



# JINKOSOLAR HOLDING CO., LTD.

Q2 2021 EARNINGS CALL PRESENTATION

SEP 15, 2021



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# Q2 2021 financial highlights

- ✓ Quarterly shipments were 5,203MW (3,976 MW for module, 1,227 MW for cell and wafer), total shipments down 2.8% QoQ, up 16.4% YoY
- ✓ Total revenues were US\$1.23 bn, down 0.2% QoQ, down 6.2% YoY
- ✓ Gross profit was US\$210.5 mn, up 0.1% QoQ, down 10.2% YoY
- ✓ Gross margin of 17.1%, compared with 17.1% in Q1 2021 and 17.9% in Q2 2020
- ✓ Quarterly EBITDA of US\$143.0 mn, up 16.2% QoQ, up 9.5% YoY
- ✓ Non-GAAP net income <sup>(1)</sup> of US\$42.5 mn, up 457.4% QoQ, down 27.0% YoY
- ✓ Net income of US\$10.3 mn, down 79.2% YoY, mainly because of the impacts of convertible senior notes
- ✓ Cash and short-term restricted cash of US\$1.01 bn as of Q2 2021 vs US\$1.07 bn as of Q1 2021
- ✓ 2021 Q3 guidance: total shipments to be in the range of 5GW to 5.5GW, solar module shipments of 4.5GW to 5GW, revenue of US\$ 1.24 bn to US\$ 1.37 bn and gross margin of 12% to 15%

Notes: YoY and QoQ changes calculated on the RMB basis.

(1) Attributable to ordinary shareholders.

# Business highlights

**1** As the price of polysilicon rose rapidly in the second quarter, and there was a certain time gap between the prices transmissions from upstream to downstream in the industry chain, we quickly increased the external sales of silicon wafers, and lowered the production volume of solar modules.

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**3** Over 7GW of large-size new cell capacity was put into production in the second quarter to support the rapidly growing demand for large-size products.

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**4** We signed a strategic logistic cooperation agreement with Maersk and China COSCO Shipping Corporation to support steady growth in global sales.

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**5** We are optimistic about the global demand in the second half of 2021 and 2022, and will accelerate our market expansion in China.

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# Consolidate our strength to deal with challenges

Strategic cooperation enhances risk resistance, while R&D and in-house manufacturing capabilities lead the industry

1

## Flexible product structure

- ❑ **Optimized product structure** : Our proportion of distributed generation market are expected to be **~40%** for 2021; shipments of 182mm products will account for **~50%** in 2H'21.
- ❑ **Flexible shipments structure** : We adjust external sales of wafers, cells and modules.
- ❑ **Global network and solid customer relationship**: Our products shipped to **160+** countries and regions, we get timely feedback of market information through a sound marketing system and maintain close communication with customers to work out feasible solutions.

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## Continue to optimize and improve our global supply chain management

- ❑ **Cooperation with upstream specialized manufacturers**: to enhance the stability of polysilicon supply and mitigate supply chain volatility

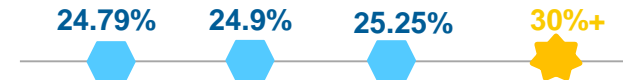
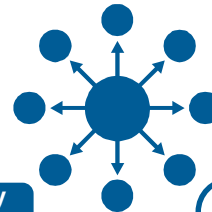
- **通威股份 TONGWEI CO., LTD.** : Jointly invest in a high-purity crystalline silicon project with annual capacity of **45,000 MT**
- **XINTE** : Invest in Inner Mongolia Xinte High-purity Polysilicon Production Project with annual capacity of **100,000 MT**
- **WACKER** : Signs long-term polysilicon supply agreement for over **70,000 MT**

- ❑ **Work together to build a stable and safe logistics system**: We aim to provide customers with long-term, high-quality transportation solutions.

3

## Long-term leading R&D advantage

- ❑ **N-type cell technology leads the industry** : We have built roughly 800MW TOPCon cell capacity in 2019, and has become the industry benchmark in terms of lab efficiency, mass production efficiency and cost control.
- ❑ **Close track to cutting-edge technologies**: We completed the construction of a highly-efficiency laminated perovskite cell technology platform, with a conversion efficiency target of **30%+** within the year.



