

Canadian Solar 4Q24 Earnings Call

March 25, 2025

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FY2024 Q4 and Full Year Overview

Key Financial Metrics

FY2024 Q4

\$1.5 billion

Revenue

14.3%

Gross margin

\$34 million

Net income to CSIQ⁽¹⁾

\$0.48

Diluted earnings per share to CSIQ⁽¹⁾

Full Year 2024

\$6.0 billion

Revenue

16.7%

Gross margin

\$36 million

Net income to CSIQ⁽¹⁾

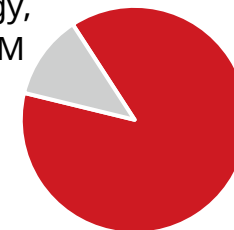
\$0.54

Diluted earnings per share to CSIQ⁽¹⁾

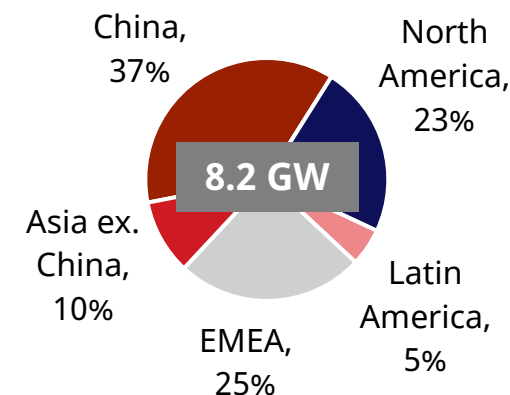
Revenue and Module Shipment Breakdown

FY2024 Q4

Recurrent Energy, \$183M

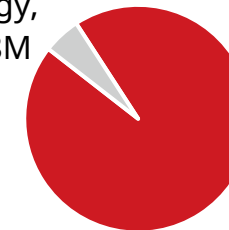


CSI Solar, \$1,338M

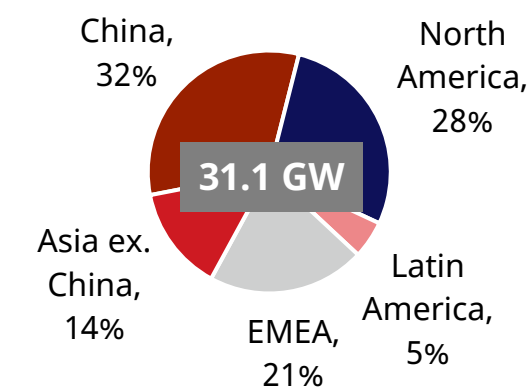


Full Year 2024

Recurrent Energy, \$318M



CSI Solar, \$5,675M

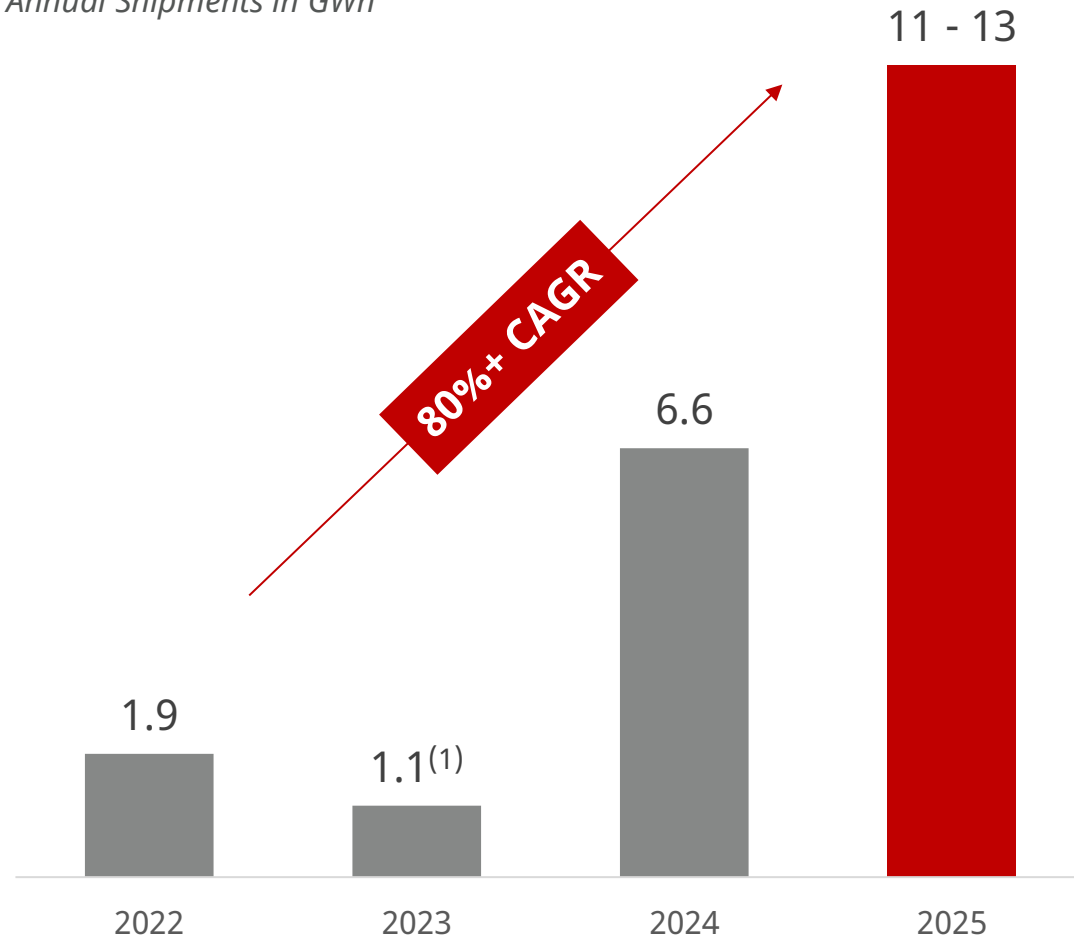


(1) Including \$132 million and \$1.95 positive HLBV impact to net income to CSIQ and diluted earnings per share to CSIQ, respectively.

(2) Including \$132 million and \$1.99 positive HLBV impact to net income to CSIQ and diluted earnings per share to CSIQ, respectively.

Record Year for Energy Storage With More Growth Ahead

Annual Shipments in GWh



Deep value **turnkey solution** leveraging proprietary BESS technology...



SolBank 3.0 (Capacity: 5 MWh)

- ✓ High Energy Density
- ✓ Advanced Safety Design
- ✓ Optimized Modular Design
- ✓ Installation and Safety Efficiency



...which has delivered a **10 GWh+** global track record, including numerous **1 GWh+**⁽²⁾ systems

(1) Decrease in shipments due to transition from white label to own self-manufactured product.

(2) From left to right, photos of Crimson Energy Storage Project (1.4 GWh), Coalburn Energy Storage Projects (2 GWh), and Papago Energy Storage Project (1.2 GWh).

U.S. Manufacturing Plans Underway Across Three States

2023 Q4



*5 GW solar module facility,
located in Mesquite, Texas*

2025 Q4



*5 GW solar cell facility, located
in Jeffersonville, Indiana*

2026 Q1



*6 GWh energy storage facility,
located in Shelbyville, Kentucky*

Investing over **\$2 billion** cumulatively to build **3 state-of-the-art manufacturing facilities** across solar and energy storage solutions, creating more than **4,000 jobs** across manufacturing, engineering, and R&D and contributing meaningfully to the **manufacturing onshoring effort**

