



Investor Presentation

Fourth Quarter 2019 Update
April 8, 2020

CSIQ
Nasdaq Listed

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Company Description

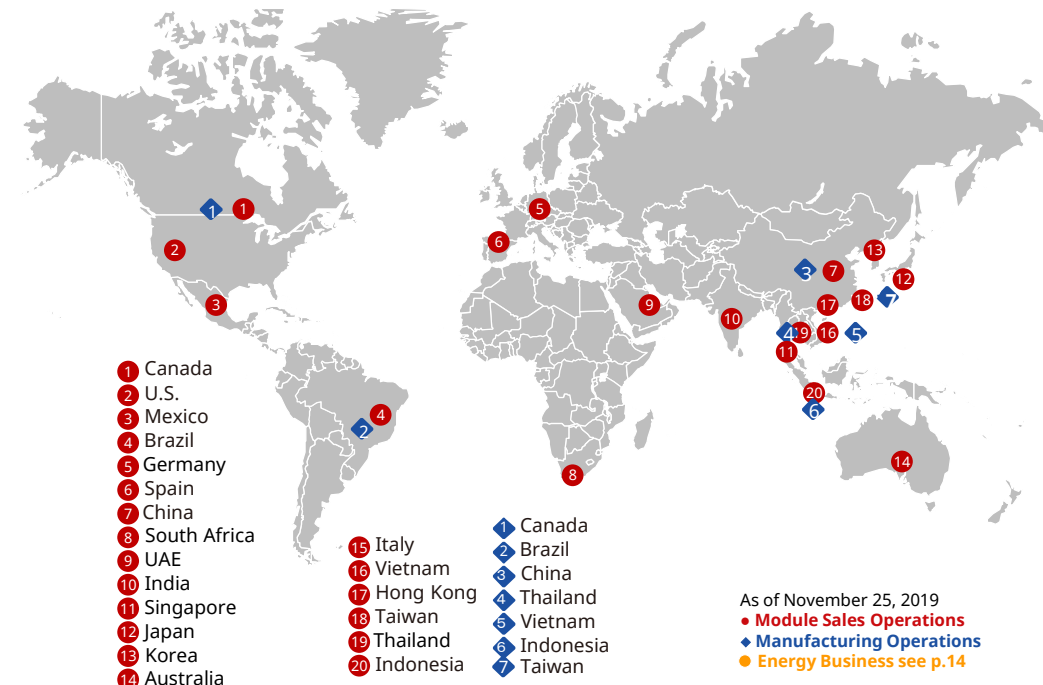
 **Leading solar energy company, with one of the world's largest utility-scale solar project development pipelines and top 5 global module manufacturing businesses**

- ❖ Founded in 2001 in Ontario, Canada
- ❖ Listed on the NASDAQ as CSIQ in 2006
- ❖ Over 13,000 employees globally
- ❖ Presence in 23 countries / territories
- ❖ One of the industry's most profitable companies, delivering gross margin of 22.4% and operating cash flow of \$600 million in FY19

Module and System Solutions

- ❖ FY20 shipment guidance: 10-12 GW (FY19: 8.6 GW)
- ❖ Competitive cost structure
- ❖ Voted "Most Bankable Brand" across various prominent solar module surveys

Global Footprint



Energy Business

- ❖ Development, construction, ownership and operation of utility-scale solar plants across 6 continents
- ❖ 1,023 MW in operation, 512 MW in construction, 3.7 GW in backlog and 11.7 GW in pipeline

Investment Thesis

 Positioned to benefit from long-term growth in solar energy demand globally

 Differentiated business model leveraging strong sales channels with low cost manufacturing *and* internal project development with robust EPC capabilities