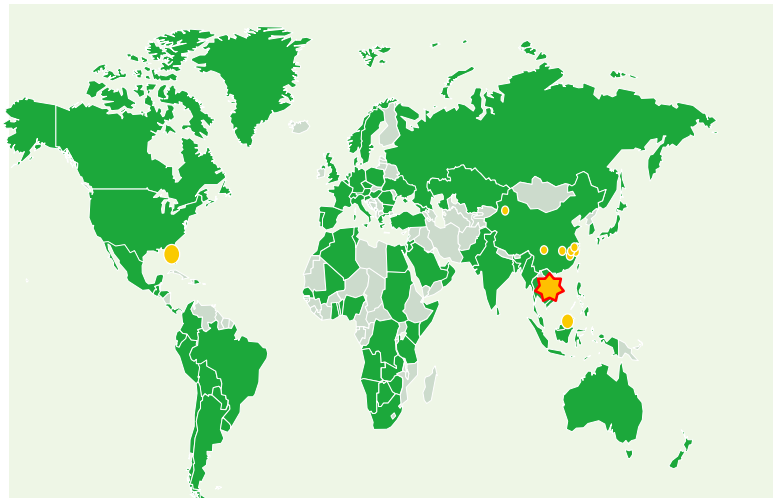
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## Improving in-house manufacturing capabilities

- ❑ Over **7 GW** of newly-added capacity of large-size cells was put into production during Q2.
- ❑ Expanding the investment plan for N-type cell capacity based on technical advantages and two years of mass production experience.
- ❑ Module production volume is expected to increase significantly month-over-month in the third quarter.

# Integrated capacity increased steadily, while advantage of integrated capacity extends

## Enhanced global manufacturing capability



- Global manufacturing facility
- ★ Newly-built wafer manufacturing facility in Vietnam in 2021

Our wafer manufacturing facility in Vietnam (~7GW annual capacity) will start construction soon, which will serve our production facilities in Malaysia and the United States when production ramps up.

## Cooperated with industry leaders to extend integration



- Long-term supply agreement:



- Strategic equity investment:



- Joint investment:

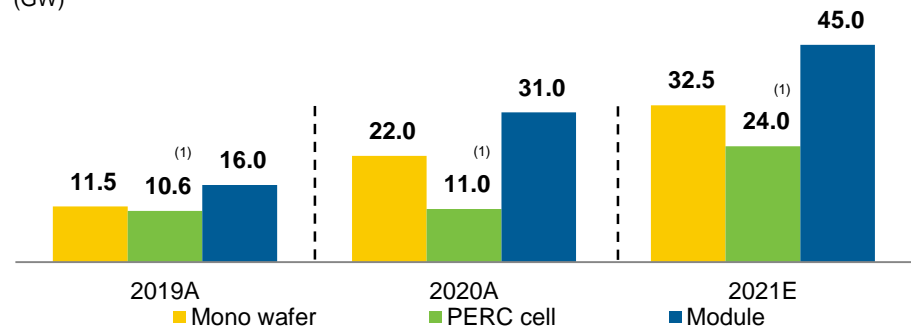


- Strategic cooperation:



## Steady growth in integrated production capacity

(GW)

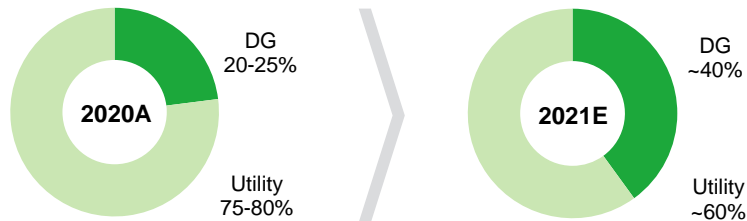


Note:

(1) Including 2019A / 2020A 800MW N-type cells and 2021E 940MW N-type cells

# Confident to capture a larger global market share year over year with sophisticated products and services

## DG market penetration is gradually increasing



We will continue to explore the global market demand for distributed generation and proactively increase our presence in China, the U.S., Europe and explore other potential markets.



## Brand advantage to enhance customer value

As of the end of **2020**, accumulated module shipments reached **70 GW**, making JinkoSolar the world's largest PV manufacturer.

Ranked as **Top Solar Brand** used in Debt Financed Projects and **Most "Bankable" PV Manufacturer** by Bloomberg New Energy Finance. 100% of the BNEF survey respondents considered the Company as highly bankable.

-BNEF

Recognized as **"Overall High Achiever"** in RETC's 2021 PVMI Report for the second consecutive year

-RETC

Recognized as **Top Performer** for PVEL's 2021 PV Module Reliability Scorecard for Seventh Consecutive Time

-PVEL & DNV GL

Selected as an **"Eco-Leader"** by Green Builder® Media for the third time.