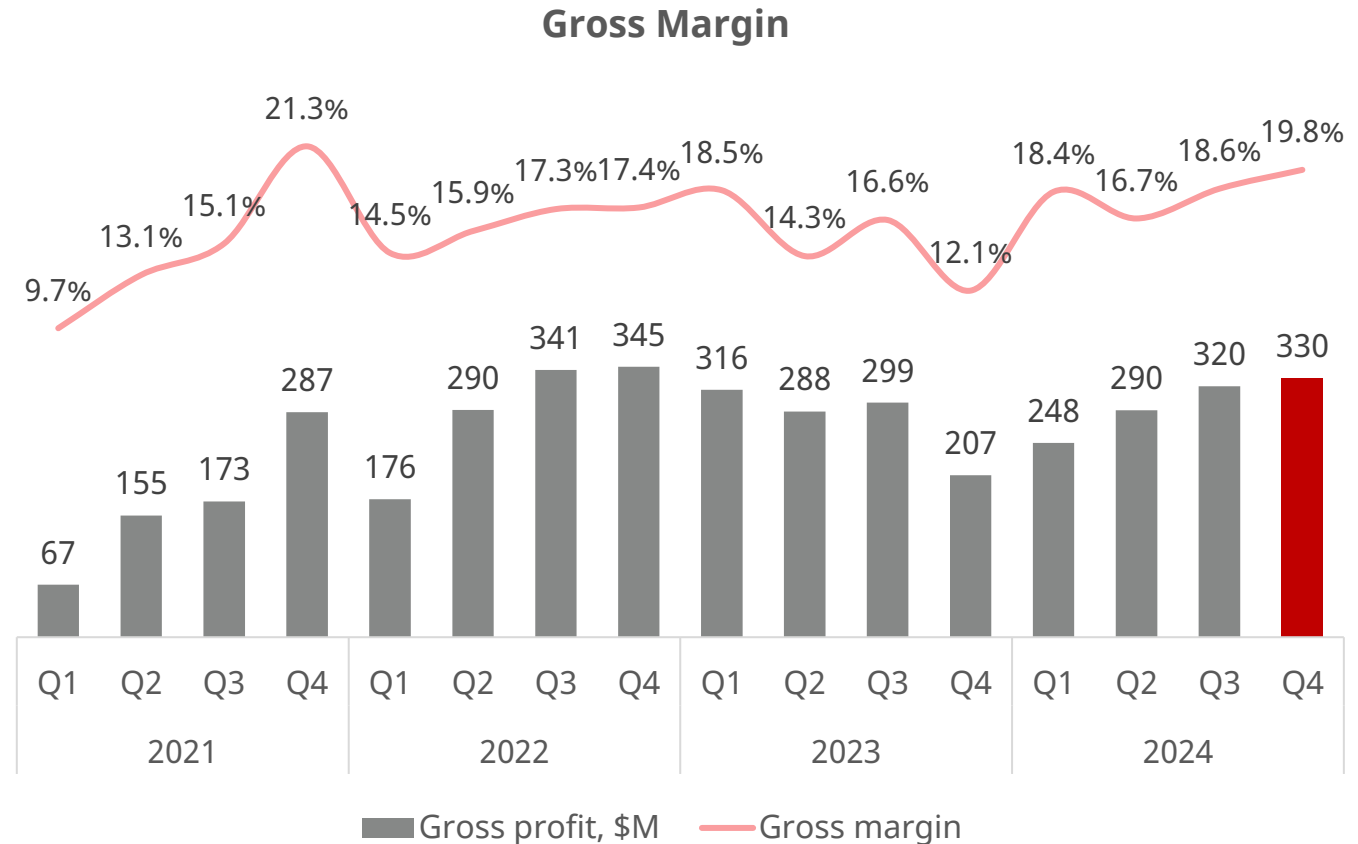
CSI Solar FY2024 Q4 and Full Year Performance Overview

CSI Solar FY2024

- Module shipments: 31.1 GW
- Storage shipments: 6.6 GWh
- Revenue: \$6.5 billion
- Gross profit: \$1.2 billion
- Gross margin: 18.4%
- Operating profit: \$337 million