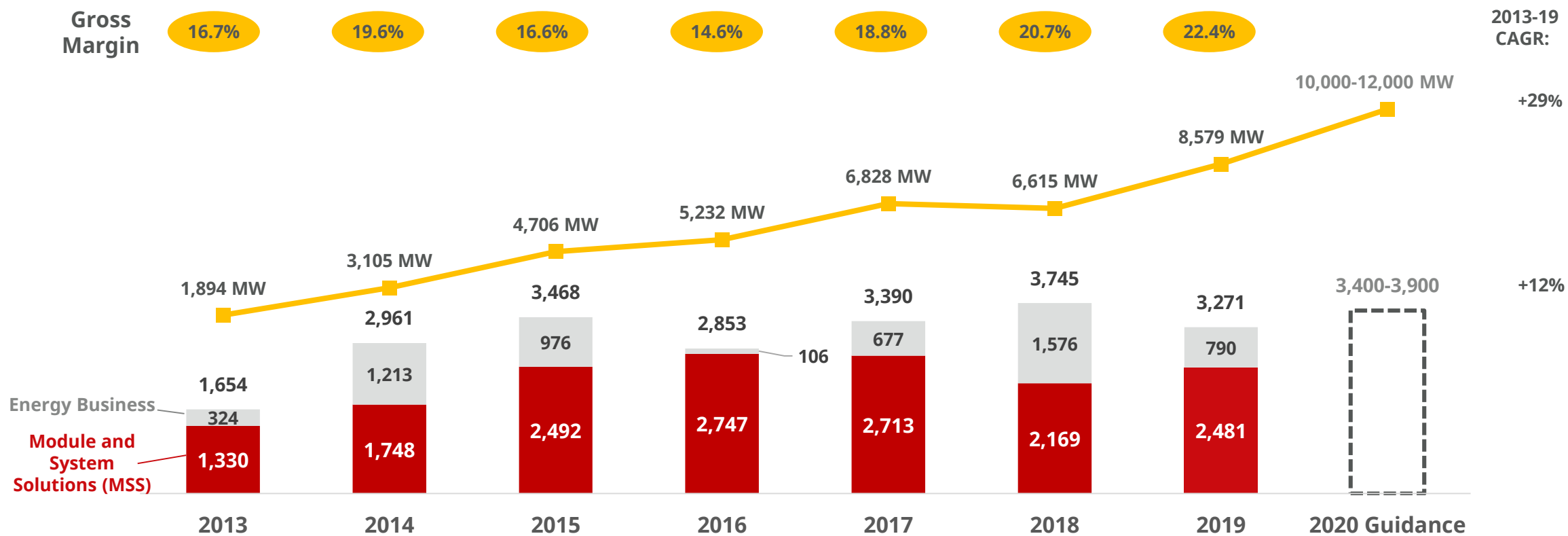
- ❖ Consistently profitable over the past 7 years
- ❖ One of the world's largest utility-scale solar developers and EPC providers with successful operations in 6 continents
- ❖ Leading module manufacturing platform, delivering high quality products to over 150 countries

 Solid financial condition driven by resilient performance

 Experienced and prudent management team and with strong board of directors

Resilient business model combining manufacturing operations and downstream project development resulting in consistent profitability over the past 7 years

Total Revenue (USD millions) and Module Shipments (MW)



Net Income*	\$32 mn	\$240 mn	\$172 mn	\$65 mn	\$100 mn	\$237 mn	\$172 mn
ROE*	8.1%	33.4%	21.0%	7.4%	9.6%	19.3%	12.3%

*Net income and equity of Canadian Solar Inc. shareholders, excludes minority interests.

COVID-19 poses major challenges to the global economy, but may also create opportunities to accelerate adoption of solar energy in major energy markets

Challenges	Mitigation Strategies	Opportunities
<ul style="list-style-type: none">❖ Reduced availability of tax equity financing in the U.S. as a result of the economic downturn❖ Reduced appetite for equity investment in the near term❖ Credit markets may become unsettled in the near future❖ Lockdown impact on project installation activities may cause delays<ul style="list-style-type: none">▪ Auctions in Brazil▪ Permitting in Australia and Europe❖ Lockdown also impacts rooftop market, especially in California, New York and parts of Europe	<p><i><u>Energy Business</u></i></p> <ul style="list-style-type: none">❖ Increase NTP and COD sales❖ Renegotiate PPA execution dates❖ Leverage global footprint to continue to access project finance❖ Start construction on critical projects to sell later❖ Accelerate storage projects that do not require ITC <p><i><u>Module and System Solutions</u></i></p> <ul style="list-style-type: none">❖ Closely monitor market changes❖ Secure orders leveraging our channel strength and brand loyalty❖ Adjust production plan: increase “build to order” and reduce “build to stock”❖ Tighten up credit control❖ Accelerate R&D and product development anticipating the market recovery	<ul style="list-style-type: none">❖ Potential 3-year extension of the ITC in the U.S., likely in the form of treasury 1603 tax grant❖ Unprecedented fiscal stimulus in the E.U. may accelerate Green New Deal❖ Low interest rate environment may facilitate capital partnerships to fund Energy Business development❖ Small developers unable to weather delays may create acquisition or partnership opportunities❖ 2nd and 3rd tier manufacturers may not survive the downturn, creating opportunity to grow module market share❖ Consolidation should favor Canadian Solar’s strong brand and solid financial condition