-Green Builder® Media

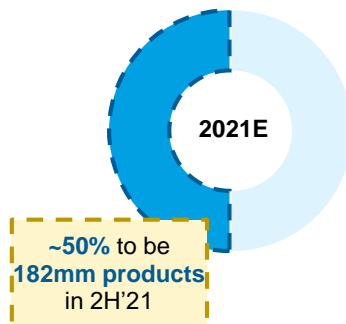
## China is developing rapidly and the US remains stable

Reiterate our total shipments guidance of 25-30 GW for 2021

### Q2 module shipments by region:

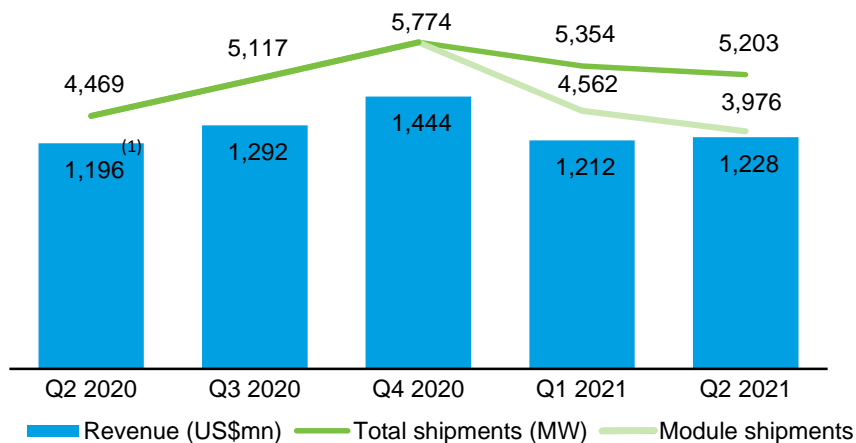
- **Europe** contributed the largest proportion, with shipment volumes increased by **>40%** YoY.
- Shipments to **China** and **the U.S.** remained stable sequentially.

