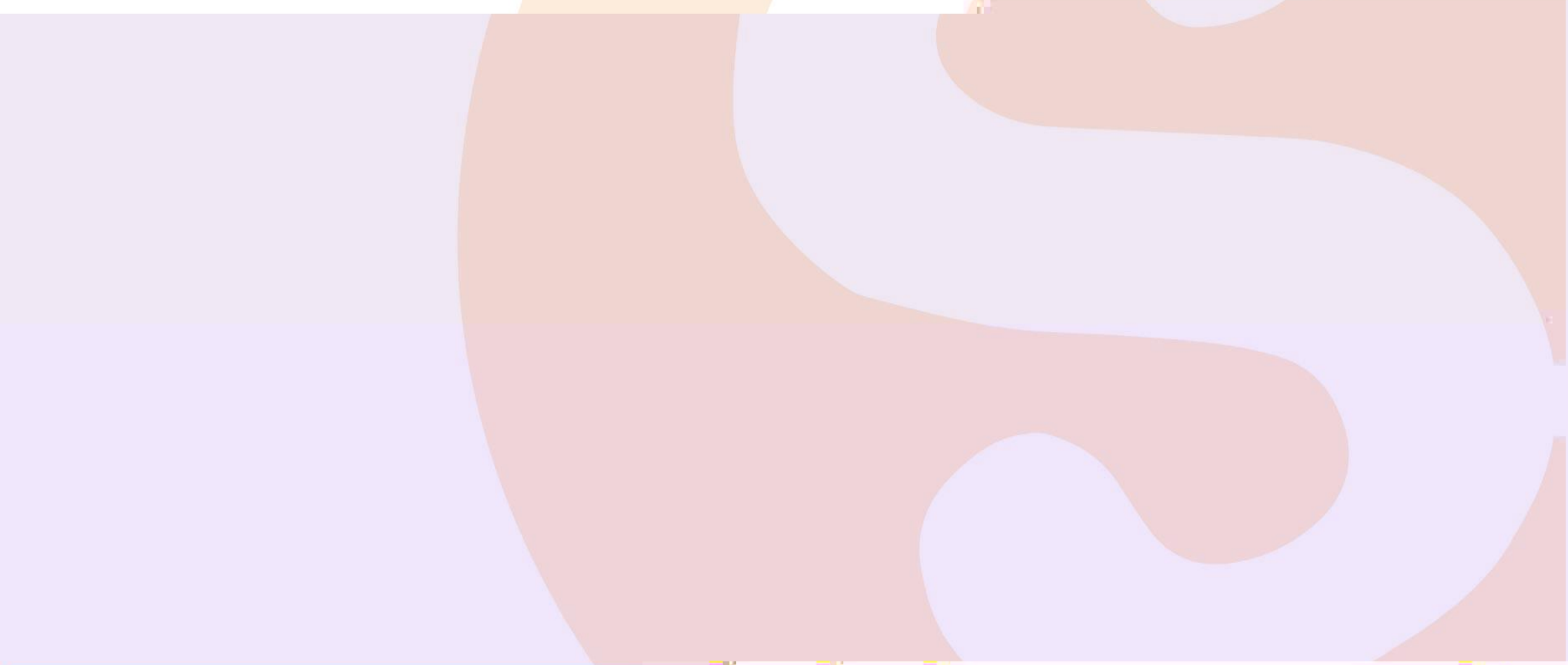


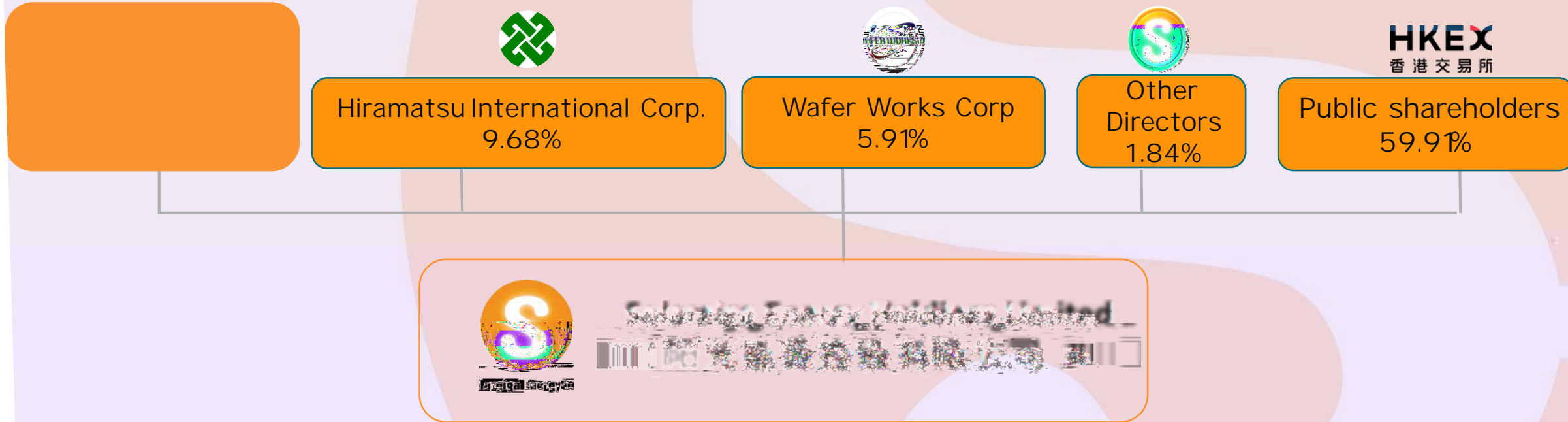






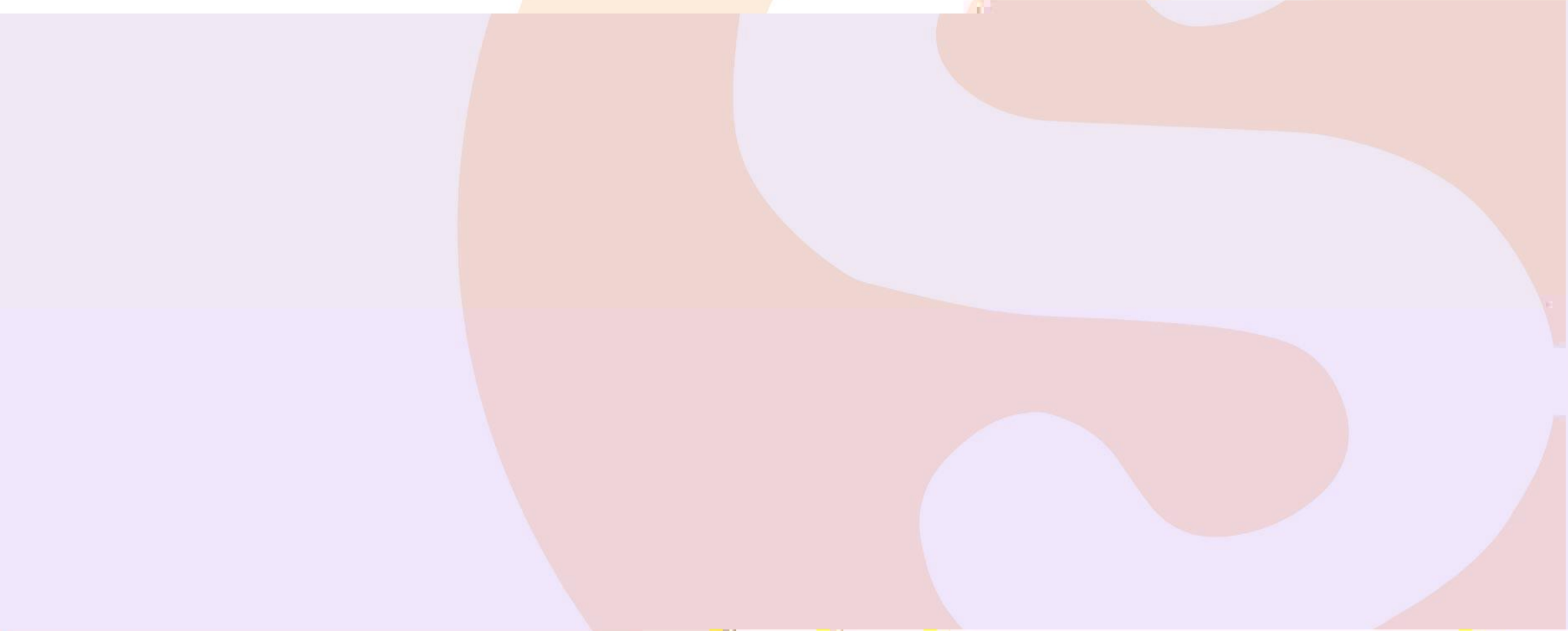
Solargisa Energy

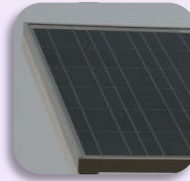