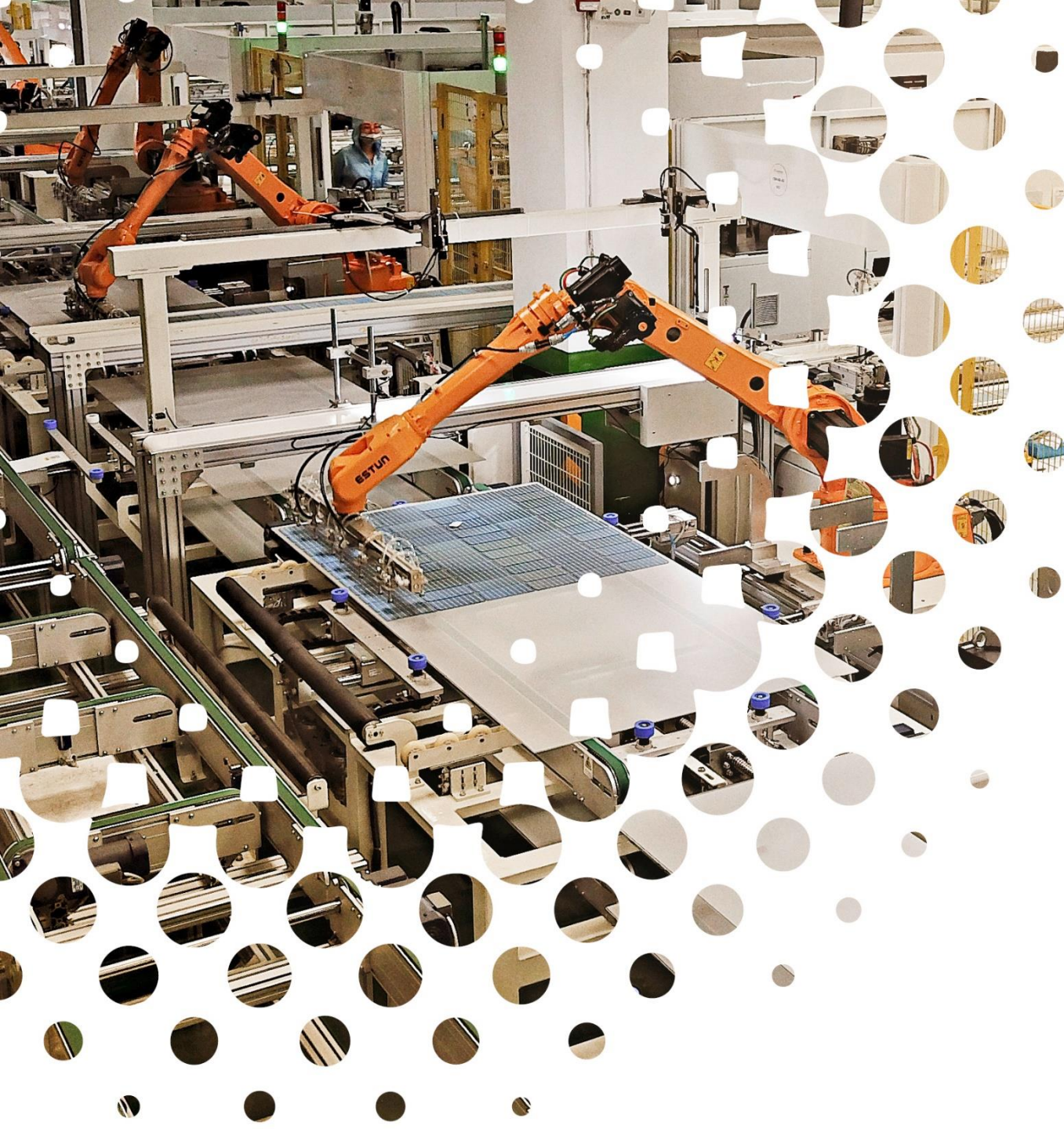


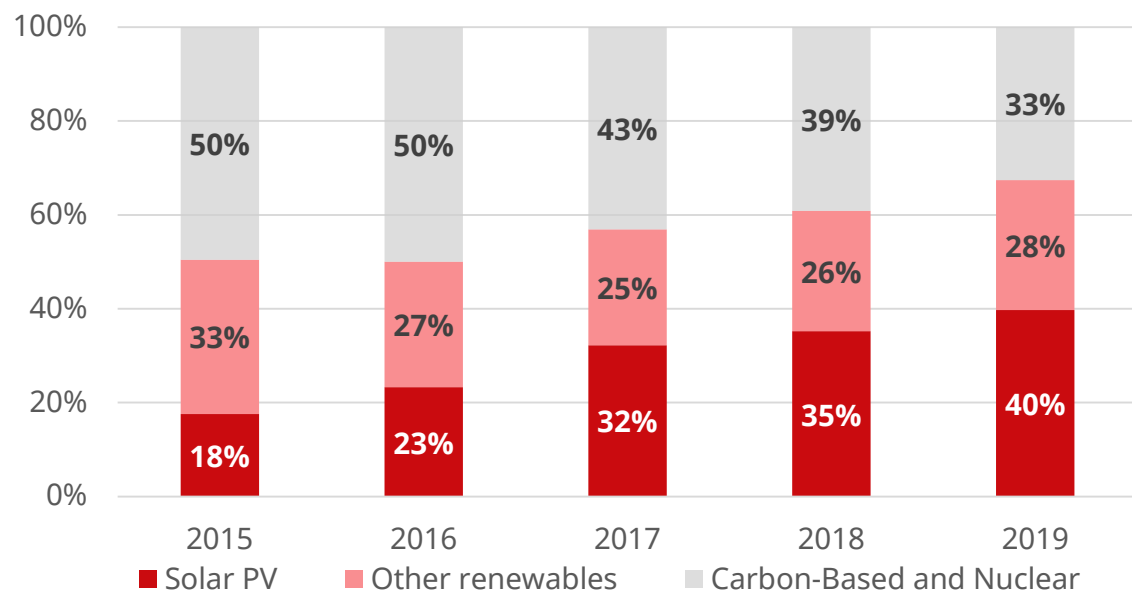
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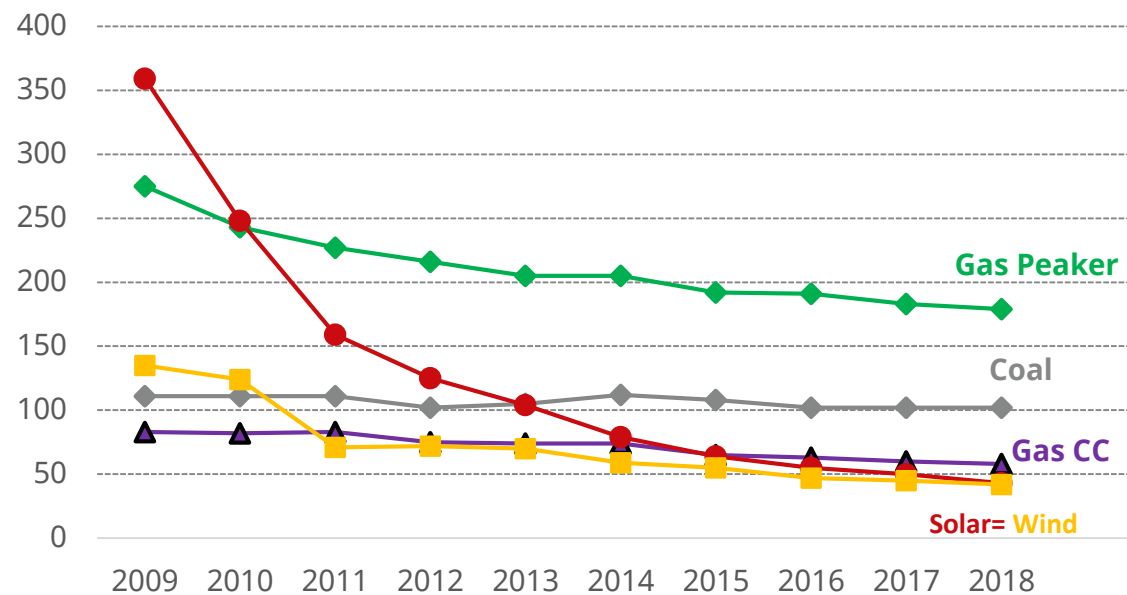
Solar energy has already become mainstream

- ☀️ Solar energy adoption is accelerating, driven by policy support and competitive economics
 - ❖ Solar energy already delivers the lowest levelized cost of electricity in most geographies
 - ❖ From 2016 onwards, solar capacity additions outpaced other sources, and in 2019, it exceeded all carbon-based sources

Global Generation Capacity Addition Mix (GW)



