



# JINKOSOLAR HOLDING CO., LTD.

**Q4 2021 EARNINGS CALL PRESENTATION**

**MAR 23, 2022**

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# Q4 2021 financial highlights

-  Quarterly shipments were 9,693 MW (9,024 MW for solar modules, 669 MW for cells and wafers), total shipments up 94.1% QoQ, and up 67.9% YoY

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-  Total revenues were US\$2.57 bn, up 91.2% QoQ, and up 73.9% YoY

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-  Gross profit was US\$414.9 mn, up 104.0% QoQ and up 75.5% YoY

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-  Gross margin was 16.1%, compared with 15.1% in Q3 2021 and 16.0% in Q4 2020

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-  Quarterly EBITDA of US\$ 183.1 mn, up 104.4% QoQ, up 79.6% YoY

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-  Non-GAAP net income <sup>(1)</sup> was US\$34.3 mn, up 12.8 times QoQ and up 5.5 times YoY

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-  Net income was US\$37.6 mn, compared with net income of US\$30.1 mn in Q3 2021 and net loss of US\$57.8mn in Q4 2020

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-  Cash and short-term restricted cash of US\$1.40 bn as of Q4 2021 vs US\$1.14 bn as of Q3 2021

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-  2022 Q1 guidance: total shipments to be in the range of 7.5 GW to 8.0 GW

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

(1) Attributable to ordinary shareholders.

# FY2021 financial highlights

✓ Annual shipments were 25,242 MW(including 22,233 MW for solar modules), up 18.4% YoY for solar modules shipments

✓ Total revenues were US\$6.41 bn, up 16.2% YoY

✓ Gross profit was US\$1.04 bn, up 7.9% <sup>(1)</sup> YoY

✓ Gross margin of 16.3%, compared with 17.6% <sup>(1)</sup> in 2020

✓ Record full-year EBITDA of US\$537.4 mn for 2021, up 4.9% YoY

✓ Income from operations of US\$173.0 mn, down 38.2% <sup>(1)</sup> YoY

✓ Net income <sup>(2)</sup> of US\$113.1 mn, up 2.1 times YoY

✓ 2022 full year guidance: total shipments to be in the range of 35 GW to 40 GW

## Notes:

(1) Including the reversal benefit of CVD and ADD.

(2) Attributable to ordinary shareholders.

(3) Net debt calculated as total debt minus cash and short-term restricted cash. Short-term debt includes short-term borrowings, financing and operating lease liabilities and bond payable. Long-term debt includes long-term borrowings, convertible senior notes and financing and operating lease liabilities.

# Business highlights

- 1** Despite supply chain challenge in the fourth quarter of 2021, we achieved significant growth in both shipments and revenues compared to the third quarter of 2021.
- 2** Proportion of shipments in the Chinese market increased to approximately 34% in the fourth quarter of 2021. We actively participated the distribution market business while enhanced our competitiveness in utility business.
- 3** The mass production efficiency of approximately 900MW N-type Topcon Cells in Haining production facility has reached 24.5% in the fourth quarter of 2021, with the yield rate close to that PERC.
- 4** The next-generation N-type Ultra-efficiency Tiger Neo Module with better power generation performance remains popular in the market since its launch in the fourth quarter of 2021, giving the Company a competitive advantage with premium pricing.
- 5** Jiangxi Jinko completed its IPO process in the first quarter of 2022. Access to this new source of growth capital, combined with the Company's competitiveness accumulated over the years, will further strengthen its leading position in the industry.

# Consolidating our strengths to navigate challenges

## Strategic co-operations mitigate risks; R&D and in-house manufacturing capabilities lead the industry

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### Flexible business strategy

- ❑ **Optimized product structure**: Shipments of **Tiger Pro and Tiger Neo** accounted for **~75%** in Q4'21, and are expected to account for **80%~90%** in 2022.
- ❑ **Optimized business structure**: Our distributed business accounted for **30~40%** in 2021, We will continue to explore the global market demand for distributed generation based on market trends and customer needs.
- ❑ **Module shipments by region**: China contributes the largest portion in Q4'21, from **less than 10%** in 1H'21 to **~34%** in Q4'21; we expect the proportion of shipments in the China market to further increase in 2022.

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### Optimization of our global supply chain

- ❑ **Cooperation with upstream material manufacturers**: Polysilicon supply agreements with overseas manufacturers and strategic investment in Tongwei and Xinte for High-purity Polysilicon Production Project.
- ❑ **7GW mono wafer plant in Vietnam** commenced production in Q1'22 to serve our production facilities in Malaysia and the United States when production ramps up.

