



Investor Relation Presentation: Transition to Capture Rising Demand

SOLARTRON PUBLIC COMPANY LIMITED



- The largest solar module manufacturer and system integrator in Thailand with proven track record: captured more than 80% of government projects
- Experienced management team
- Strong connection with wafer/cell supplier, secured sources of raw material
- New factory will strengthen the company's positioning in regional market while reducing the production cost
- The only alternative energy company listed on the Stock Exchange of Thailand



Company Profile

SOLARTRON PUBLIC COMPANY LIMITED



Background



1986

- Established with paid up capital of 2 MB.

2003

- Received BOI Privilege for production of solar modules.
- Increased registered capital to 200 MB.
- Constructed Solartron Technology Center, which included solar module assembly lines of 30 MW/year capacity, located in Pakchong, Nakornrachasima (160 km, North-east of Bangkok)

2004

- Increased registered capital to 300 MB.
- Converted to Solartron Public Company Limited.
- Certified for ISO 9001: 2000

2005

- Listed on the Stock Exchange of Thailand (SET).
- Certified for ISO 14001: 2004
- Certified for ISO TIS/OHSAS 18001: 1999

2006

- Constructed solar cell production plant of 30 MW/year capacity.

2008 - 2018

- Secured wafer by entering into long-term supply agreement.



Products & Services



Solar Modules



Balance of System (BOS)



Controllers



Inverters



Lamps



Batteries



Supports & Foundation



Components for Water Pumping System



Water Pumps

Services

- > Survey
- > Design & Sizing
- > Installation & Commissioning
- > Service & Maintenance
- > Call Center
- > Energy Service
- > Training



Off-Grid Applications



Applications/Projects:

- Solar Home System
- Solar Power Water Pumping System
- Solar Hybrid System
- Solar Battery Charging System
- Solar Power Telecommunication System
- Solar Power Street Lighting System
- Solar Power Traffic Lighting System
- Solar Power Drip Irrigation System
- Solar Power Marine Signal Buoy
- Solar Power Consumer Products

Solar Home System



Almost 200,000 households in Thailand have been equipped with the solar home systems. 25 Megawatt of Solar Home Projects all over Thailand

Off-Grid Applications



Solar Power Water Pumping System



Water Pump

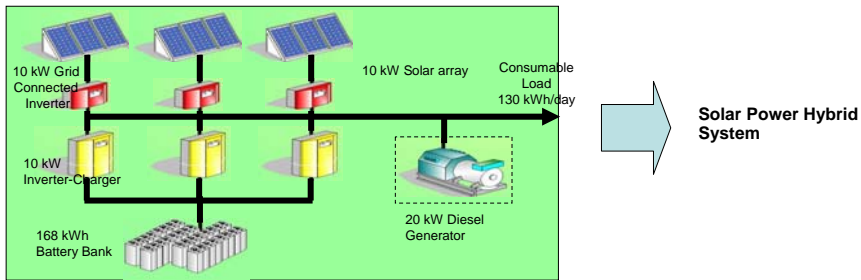


Solar Modules



Water Storage Tower

More than 30,000 remote villages in Thailand need solar powered water pumping systems.



Off-Grid Applications



Solar Power Telecommunication System



Solar Power Lighting System



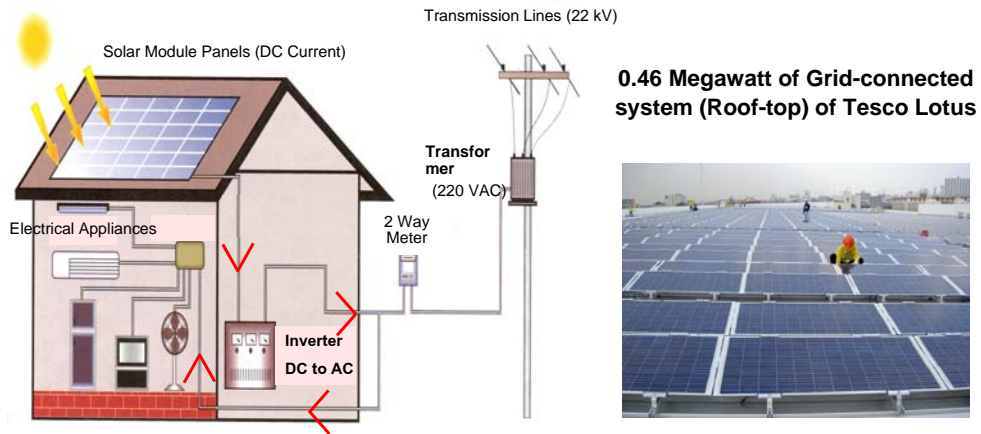
Solar Power Traffic Lighting System



Grid-Connected Applications



Solar roof top grid-connected system



Solar Power Plants



500 kWp, Mae Hong Son Province.



20 kWp, Sa Kaeo Province.



40 kWp, Tak Province.