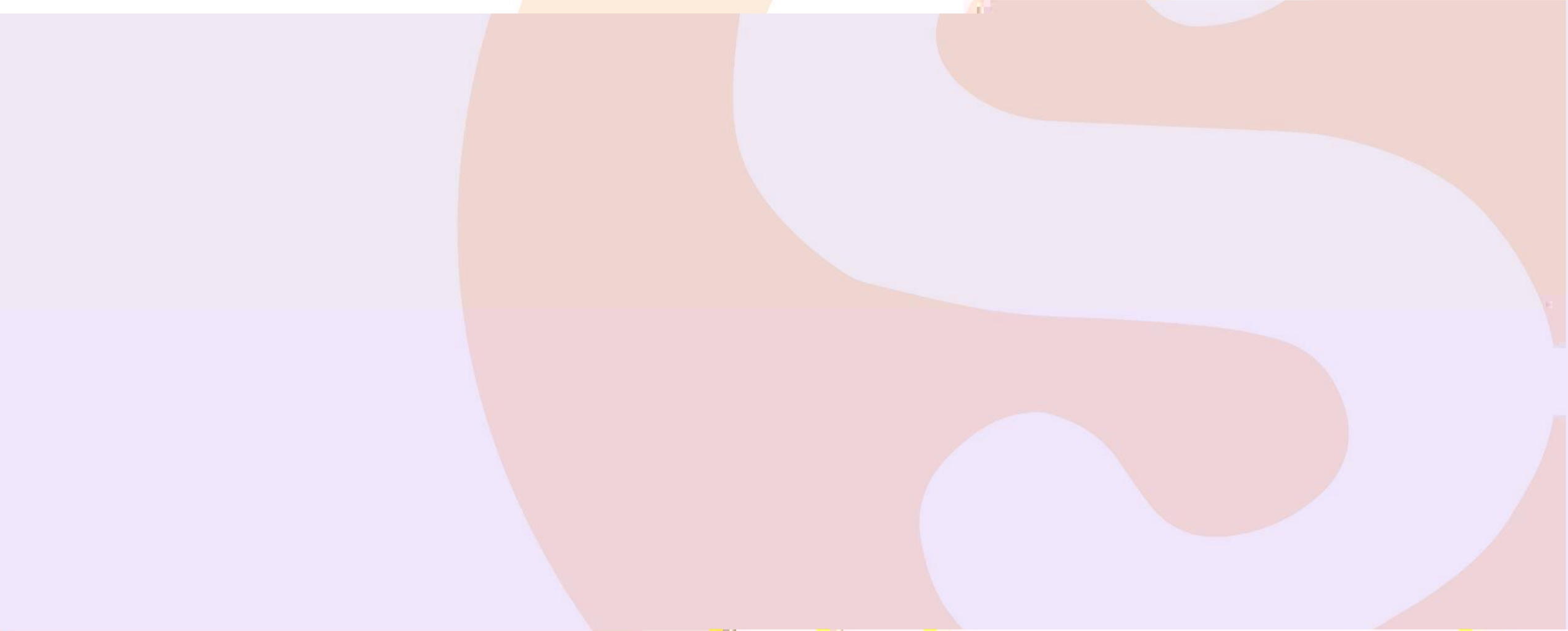


\* 68,009,433 units of TDRs representing 68,009,433 ordinary shares of the Company had been repurchased by the Company pursuant to the relevant rules of the Taiwan Stock Exchange and the underlying ordinary shares represented by such TDRs were cancelled on 2 June 2020.