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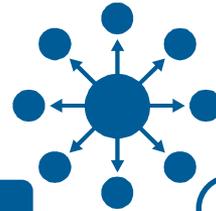
### Long-term leading R&D and product advantage

- ❑ **N-type cell technology leads the industry**: The mass production efficiency of approximately 900MW N-type Topcon Cells in Haining production facility has reached **24.5%** in Q4'21, with the yield rate close to PERC.
- ❑ **Leading industry into high-efficient N-type era**: Next-generation N-type Ultra-efficiency **Tiger Neo** Modules remain popular in the market since its launch in Q4'21 with better power generation performance, and obtained competitive premium.

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### Improving in-house manufacturing capability

- ❑ By the end of 2021, our capacity for mono wafer, solar cell and solar module will reach **32.5GW, 24GW** and **45GW**, respectively, with integration level further increasing.



# Integrated capacity increased steadily while global manufacturing capability enhanced

## Enhanced global manufacturing capability



- Overseas cell-module manufacturing facility in Malaysia and U.S.
- ★ Wafer manufacturing facility in Vietnam built in 2021

■ Our 7GW mono wafer plant in Vietnam commenced production in Q1'22 with approximately 7 GW integrated mono wafer-cell-module manufacturing capacity.

## Cooperation with industry leaders to extend integration

✓ Upstream: To ensure reliable and stable supply of raw materials

- Long-term supply agreements with U.S. and German polysilicon suppliers

- Strategic equity investments:

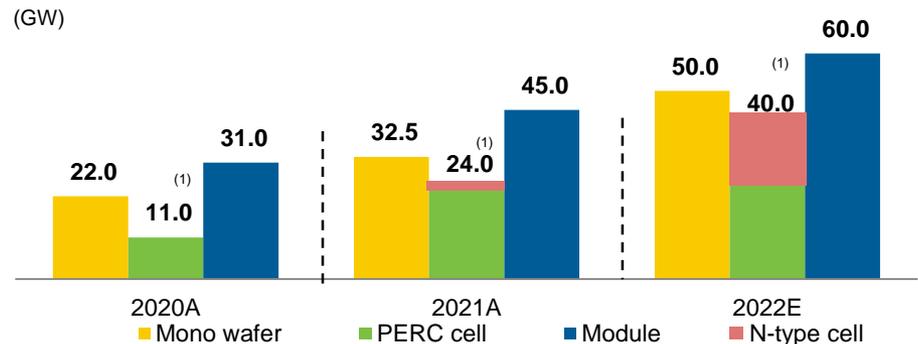


✓ Downstream: To explore global solar+storage business development

- Strategic cooperations:



## Steady growth in integrated production capacity

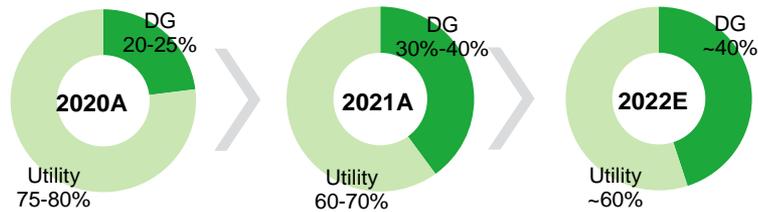


Note:

(1) Including 2020A 0.8GW/2021A 0.94GW/2022E 16.9GW N-type cells.

# Growth in China and DG market

## DG market penetration is increasing

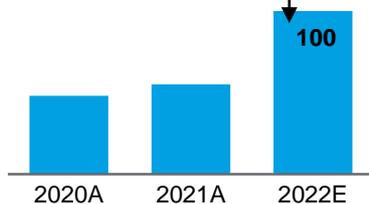


We launched the next-generation **N-type Tiger Neo modules** in Q4'21, with further enhancements in performance, power, energy density, and reliability, clients have been favorable towards our premium quality N-type products.



## Growing shipments to growing China market

As large-scale projects have clear pipelines, and DG is expected to contribute to incremental market volume, demand in China is expected to exceed **100 GW**



Proportion of module shipments in China continue to grow quarter by quarter



Annual module shipments in China continue to grow



## Brand advantage to enhance customer value

As of the end of **2021**, our accumulated module shipments reached **90 GW+**, with a network serving global customers and delivering products **160+** countries and regions.