Facilities



Backward integration is the key strategic move: from module to cells



Management Credentials



- High capability to manufacture the cost efficient product with zero defect
- High capability to manufacture all steps and market the products to various needs (from Wafer-Cell-Module-Application System)
- High expertise in handling large scale project management
- Long term brand building
- First to capturing private market target
- High expertise in building up product categories that fit for both rural non-electrified area and city area (capture more than 80% of market share)
- Secure the business growth by first and only listing the company in the stock exchange of Thailand
- Strengthen the company's positioning in regional market by investing in new solar cell factory, reduced the production cost and control the supply chain
- Strong connection with wafer supply company, secured sources of raw material



Growth & Prospects

Global Market

Oil Price Situation

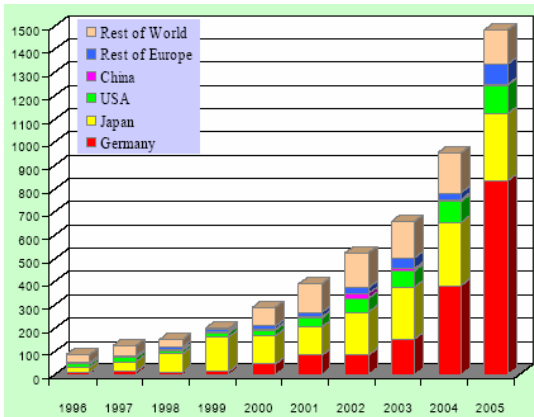
- Oil price continuously raises.
- Peak was on 2006 with uptrend potential.
- Nation struggles for alternative energy.



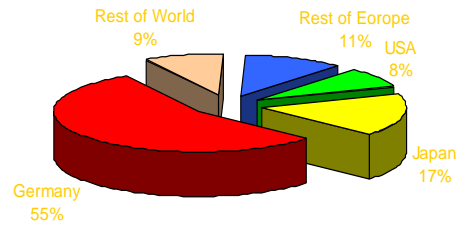
Global Market



Demand Side: World Solar Photovoltaic Cumulative Installation



Total installation in 2006 was 1,744 MW



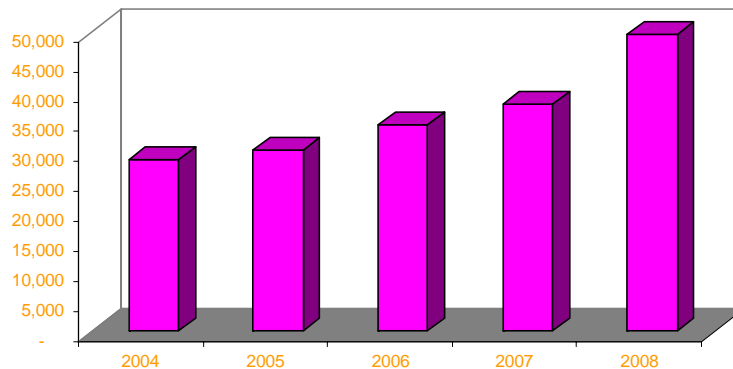
- > Substantially high growth industry
- > CAGR from 1996-2006 is 35%
- > Usage is intense in Europe, especially Germany

Global Market



Supply Side: World Production of Polysilicon Supply

Metric ton



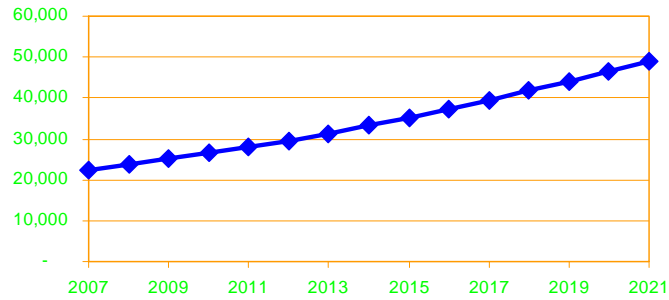
- > Greatest risk to solar industry is supply shortage.
- > Polysilicon contract is expected to be sold out through 2007.
- > Feedstock CAGR is 12% despite the industry growth of 28 % during the past 5 years

Thai Market Prospect



Electric Consumption Forecast

Peak load (MW)



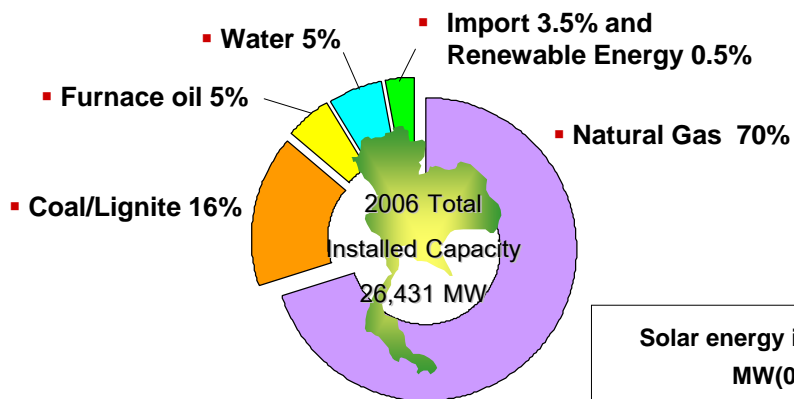
Source : Power Development Plan, Ministry of Energy

- The electric consumption grows continuously over 15-year period
- CAGR is forecasted to be 5.32%.