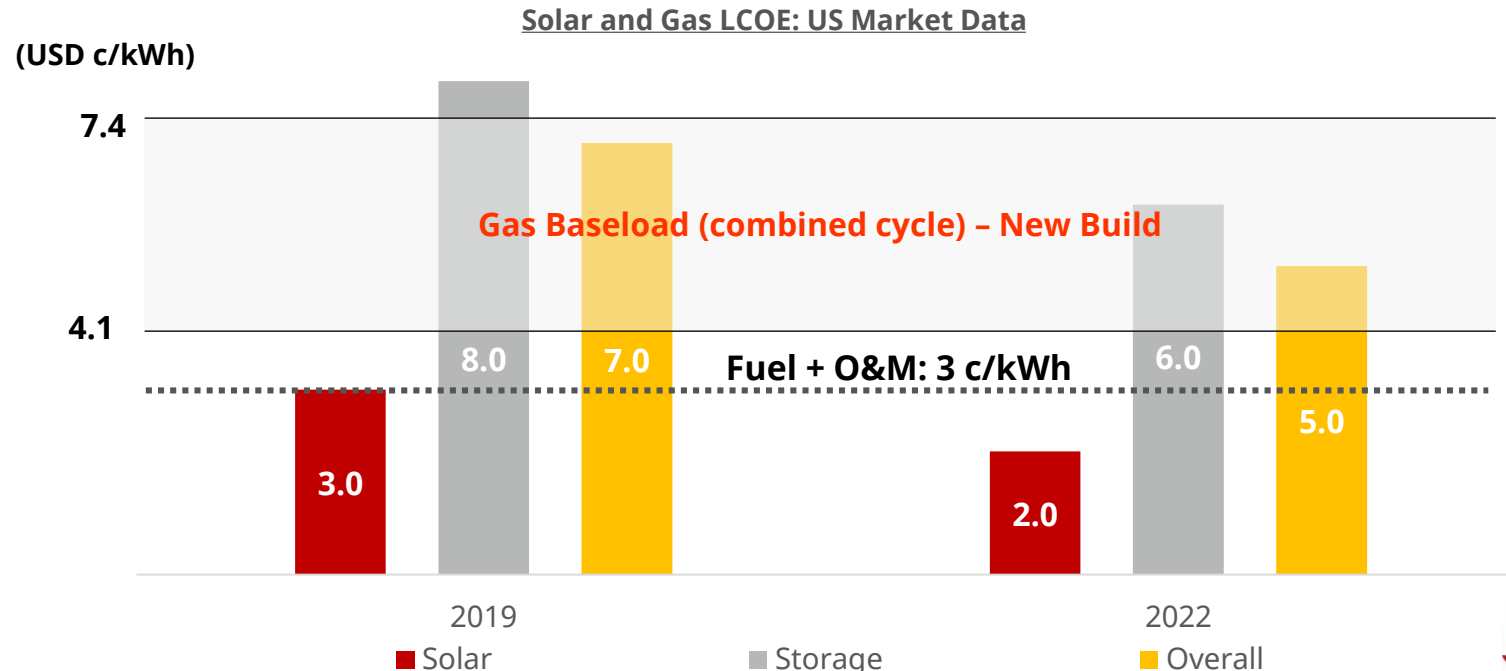
Mean Levelized Cost of Electricity (\$/MWh)



Source: BNEF New Energy Outlook 2019, Lazard 2018 LCOE Report.

Solar plus 4 hours of storage is competitive with gas generation and trending to be more cost effective in years ahead

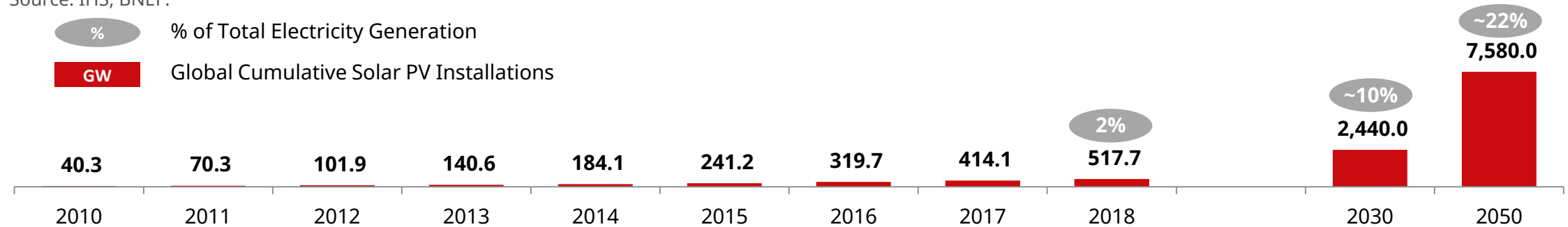
- ☀ Recently issued PPAs in the US are **\$4-5 c/kWh** for PV + 4h storage (to be connected in 2021-2024)
- ☀ Majority of new solar PPAs in California are requesting storage to be paired, setting a trend for other markets
- ☀ Rising carbon prices and increasing demand for electricity support solar energy adoption
- ☀ **>800 GW of fossil fuel capacity is expected to retire over the next decade** and >2,700 GW over the next 3 decades.