CSI Solar Q4 2024

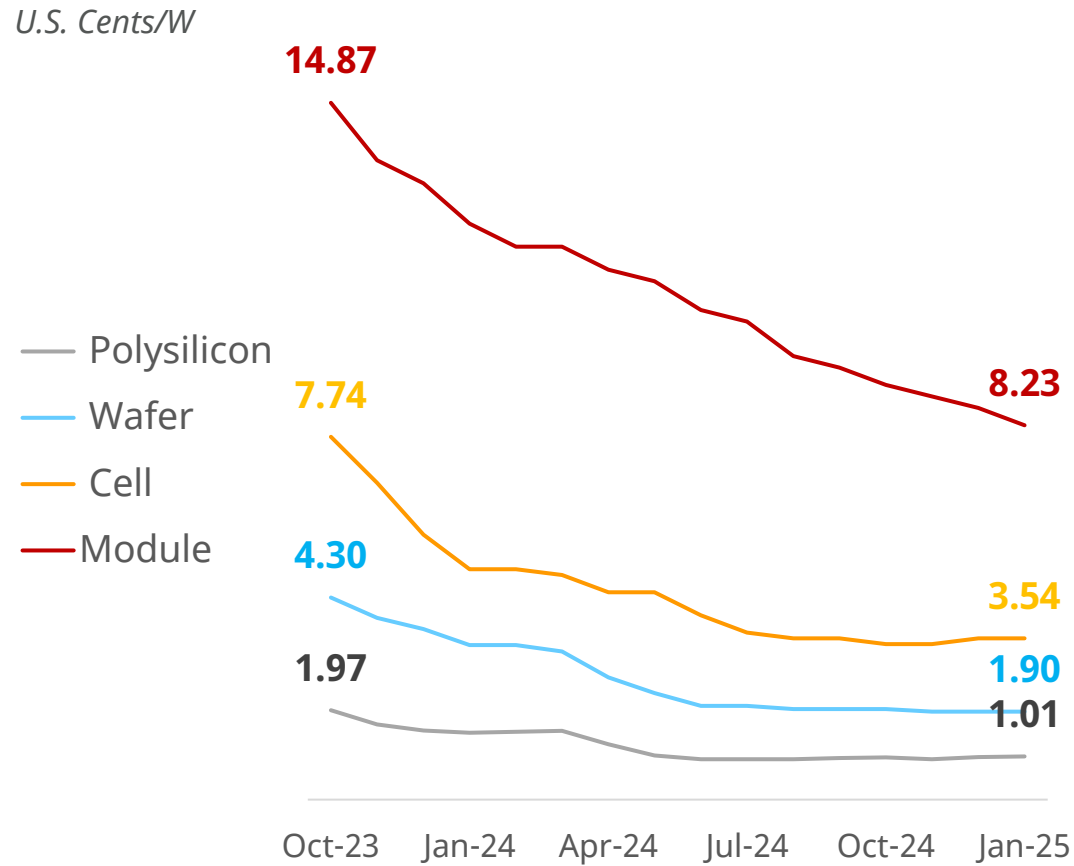
- Module shipments: 8.2 GW
- Storage shipments: 2.2 GWh
- Revenue: \$1.7 billion
- Gross profit: \$330 million
- Gross margin: 19.8%
- Operating profit: \$50 million



Excluding the impact of intra-group elimination.

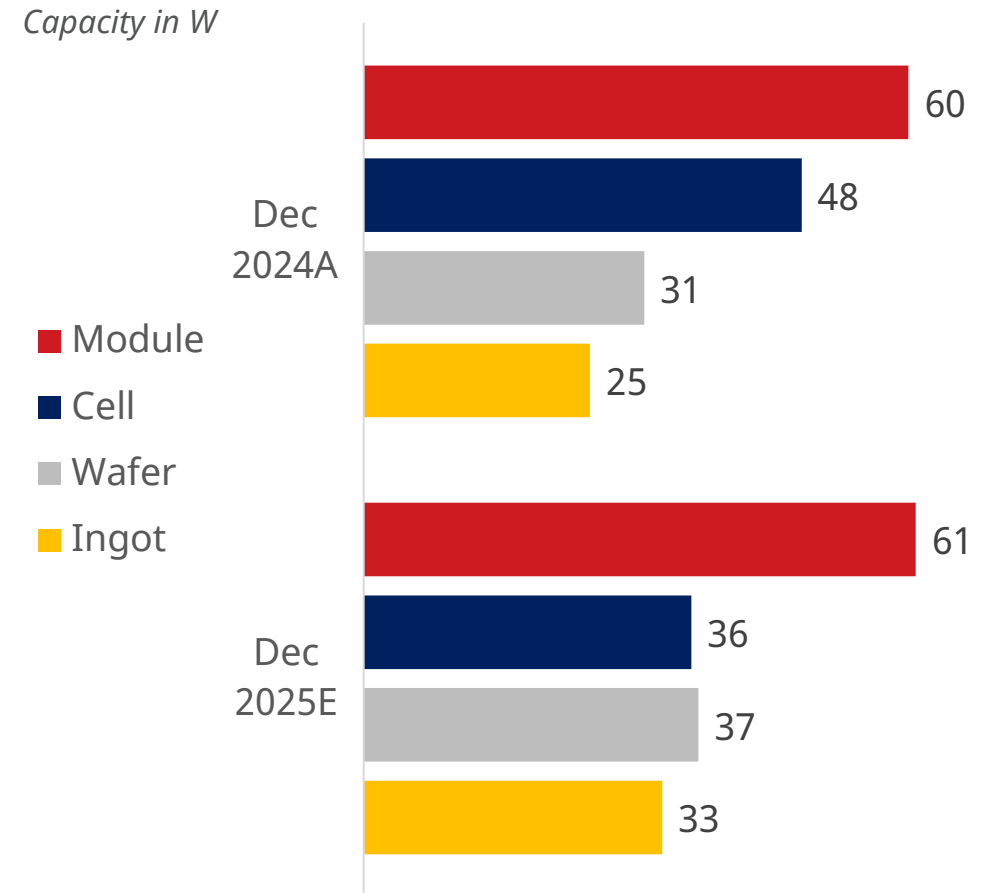
Declining Supply Chain Pricing and Versatile Capacity Plans

Below Cost Supply Chain Pricing



*U.S. cell production expected to commence by the end of 2025.