Our **Tiger Neo Bifacial Modules** have been officially certified by CERTISOLIS for their very competitively low carbon footprint values ("CFP values").

-CERTISOLIS

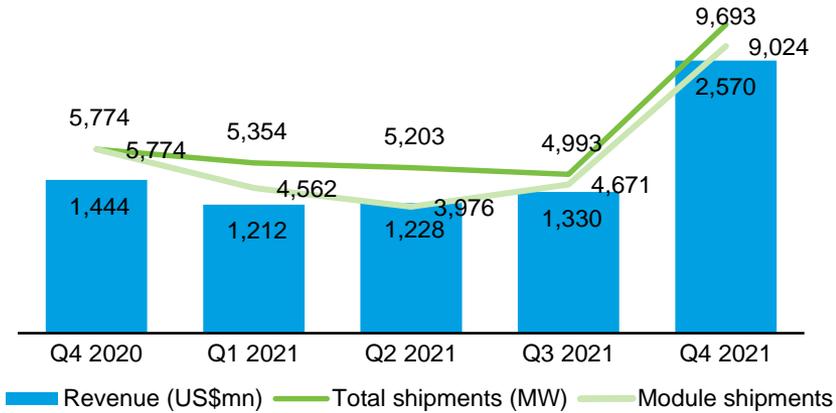
We recently hosted a **high-level dialogue with the United Nations Global Compact (UNGC)**, on the role of solar PV technology development in achieving global Sustainable Development Goals ("SDGs") set up by the United Nations.

Receives Greater China's **First LCA Certificate** for PV Modules issued by TÜV Rheinland China.