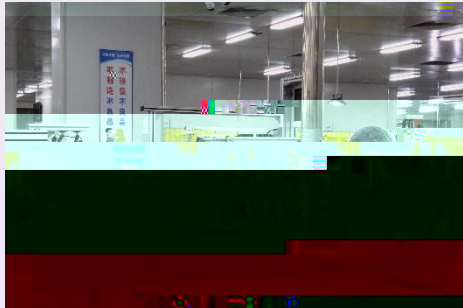
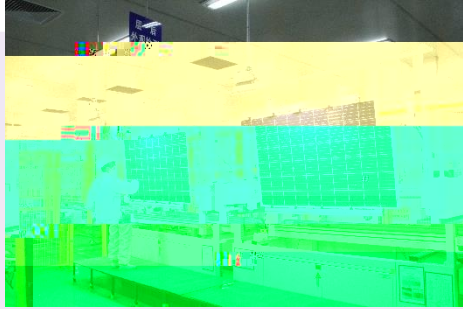




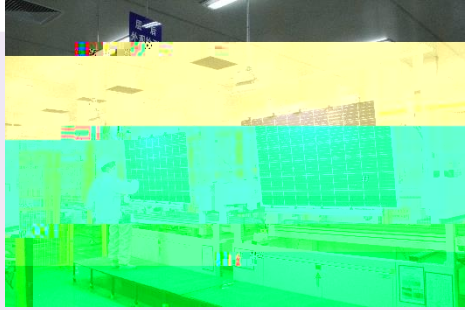


- Solargiga Energy has 15 years of wafer slicing experience and is one of the pioneers of large-size silicon wafers in the industry. According to customer's requirements, the Group provides various specifications and sizes of N-type and P-type monocrystalline products, and also provides the highest quality silicon wafers for downstream modules. Currently, we have 2 national invention patents and 8 national utility model patents.
- The 170  $\mu$ m thin-slice technology has matured and has been supplying to the market. It has also developed and put thinner silicon wafers into production, effectively increasing the output rate by more than 5%.
- Diamond wire of abrasive slicing machines are in use and the output of wafer increased by more than 17% over the same period that reduced

# Product Procedure:Solar modules

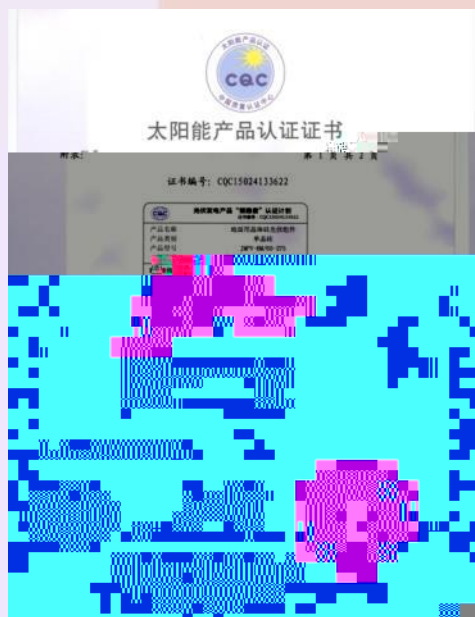


# Product Procedure:Solar modules



TUV/JET/UL/VDE/CE/BIS/CQC Certification

First batch of Photovoltaic Power Generation Top Runner Program ( ) certified enterprises






# Customers Distribution



Solargisa Energy



As a clean energy source, photovoltaic power generation had to rely on government subsidies to compete with the selling price of traditional petrochemical energy in the past. As such, with the advancement of photovoltaic production technology in the past ten years, the production cost per watt of power generation has dropped sharply. The current photovoltaic








Regarding the downstream photovoltaic modules:

Since our photovoltaic module customers are mostly domestic state-owned enterprises or large multinational corporations, the market position and strength possessed by these module customers are the strongest in the overall photovoltaic industry chain. Therefore, the Group has established a direct supply relationship with large module customers through significant module production capacity, which not only maintains a more stable terminal product estuary, but also indirectly drives the utilization of each production segment of the Group from the bottom. As such, the newly-established module manufacturing base in Yancheng, Jiangsu has commenced production.