Solar Manufacturing Capacity



e-STORAGE Performance Overview and Outlook

Contracted backlog⁽¹⁾
\$3.2 billion

2025 shipments guidance
11 – 13 GWh

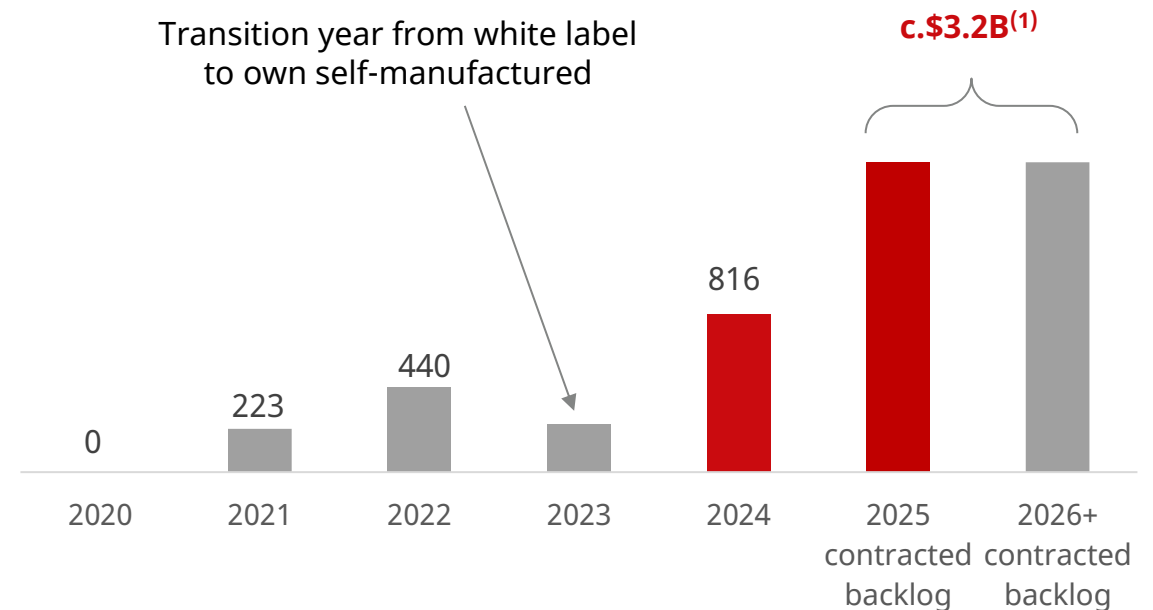
2025 year-end BESS and battery cell capacity
30 GWh | 3 GWh

Total pipeline⁽¹⁾
79 GWh

Operating projects contracted under LTSA⁽¹⁾
4.9 GWh

Turnkey Utility-Scale Battery Energy Storage Annual Revenue

\$ in millions



(1) As of December 31, 2024.