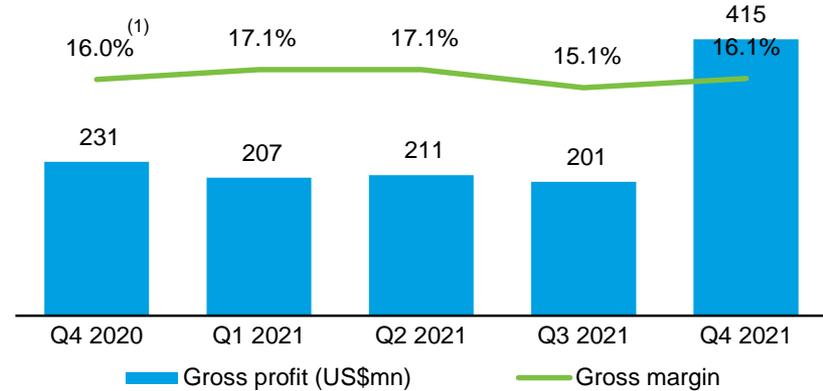
-TÜV Rheinland

# Quarterly financial highlights

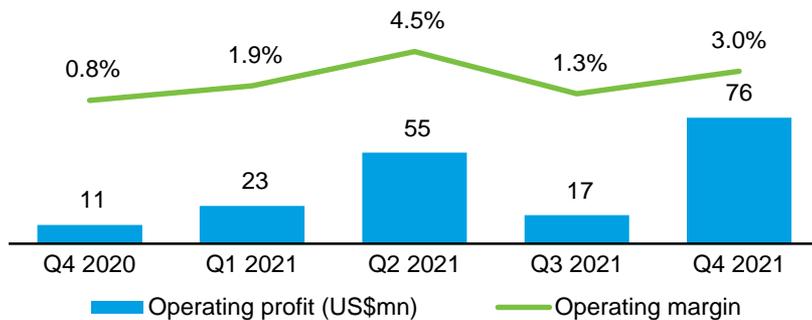
## Revenue and total shipments



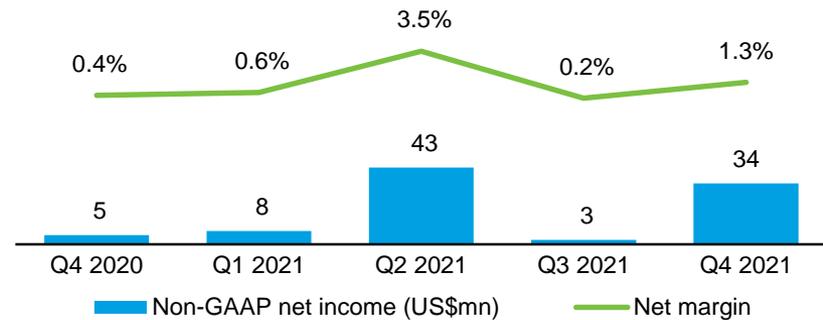
## Gross profit and gross margin



## Operating profit and operating margin



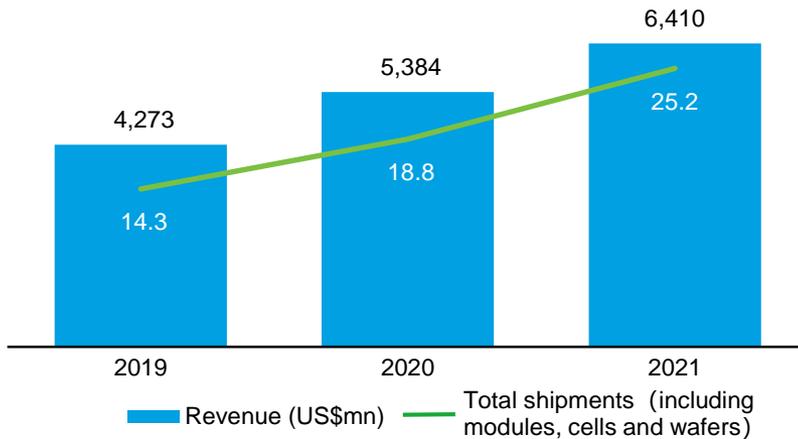
## Non-GAAP net income and net margin



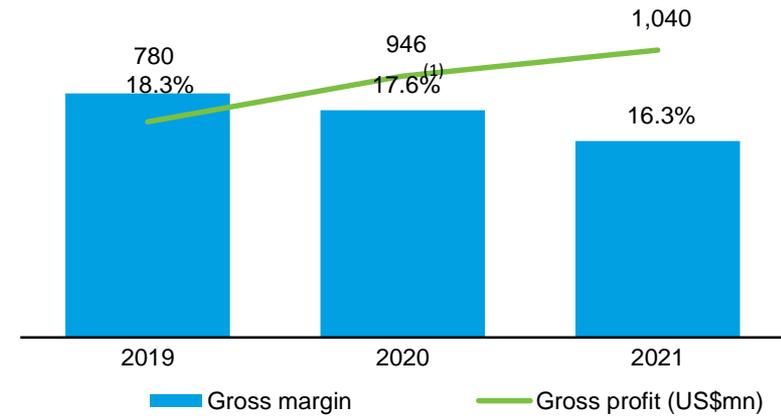
Notes:  
 (1) Including the reversal benefit of AD/CVD