PART 01

# China

	-	bidding

<p>——</p>	<p> An annual joint report from Bloomberg New Energy Finance (BNEF) and the Business Council for Sustainable Energy, US made 16.5GW of photovoltaic installations in 2020, a recorded high since 13.6GW in 2016, representing an increase of 24% compared to 13.3GW in 2019.</p> <p> US government changed its term and extended two-year tax relief measures for the US solar energy industry. It is expected to introduce more clean energy policies in 2021 and return to the Paris climate agreement, expecting a carbon free power generation plan to be reached in 2035, which is beneficial to the development prospects of the US solar industry. Based on the data from the US Energy Information Administration (EIA), the US solar public power generation in 2021 is expected to reach 15.4GW, which will exceed nearly 12GW in comparison to 2020.</p>
<p>——</p>	<p> the fastest growing year since 2011. In September 2020, the European Commission officially released the 2030 Climate Target Plan and the policy impact assessment report. It proposed the greenhouse gas emission reduction target in 2030 from 40% to 55% and achieve net zero greenhouse gas emissions by 2050. Based on the interim forecastSofarPower Europe, demand is expected to increase by 23% in 2021, and the installed capacity will reach 22.4GW, which will break the record set since 2011</p>
<p>——</p>	<p> a five-year low. However, India still has a high potential for installed capacity00 9EMC /P00400F00-2&lt;00-32comp24 18K1( 14..bw)-3</p>

# PART 0

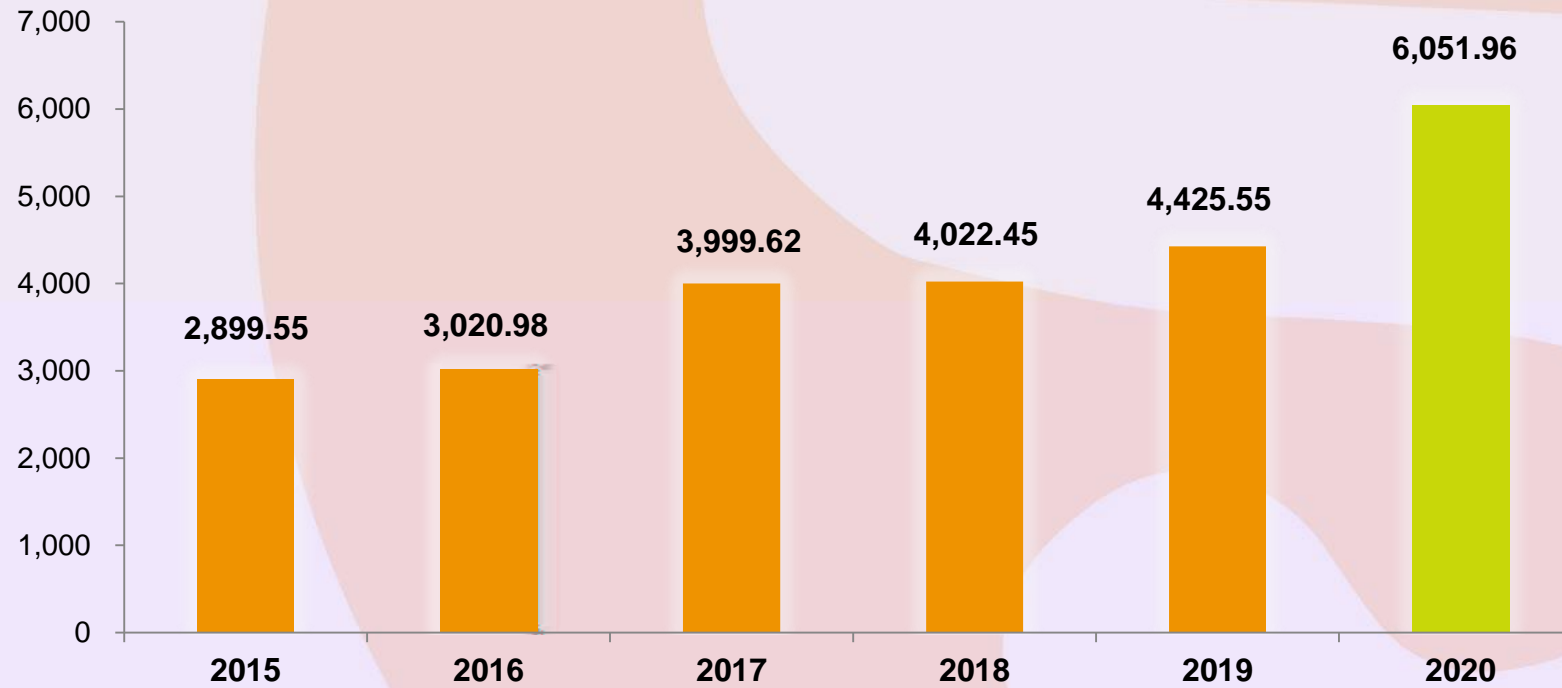
- Total shipment volume increased from 4,134MW in 2019 to 6,811MW in 2020, representing a growth of 65%. Although the unit selling price per watt of photovoltaic products has been reducing year by year as a result of getting rid of government subsidies so that the price can be marketized, it still increased from RMB4,426 million in 2019 to RMB6,052 million in 2020, representing a significant increase of 37%.