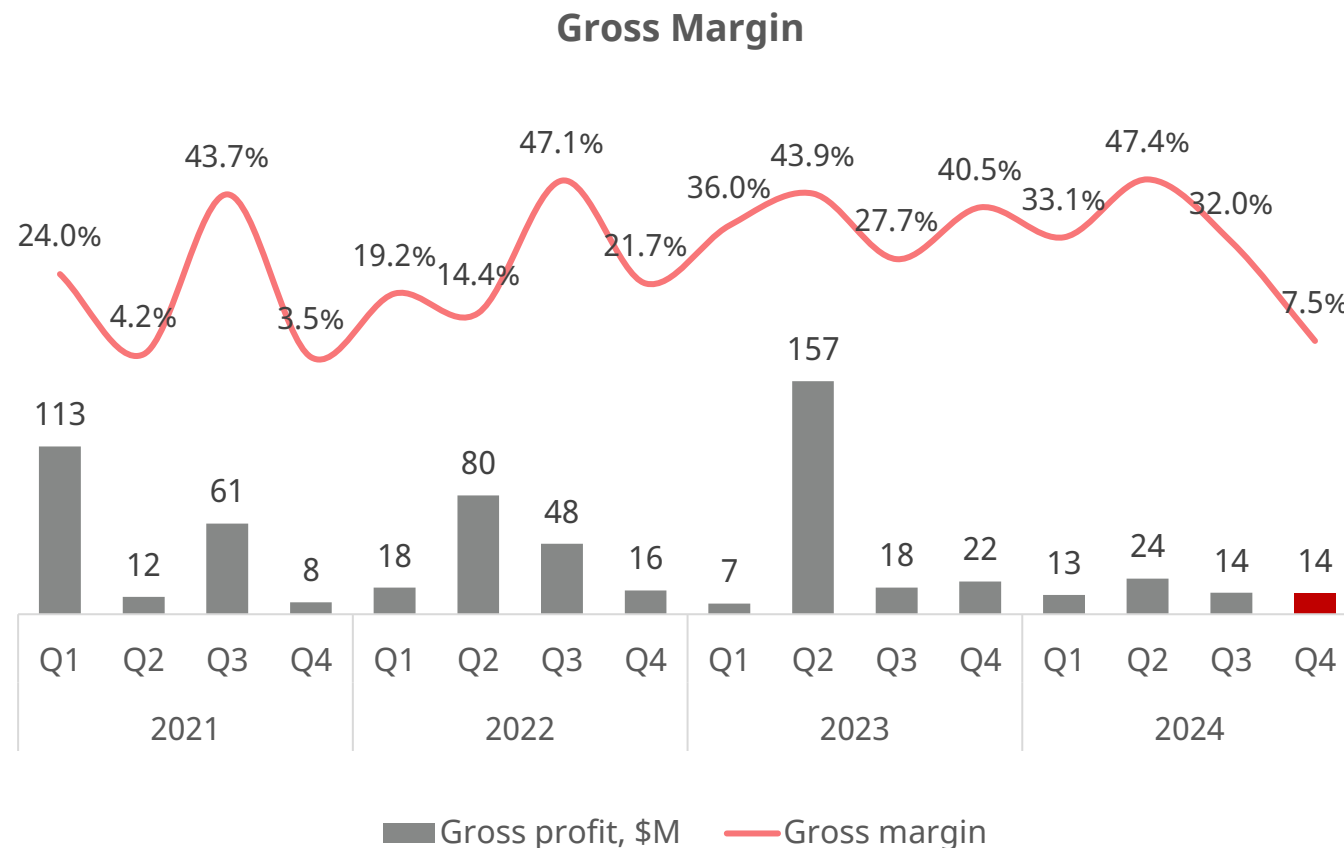
Recurrent Energy FY2024 Q4 and Full Year Performance Overview

Recurrent Energy FY2024

- Project sales: 1.2 GW
- Revenue: \$323 million
- Gross profit: \$65 million
- Gross margin: 20.2%
- Operating loss: \$90 million

Recurrent Energy Q4 2024

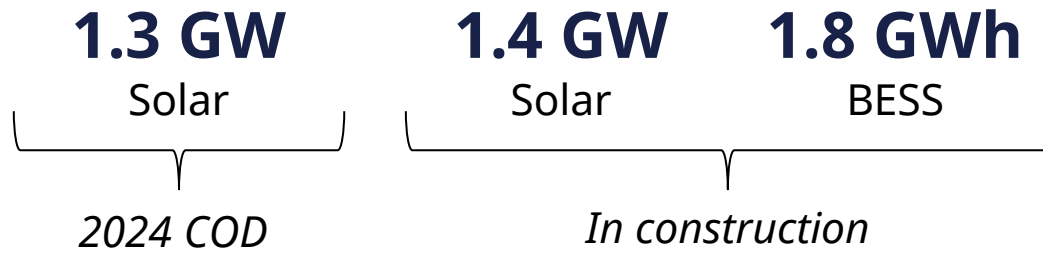
- Project sales: 540 MW
- Revenue: \$188 million
- Gross profit: \$14 million
- Gross margin: 7.5%
- Operating loss: \$40 million



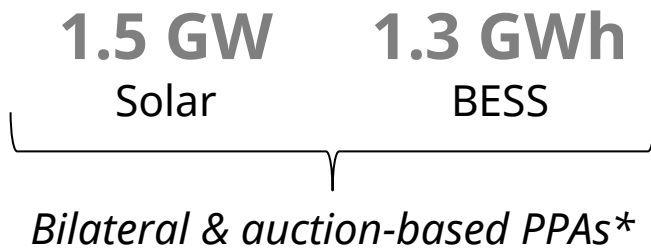
Excluding the impact of intra-group elimination.