**China is expected to contribute a larger proportion of shipments in 2H'21 and 2022.**

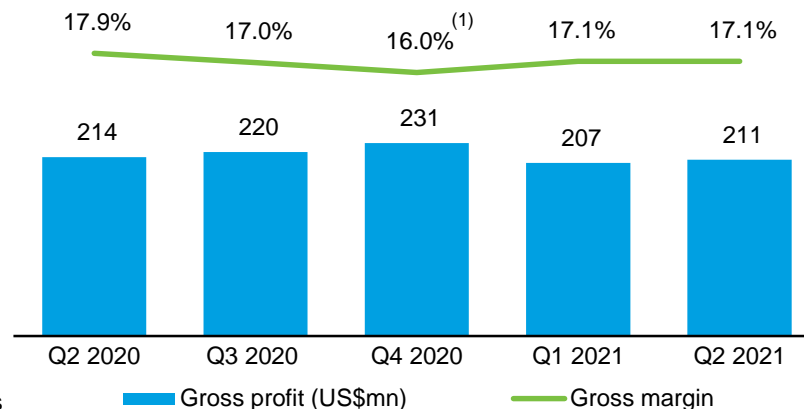


# Quarterly financial highlights

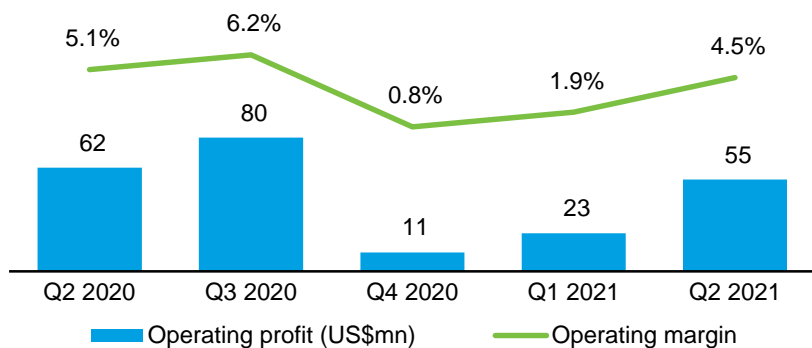
## Revenue and total shipments



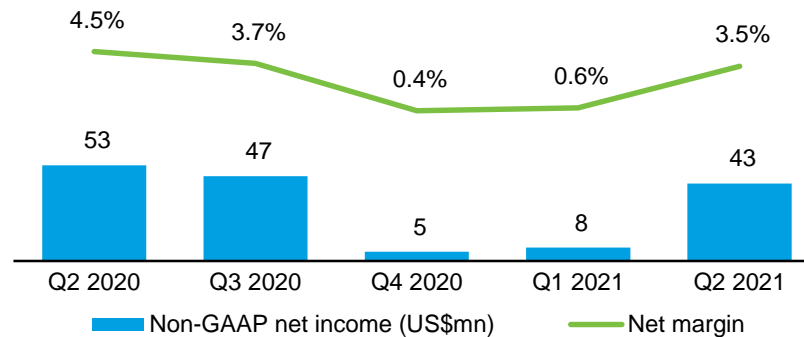
## Gross profit and gross margin



## Operating profit and operating margin



## Non-GAAP net income and net margin



Notes:  
 (1) Including the reversal benefit of AD/CVD



# Income statement summary

	Quarterly (US\$m)			Change by RMB	
	Q2 2020	Q1 2021	Q2 2021	QoQ change	YoY change
<b>Total shipments</b>	<b>4,469MW</b>	<b>5,354 MW</b>	<b>5,203MW</b>	(2.8)%	16.4%
<b>Total module shipments</b>	<b>4,469MW</b>	<b>4,562 MW</b>	<b>3,976MW</b>	(12.8)%	(11.0)%
<b>Revenue</b>	<b>1,196</b>	<b>1,212</b>	<b>1,228</b>	(0.2)%	(6.2)%
<b>Gross profit</b>	<b>214</b>	<b>207</b>	<b>211</b>	0.1%	(10.2)%
<i>Gross margin</i>	<i>17.9%</i>	<i>17.1%</i>	<i>17.1%</i>	<i>0</i>	<i>(0.8)pct</i>
<b>EBITDA</b>	<b>119</b>	<b>123</b>	<b>143</b>	16.2%	9.5%
<i>EBITDA margin</i>	<i>10.0%</i>	<i>10.1%</i>	<i>11.6%</i>	<i>1.5pct</i>	<i>1.6pct</i>
<b>Operating income</b>	<b>62</b>	<b>23</b>	<b>55</b>	139.0%	(18.0)%
<i>Operating margin</i>	<i>5.1%</i>	<i>1.9%</i>	<i>4.5%</i>	<i>2.6pct</i>	<i>(0.6)pct</i>
<b>Non-GAAP net income <sup>(1)</sup></b>	<b>53</b>	<b>8</b>	<b>43</b>	457.4%	(27.0)%
<i>Non-GAAP net margin</i>	<i>4.5%</i>	<i>0.6%</i>	<i>3.5%</i>	<i>2.9pct</i>	<i>(1.0)pct</i>
<b>Net debt / LTM EBITDA <sup>(2)</sup></b>	<b>2.9x</b>	<b>3.2X</b>	<b>3.7X</b>		

Notes: Unaudited quarterly financials. YoY and QoQ changes calculated on the RMB basis.

(1) Attributable to the Company's ordinary shareholders.

(2) Please refer to the next slide for the calculation of net debt.

# Balance sheet summary

(US\$m)	Q2 2020	Q1 2021	Q2 2021
<b>Cash and restricted cash <sup>(1)</sup></b>	<b>970</b>	<b>1,075</b>	<b>1,010</b>
<b>Accounts and notes receivable</b>	<b>1,198</b>	<b>913</b>	<b>808</b>
<b>Inventories</b>	<b>975</b>	<b>1,390</b>	<b>1,530</b>
<b>Net PPE</b>	<b>1,605</b>	<b>2,076</b>	<b>2,469</b>
<b>Total assets</b>	<b>7,021</b>	<b>8,364</b>	<b>8,884</b>
<b>Total debt</b>	<b>2,336</b>	<b>2,668</b>	<b>3,121</b>
<b>Short-term debt <sup>(2)</sup></b>	<b>1,835</b>	<b>1,471</b>	<b>1,540</b>
<b>Long-term debt <sup>(3)</sup></b>	<b>501</b>	<b>1,197</b>	<b>1,581</b>
<b>Net debt <sup>(4)</sup></b>	<b>1,366</b>	<b>1,593</b>	<b>2,111</b>
<b>Total liabilities</b>	<b>5,041</b>	<b>6,269</b>	<b>6,738</b>
<b>Total shareholders' equity</b>	<b>1,408</b>	<b>1,629</b>	<b>1,657</b>

Notes: Unaudited quarterly financials.

(1) Including short-term restricted cash only.

(2) Short-term debt includes short-term borrowings, financing and operating lease liabilities and bond payable.

(3) Long-term debt includes long-term borrowings, convertible senior notes and financing and operating lease liabilities.

(4) Total debt minus cash and short-term restricted cash.

# Operating and financial guidance

	Q1 2021	Q2 2021	Q3 2021E	FY2021E
<b>Total shipments</b>	5.35 GW	5.20 GW	5.0 GW-5.5 GW	25.0 GW - 30.0 GW
<b>Revenue</b>	US\$1.21 bn	US\$1.23 bn	US\$ 1.24bn-US\$ 1.37bn	N/A
<b>Gross margin</b>	17.1%	17.1%	12% -15%	N/A

Notes: Unaudited quarterly financials.

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