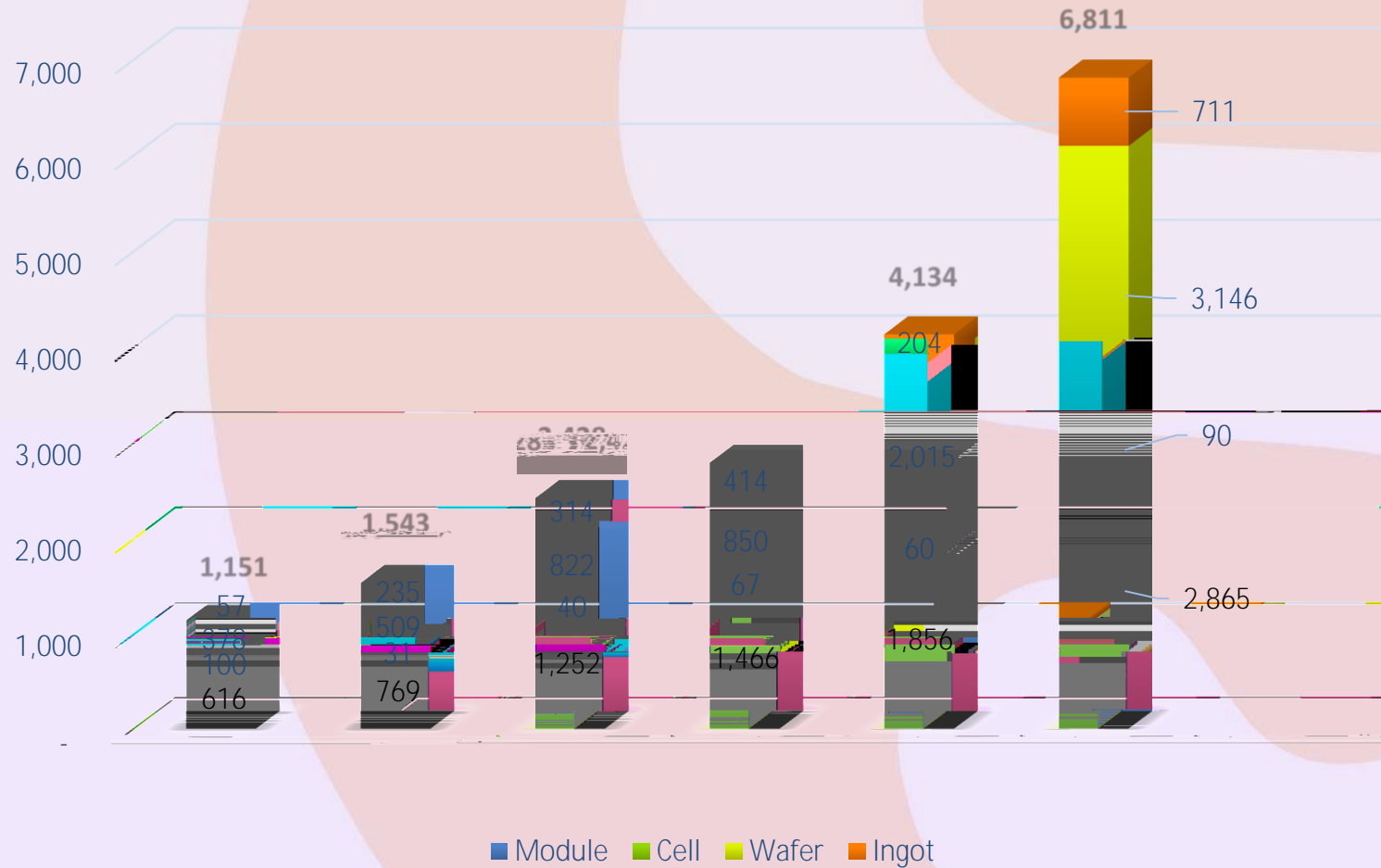
(2) As the Group previously focused on the vertical integration of photovoltaic products, where its production line covered the upstream photovoltaic monocrystalline silicon ingots and wafers, midstream solar cells and downstream photovoltaic modules, the scale of solar cell production was relatively small and outdated. It was no longer in line with the economic scale production efficiency. As a result, the Group adjusted its operating strategy during the year by suspending the in-house manufacturing of solar cells due to the aged production line with a low production capacity and efficiency. Instead, it utilises limited resources to fully develop niche products such as upstream monocrystalline silicon ingots, monocrystalline silicon wafers and downstream modules. Since the Group is not expected to produce solar cells on its own, the net amount of such aged production line and the related machinery and equipment was recognised as a one off asset impairment loss during the year.