2024 the Year of Execution

1 While bringing a record number of projects to commercial operation...



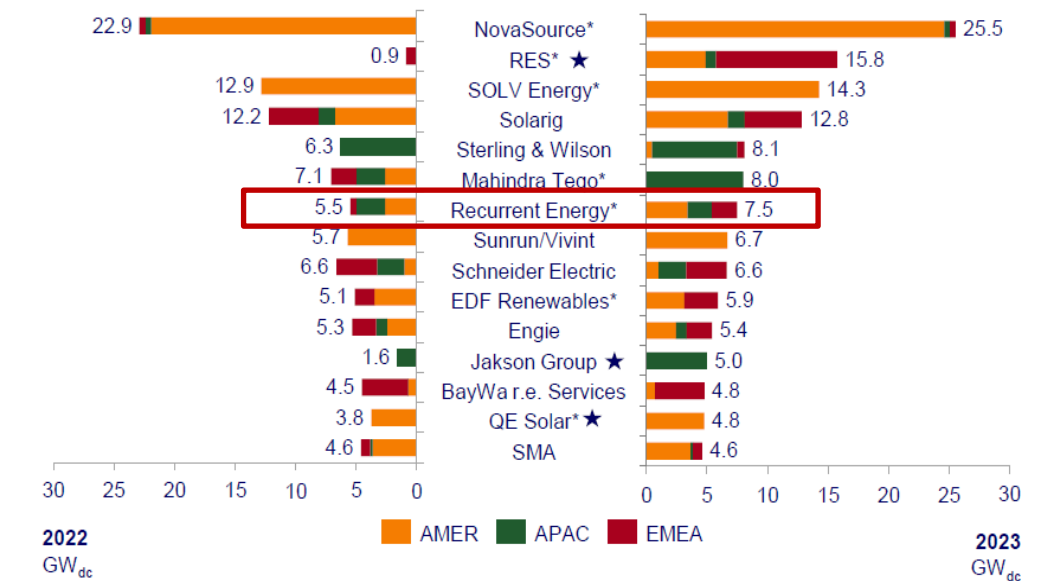
2 ...we continued to secure future performance through high quality PPAs...



*Select PPA counterparties

3 ...and further expanded our valuable O&M business globally.

Global top 15 O&M vendors by GW_{dc} under service, 2023 vs 2022



Source: Wood Mackenzie 2024 Global PV O&M Service Provider Dynamics.

One of the Industry's Largest and Most Mature Global Solar and Storage Project Development Pipelines

Solar Development Project Pipeline – MWp⁽¹⁾

Region	Under Construction	Backlog	Advanced Pipeline	Early-Stage Pipeline	Total
North America	286	565	637	4,443	5,931
EMEA	1,005**	1,863	1,309	4,890	9,067
Latin America	128**	860	-	4,628	5,616
Asia Pac ex. China & Japan	171	2	708	1,282	2,163
China	300	900**	-	860	2,060
Japan	59	53	-	-	112
Total	1,949	4,243	2,654	16,103	<u>24,949</u>

c.9 GW with interconnection

Securing interconnection

Battery Energy Storage Development Project Pipeline – MWh⁽¹⁾

Region	Under Construction	Backlog	Advanced Pipeline	Early-Stage Pipeline	Total
North America	1,400	800	760	21,250	24,210
EMEA	-	3,522	3,417	28,338	35,277
Latin America	-	1,765	-	-	1,765
Asia Pac ex. China & Japan	440	-	980	1,780	3,200
China	-	1,199	-	5,000	6,199
Japan	8	719	2,241	1,440	4,408
Total	1,848	8,005	7,398	57,808	<u>75,059</u>

c.17 GWh with interconnection

Securing interconnection

(1) All numbers are gross MWp, as of December 31, 2024.

(2) Including 74 MWp under construction and 943 MWp in backlog that are owned by or already sold to third parties.