Thai Market Prospect



Source of Electricity Generating in Thailand



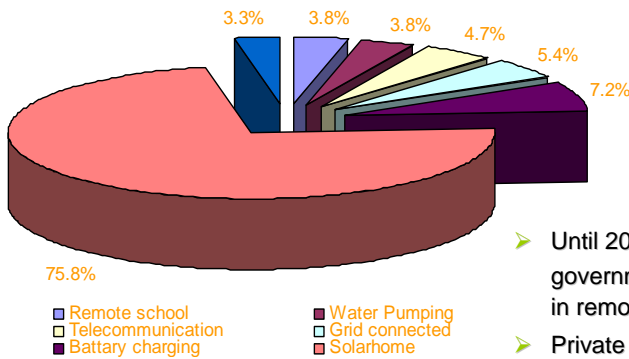
Source : Energy Policy and Planning Office, Ministry of Energy

Solar energy installation 32 MW(0.12%)
Thailand still has a big untapped market for solar energy.

Thai Market Prospect



2006 Solar Installation (Total of 32 MW)



- Until 2006, PV demand concentrated on government sector, especially installation in remote area (off-grid market).
- Private demand is stimulated from 2006 on as the government promoted electricity adder rate (grid-connected market).
- Growth rate of Thai PV industry basically depends upon government policy.

Thai Market Prospect



Thailand's National Energy Policy

1. Establish the regulatory framework for Electricity and Natural Gas Industries
2. **Enhance Energy Supply**
→ Energy Security (Self Sufficiency)
3. **Promote Energy Saving & Energy Efficiency**
4. **Promote Renewable and Alternative Energy**
→ Reduce Imports and diversify fuel types and sources
5. **Market-based Pricing Structure**
→ Reflect true cost in a transparent manner and promote competition
6. **Set mandate on Clean Energy**
→ Alleviate impacts on environment
7. **Promote Public and Private Participation in Policy Formulation** → Sustainable Development

Immediate Actions and Implementation

+

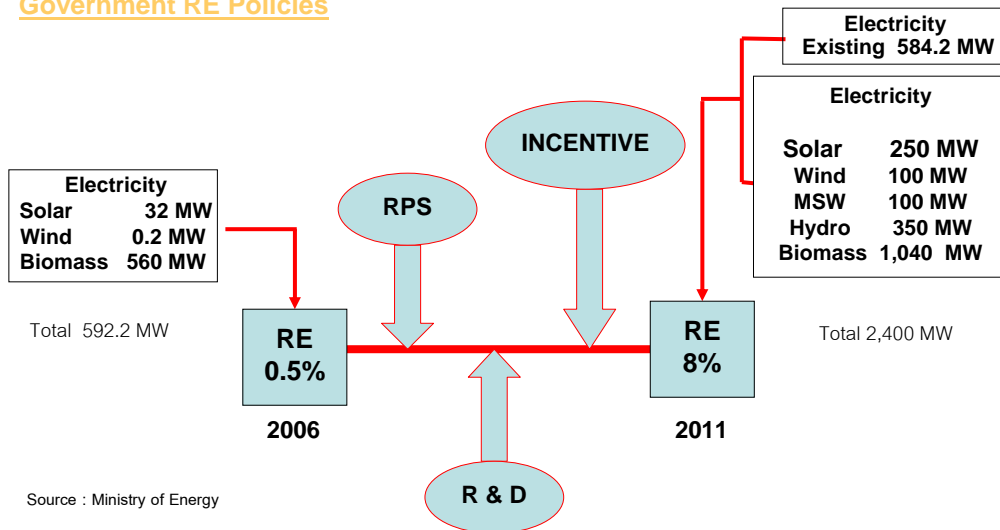
Set direction toward sustainable development



Thai Market Prospect



Government RE Policies



Thai Market



Government Incentives

1. Soft loan
To promote and push investment in renewable energy projects to increase the confidence of financial institutes in lending for RE projects. Loan interest rate \leq 4% per year
2. BOI (Board of Investment) Privilege
Import duties and Cooperate tax exemption on new investment (8 years) for Energy conservation business and Energy Service Company – ESCO
3. Feed in Tariff incentive
Provide “Adder” to normal purchase price for renewable energy (8 Baht/KW for solar energy)

Investment Positives



- ✓ **Supply drive**
10-year supply, which is the key success in the industry has been secured.
Strong connection with wafer/cell suppliers, secured sources of raw material
- ✓ **Market leader**
80% of market share in Thailand.
- ✓ **First mover advantage**
First few privately-owned firm in Thailand's solar energy sector.
- ✓ **Taxes exemption**
8 years of corporate income tax exemption.
0% import duty for raw materials of cells/modules
- ✓ **Experience Management with good engineering support**
High profile in Solar industry research and development.
- ✓ **Entry barriers**
Technology, expertise and connections create entry barriers
- ✓ **Backward integration**
Solar cell factory will strengthen the company's positioning in regional market while reducing the production cost