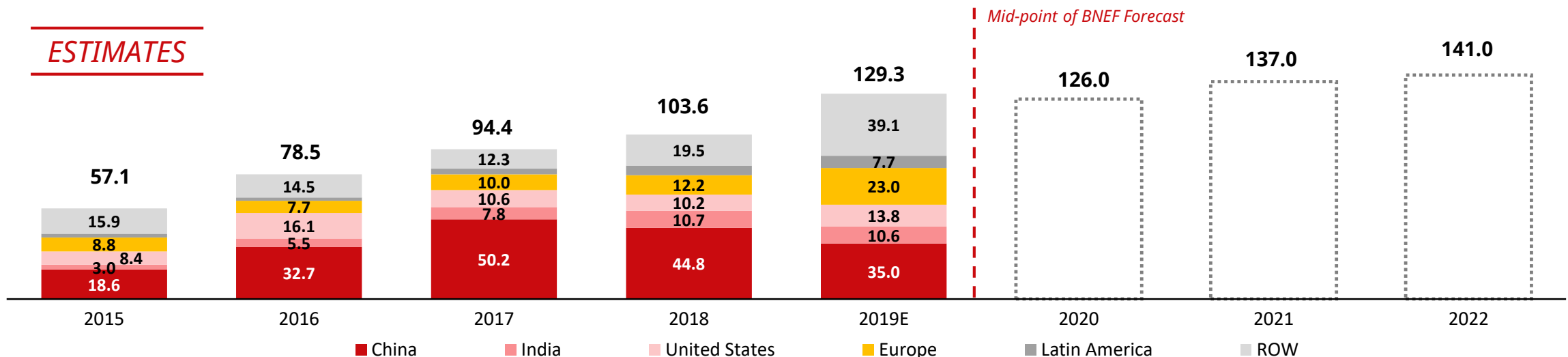
Key energy markets remain underpenetrated providing long-term visibility into the demand environment for our business

Solar energy expected to grow from 2% of global electricity generation in 2018 to around 10% by 2030

Source: IHS, BNEF.



Independent analysts expect growth in solar module demand to remain healthy



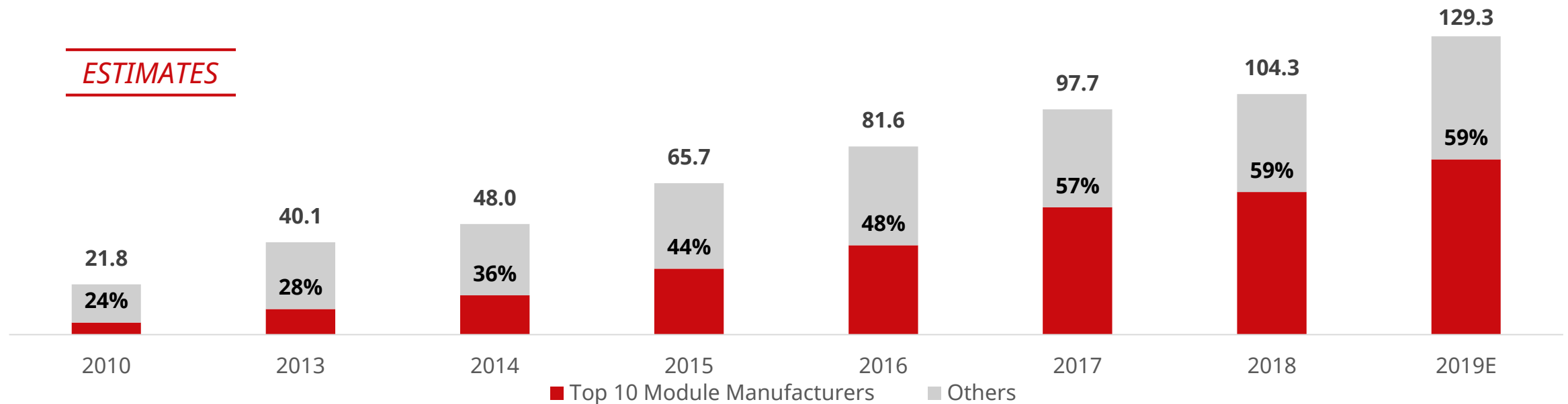
Disclaimer: Industry forecasts in the above charts and elsewhere on this presentation are provided by third-party industry analysts. Although we have not independently verified the accuracy of these forecasts, we believe them to be reliable and reasonable.
 Source: IHS-Markit (Dec 2019) for historical data. Mid-point of BNEF estimates post COVID-19 forecast for 2020-22.

Industry consolidation is shifting the basis of competition to non-price attributes

☀️ Growing customer loyalty driven by:

- ❖ Brand and bankability⁽¹⁾
- ❖ Quality and performance
- ❖ Reliability and predictability of delivery and other services
- ❖ Long-term partnerships

Industry Consolidating: Market Share of Top 10 Module Manufacturers (%) vs. Annual Shipments (GW)



Source: IHS, company filings, Canadian Solar estimates.

