

Press Release
Aug 18th, 2016

NSP Joins Hands with Cathay Life Insurance to Enlarge Taiwan Solar System Project Investment

Neo Solar Power Corporation (3576 TT) ("NSP", or "the Company"), today announced that the company will join hands with Cathay Life Insurance Co. Ltd to co-invest a new company to enlarge Taiwan Solar System Project investment. The capital of this new co-invest company is planned to be NT\$3.5 billion with two phases capital injection. The first capital injection is NT\$1.5 billion and the second phase capital injection will be subject to phase one execution result. The exact investment amount and following company setup schedule will be subject to approval from Insurance Bureau of Taiwan Financial Supervisory Commission for Cathay Life Insurance Co. Ltd.

Investing in solar system projects promises higher and steady return than general financial instruments, and solar system projects can guarantee expected cash-flow for at least 20 years, which similar to fixed-income products. Besides, with support from Taiwan government on renewable energy recently, NSP decides to cooperate with Cathay Life Insurance to invest Taiwan Solar System Project. It's not only shows NSP supports Taiwan government policy, but also can enjoy good return from the investment.

NSP always stands on the leading position of photovoltaic technology. Recently, NSP develops new business opportunities aggressively, such as expanding business scope into solar system projects and YieldCo formation. In addition, NSP is seeking four main strategies in past few years: 1. Relocation of manufacturing capacity outside Taiwan 2. Global solar system project development and financing to streamline sales of solar cell & solar modules 3. Building international sales channels for solar modules to lower the dependency from China 4. Devotes to investment on cell technology instead of capacity expansion, such as PERC and N-Type HJT.

Due to capacity relocation to overseas since fourth quarter last year which led to the loss of utilized capacity and increase of manufacturing cost per unit, the operating performance of NSP was affected this year so far. However, once completed, those relocated capacity will be very competitive. Besides, the built international sales channels for modules will alleviate the threat from China. Also, NSP and NSP subsidiary, GES (General Energy Solutions Inc.) has fruitful result on solar system project development this year. The total under construction and COD system capacity is close to 200MW, and planned system projects sold will close to 80MW by the end of this year. Furthermore, the total system project pipeline so far is accumulated to 800MW, plus the cooperation with financial institutions, it is believed system business will have positive long-term contribution to NSP revenue and profit.

About Neo Solar Power Corporation (3576 TT) (NSP)

Founded in 2005 by Dr. Quincy Lin (former Senior VP of TSMC) and Dr. Sam Hong (former Director of ITRI Research Division), Neo Solar Power Corporation (NSP) is a leading manufacturer of high performance and high quality solar cells and modules. With core competitive advantages in quality, technology and customer service, NSP became the world's largest merchant solar cell manufacturer by volume in 2013. After selling DelSolar to NSP, Delta Electronics (2308, TT) became the biggest shareholder of NSP with a 19% holding. Leveraging current leading position in solar cell technology, NSP will further expand into the global solar systems businesses, aiming to become the leading solar system integrator in the world. For more information, please visit the company's website at www.nsp.com

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