Quarterly Income Statement Highlights

<i>\$ in millions except per share data</i>	4Q23	1Q24	2Q24	3Q24	4Q24	qoq	yoy
Net revenues	1,702	1,329	1,635	1,508	1,521	+1%	-11%
-CSI Solar	1,701	1,342	1,731	1,716	1,670	-3%	-2%
-Recurrent Energy	54	39	50	45	188	+318%	+251%
-Elimination	(53)	(52)	(146)	(253)	(337)		
Gross margin	12.5%	19.0%	17.2%	16.4%	14.3%	-210 bp	+180 bp
-CSI Solar margin	12.1%	18.4%	16.7%	18.6%	19.8%	+120 bp	+770 bp
-Recurrent Energy margin	40.5%	33.1%	47.4%	32.0%	7.5%		
Selling and distribution expenses	94	89	132	136	132	-3%	+40%
General and admin expenses	108	95	101	100	220	+120%	+103%
R&D expenses	32	34	25	30	30	+0%	-3%
Other operating income	(21)	(14)	(24)	(19)	(38)		
Total operating expenses	213	204	234	247	344	+39%	+62%
Operating income	1	49	48	0	(127)		
Net interest expense	(18)	(1)	(19)	(20)	(9)		
Net FX gain or (loss)	0	(4)	13	(4)	(10)		
Income tax (expense) or benefit	5	(10)	(5)	20	12		
Net income (loss)	(3)	36	27	(6)	(135)		
Net income (loss) attributable to Canadian Solar Inc.	(1)	12	4	(14)	34		
Diluted Earnings (loss) per Share	(0.02)	0.19	0.02	(0.31)	0.48⁽¹⁾		

Note: Elimination effect from inter-segment sales not included in segment margin. Please refer to 6-K for further details.

(1) Diluted EPS includes the effect of convertible bonds and Recurrent Energy redeemable preferred shares dividends. \$0.48/share is calculated from total income of \$35M (including addition of 2.5% coupon of \$1.3M) divided by diluted shares of 73.4 million shares (including 6.3 million shares issuable upon conversion of convertible notes).

Quarterly Cash Flow and Balance Sheet Highlights

<i>\$ in millions</i>	4Q23	1Q24	2Q24	3Q24	4Q24
Working capital days	(1)	63	24	56	45
Operating cash inflow (outflow)	190	(291)	(429)	(231)	66
Cash and equivalents	1,939	2,077	1,620	2,169	1,701
Restricted cash	1,008	817	572	659	563
Short-term borrowings ⁽¹⁾	1,805	2,180	2,036	2,503	2,120
Convertible notes – current	-	-	-	-	229
Financing liabilities – current	-	-	-	-	-
Finance lease liabilities – current	88	87	87	83	54
Long-term borrowings	1,266	1,588	1,624	2,244	2,485
Green bonds and convertible notes – non-current	389	380	375	389	147
Financing liabilities – non-current	28	42	76	79	77
Finance lease liabilities – non-current	72	61	43	136	132
Total debt	3,648	4,338	4,241	5,434	5,244
Net debt⁽²⁾	701	1,444	2,049	2,606	2,980
Non-GAAP EBITDA	100	156	174	129	(3)
Net debt / EBITDA (trailing 12 months)	0.9x	2.0x	3.6x	4.7x	6.5x
Net interest expense	18	1	19	20	9
EBITDA / net interest coverage (trailing 12 months)	12.7x	14.5x	11.6x	9.7x	9.2x

(1) Includes current portion of long-term borrowings on project assets

(2) Net debt includes cash and equivalent and restricted cash

Guidance as of March 25, 2025

	FY2024 Q4 Actual	FY2025 Q1 Guidance	FY2024 Actual	FY2025 Guidance	FY2024-25E yoy Δ%
Solar Module Shipments (DC)	8.2 GW	6.4 – 6.7 GW ⁽¹⁾	31.1 GW	30 – 35 GW ⁽³⁾	c. +4%
Utility Scale Battery Energy Storage Shipments (DC)	2.2 GWh	800 MWh ⁽²⁾	6.6 GWh ⁽³⁾	11 – 13 GWh ⁽⁴⁾	c. +82%
Revenue	\$1.5B	\$1.0B – \$1.2B	\$6.0B	\$7.3B – \$8.3B	c. + 30%
Gross Margin	14.3%	9% – 11%	16.7%	n/a	n/a

🌅 Modest module volume growth in Q1, which is usually a seasonally softer quarter

🌅 Q1 margin impacted by multiple factors, including light contribution from e-STORAGE shipments, trade duties, and tariffs

🌅 Continued challenges expected for solar in 2025, while much larger e-STORAGE shipments will help improve group-level margins

(1) Including around 400 MW to the Company's own projects.

(2) Including around 150 MWh to the Company's own projects.

(3) Including around 1 GW to the Company's own projects.

(4) Including around 1 GWh to the Company's own projects.

Thank You

Let's Connect

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