1. Bankability indicates ability to raise debt from financial institutions to fund project development, construction and ownership. Financial institutions may conduct due diligence on module manufacturers to verify product quality and reliability as well as overall financial condition, and will only finance projects using modules from "bankable" suppliers.



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Energy Business Overview

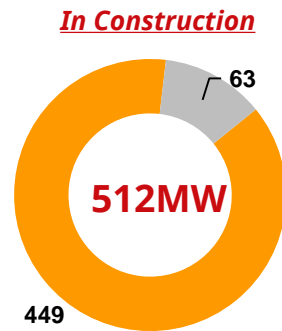
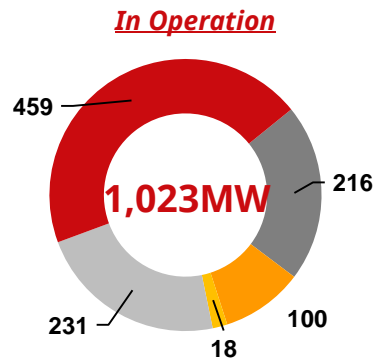
Leading integrated solar energy developer with track record developing, building, operating and monetizing solar power plants in 6 continents

- ❖ Canadian Solar was founded in 2001, and the Energy Business was established in 2009
- ❖ In 2015, acquired Recurrent Energy, a US developer established in 2006
- ❖ In 2017, launched Japan's largest solar energy infrastructure fund
- ❖ Developed, built and connected to the grid over **5.6 GW** of solar power plant assets since inception

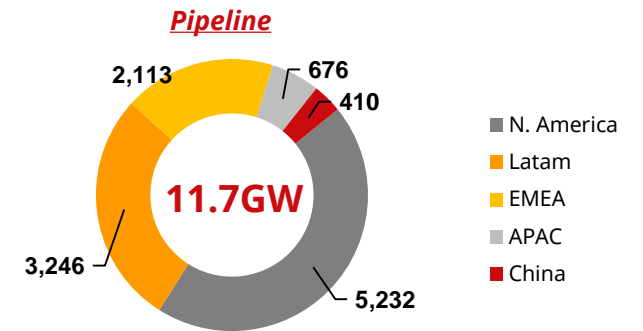
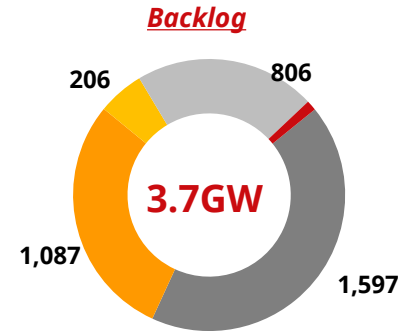
Global Presence



Plants in Operation and Construction



Backlog & Pipeline – 15.4 GW



Investment Highlights

1

Leading Global Solar Energy Development Platform

- ❖ Proven track record originating, developing, building, operating and monetizing solar power plants across major energy markets in 6 continents, moving 5.6 GW of assets into COD since inception
- ❖ Integrated business model with expertise at all stages of the solar development value chain, including engineering, design, central procurement of balance of systems, O&M and asset management services
- ❖ Established relationships with key players in the solar energy ecosystem
- ❖ Successfully launched Japan's largest solar infrastructure fund, to capture more value over the project's life-cycle
- ❖ One of the world's largest solar project origination/underwriting engines, with pipeline to support bringing over 10 GW of projects into COD in the 2020-25 period

2

Large Pipeline with Visibility into Profitable Growth

- ❖ Globally diversified project pipeline with strong competitive position in key energy markets
- ❖ 1,023 MW in operation
- ❖ 544 MW in construction
- ❖ 3.7 GW backlog with interconnection, land, and secured or is reasonably likely to secure off-take agreement
- ❖ 11.7 GW of pipeline provide line of sight into profitable growth
- ❖ Well-positioned with dedicated staff and proprietary IP to benefit from the accelerating adoption of energy storage