# Annual financial highlights

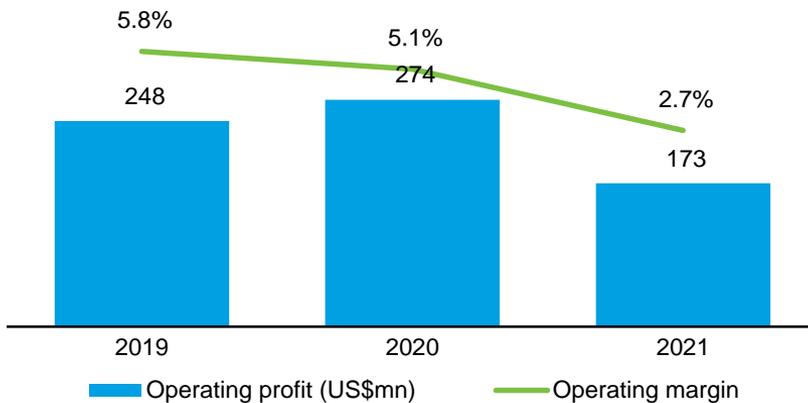
## Revenue and module shipments



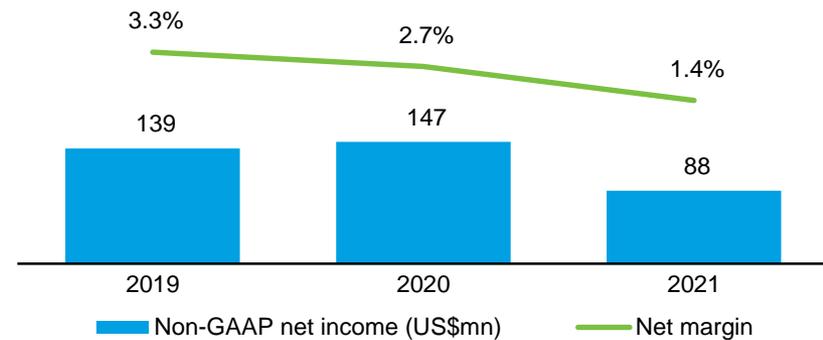
## Gross profit and gross margin



## 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		Annually (US\$m)		Change by RMB
	Q4 2020	Q3 2021	Q4 2021	QoQ change	YoY change	FY2020A	FY2021A	YoY change
<b>Total shipments</b>	<b>5,774MW</b>	<b>4,993MW</b>	<b>9,693MW</b>	94.1%	67.9%	<b>18.8GW</b>	<b>25.2GW</b>	34.5%
<b>Total module shipments</b>	<b>5,774MW</b>	<b>4,671MW</b>	<b>9,024MW</b>	93.2%	56.3%	<b>18.8GW</b>	<b>22.2GW</b>	18.4%
<b>Revenue</b>	<b>1,444</b>	<b>1,330</b>	<b>2,572</b>	91.2%	73.9%	<b>5,384</b>	<b>6,410</b>	16.2%
<b>Gross profit</b>	<b>231</b>	<b>201</b>	<b>415</b>	104.4%	75.5%	<b>946</b>	<b>1,040</b>	7.9%
<i>Gross margin</i>	16.0% <sup>(1)</sup>	15.1%	16.1%	1.0pct	0.1pct	17.6%	16.3%	(1.3)pct
<b>EBITDA</b>	<b>100</b>	<b>89</b>	<b>183</b>	104.4%	79.6%	<b>464</b>	<b>537</b>	4.9%
<i>EBITDA margin</i>	6.9%	6.7%	7.1%	0.4pct	0.2pct	8.6%	8.2%	(0.4)pct
<b>Operating income</b>	<b>11</b>	<b>17.3</b>	<b>76.2</b>	336.9%	578.8%	<b>274</b>	<b>173</b>	(38.2)%
<i>Operating margin</i>	0.8%	1.3%	3.0%	1.7pct	2.2pct	5.1%	2.7%	(2.4)pct
<b>Non-GAAP net income <sup>(2)</sup></b>	<b>5.1</b>	<b>2.5</b>	<b>34.3</b>	1279.0%	553.6%	<b>147</b>	<b>88</b>	(41.7)%
<i>Non-GAAP net margin</i>	0.4%	0.2%	1.3%	1.1pct	0.9pct	2.7%	1.4%	(1.3pct)
<b>Net debt / LTM EBITDA <sup>(3)</sup></b>	<b>3.9X</b>	<b>7.2x</b>	<b>3.5X</b>			<b>3.4X</b>	<b>4.8X</b>	

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

(1) Including the reversal benefit of AD/CVD

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

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

# Balance sheet summary

(US\$m)	Q4 2020	Q3 2021	Q4 2021
<b>Cash and restricted cash <sup>(1)</sup></b>	<b>1,240</b>	<b>1,136</b>	<b>1,400</b>
<b>Accounts and notes receivable</b>	<b>924</b>	<b>915</b>	<b>1,442</b>
<b>Inventories</b>	<b>1,284</b>	<b>2,091</b>	<b>2,080</b>
<b>Net PPE</b>	<b>1,909</b>	<b>2,723</b>	<b>3,134</b>
<b>Total assets</b>	<b>8,158</b>	<b>9,932</b>	<b>11,453</b>
<b>Total debt</b>	<b>2,802</b>	<b>3,688</b>	<b>3,957</b>
<b>Short-term debt <sup>(2)</sup></b>	<b>1,593</b>	<b>1,907</b>	<b>2,134</b>
<b>Long-term debt <sup>(3)</sup></b>	<b>1,209</b>	<b>1,781</b>	<b>1,823</b>
<b>Net debt <sup>(4)</sup></b>	<b>1,562</b>	<b>2,552</b>	<b>2,557</b>
<b>Total liabilities</b>	<b>6,167</b>	<b>7,747</b>	<b>9,211</b>
<b>Total shareholders' equity</b>	<b>1,531</b>	<b>1,696</b>	<b>1,734</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

	Q4 2021A	Q1 2022E	FY2022E
<b>Total shipments</b>	9.69GW	7.5GW to 8.0GW	35.0GW to 40.0GW
<b>Revenue</b>	US\$2,57bn	N/A	N/A
<b>Gross margin</b>	16.1%	N/A	N/A

Notes: Unaudited quarterly financials.

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