PART 05

# Financial Review

Revenue (RMB million)






The Group recorded gross profit amounted to RMB 585852 million, at a gross profit margin of 9.7% during the year, as compared to RMB 341.368 million gross profit and gross profit margin of 7.7% in 2019, both figures have increased but in a limited growth rate.

With the commencement of high -efficiency production capacity and transformation of existing production capacity, the total gross profit and gross profit margin were expected to improve significantly. However, due to certain unforeseeable factors mentioned below, the total gross profit and gross profit margin have increased but in a limited growth rate

- due to floods and factories explosion in Mainland China, certain suppliers of polysilicon had temporarily suspended their operations during the year resulting in a supply shortage and surging price of polysilicon;

- the procurement cost of auxiliary materials increased significantly and unexpectedly during the year as the supply of a number of major auxiliary materials was affected by the outbreak of the COVID -19.

Financial Year	Gross Margin	Gross Profit Margin
2017	657,873	16.4%
2018	397,550	9.9%
2019	341,368	7.7%
<b>2020</b>	<b>585,852</b>	<b>9.7%</b>

 The cost of photovoltaic

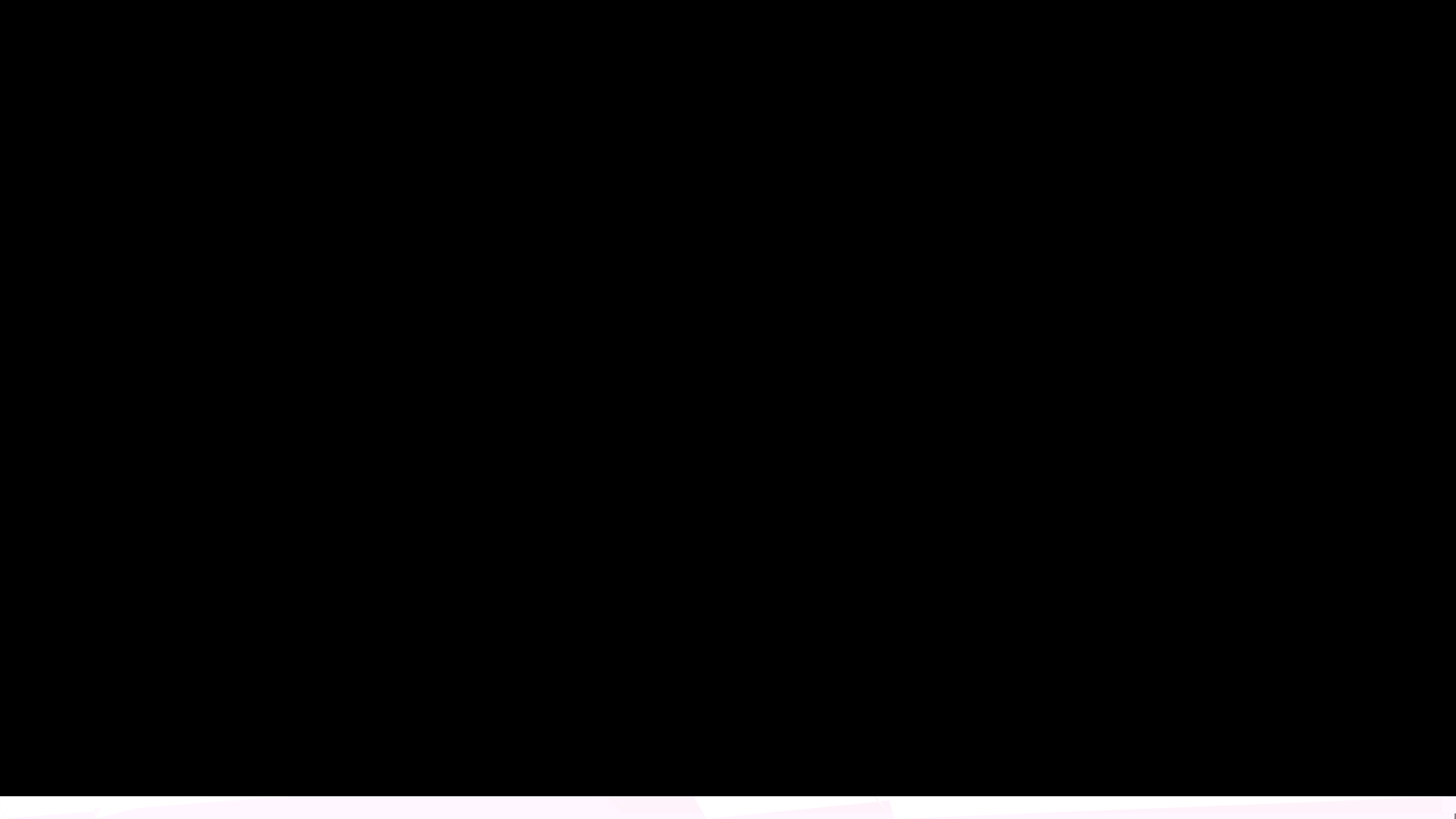
Financial Data	2020	2019	% change
Revenue	6,051,956	4,425,552	36.8%
Gross Profit	585,852	341,368	71.6%
Gross Profit Margin (%)	9.7%	7.7%	2.0pp
EBITDA	276,003	49,126	461.8%
Shareholders of the Company	(215,648)	(355,492)	(39.3%)
Basic loss per share (RMB cents)	(6.82)	(11.07)	(38.4%)

Asset Data	31/12/2020		

Turnover Day Analysis	31/12/2020	31/12/2019	Change
<b>Inventory Turnover (Days)</b>	<b>27</b>	33	(6)



# PART 06



# 阳光能源



中国阳光能源有限公司