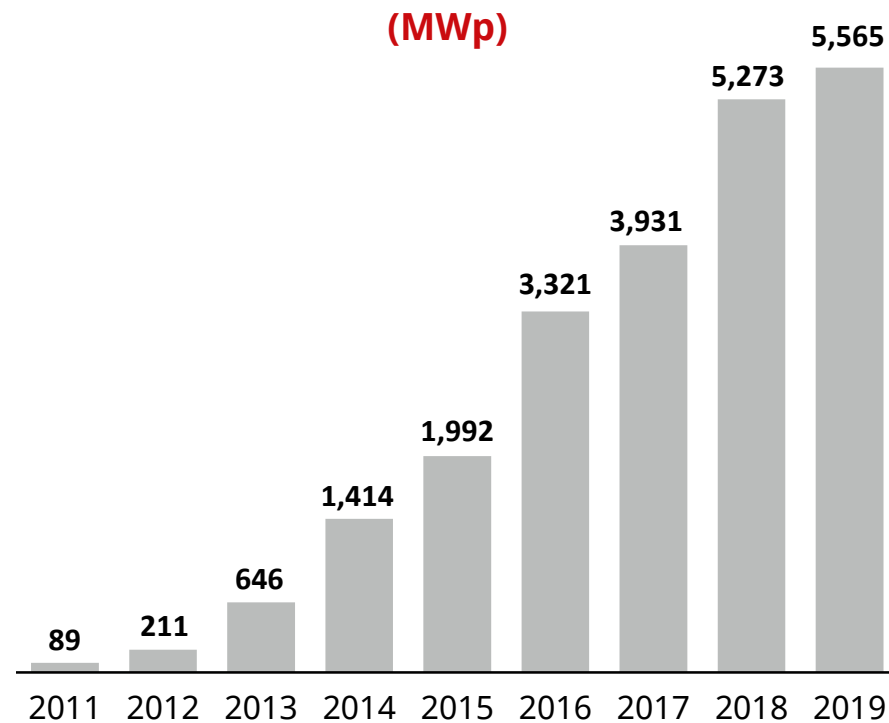
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Business Model: Project Development plus Selective Partial Ownership

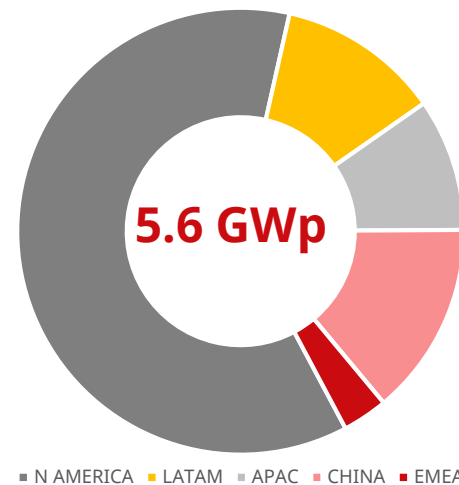
- ❖ Develop greenfield and brownfield projects to capture development fee revenue and profits
- ❖ Maintain selective partial ownership of assets to grow recurring revenue, leverage additional services to reduce earnings lumpiness
- ❖ Create capital partnerships with institutional investors to optimize development capital cycle during the construction phase and to facilitate partial asset ownership retention during the operating phase
- ❖ Prioritize regions with attractive market size, strong project returns, and developed local capital markets for partial ownership of assets

1 Proven track record originating, developing, building and operating solar power plants across major energy markets in 6 continents, with > 5.6 GW connected

Cumulative Power Plants Built and Connected⁽¹⁾



Regional Mix



Execution Track Record

- ❖ Development: **5.6** GW connected
- ❖ EPC and EPCM: **3.0** GW built
- ❖ O&M: **1.4** GW under management
- ❖ Operation: **1,023** MW of projects in operation⁽²⁾
- ❖ Private PPA: **1.0** GW structured worldwide
- ❖ Finance:
 - ❖ **2.0** GW of project finance secured
 - ❖ Launched largest solar infrastructure fund on the Tokyo Stock Exchange
 - ❖ Negotiating warehouse facilities for projects under construction

(1) Includes projects built and connected by Recurrent prior to Canadian Solar's acquisition in 2015.

(2) Of the 1,023 MW of projects, Canadian Solar owns 880 MW and minority interests own 143 MW.

Source: Canadian Solar Inc.

1

Integrated business model with expertise throughout all stages of the solar development value chain, including O&M and Asset Management services



Project Valuation
 1. Basic Engineering (production estimation, CAPEX and OPEX estimation)
 2. Financial Modeling
 3. Risk Assessment

Projects Memorandum

Investment Committee

Securing Land and Connection Point

↳ Permitting Process

OR ↳ Valuation of existing permits and acquisition

OR ↳ Partnerships

Contract Negotiation
 1. EPC + O&M
 2. Insurance
 3. Finance

Bridge financing

EPC and Project Management
 1. Engineering
 2. Procurement
 3. Construction
 4. Project Management

Commissioning and Acceptance

Project Finance

Operate

Dropdown into public or private GP/LP vehicle, e.g. Infrastructure Fund partially owned and managed by Canadian Solar

O&M and Asset Management

Currently 1.1 GW in operation with an additional 1.2 GW under contract

Sell Down to Recycle Capital

Third Party Sale

1 Established relationships with key players in the solar energy finance ecosystem

Debt Finance



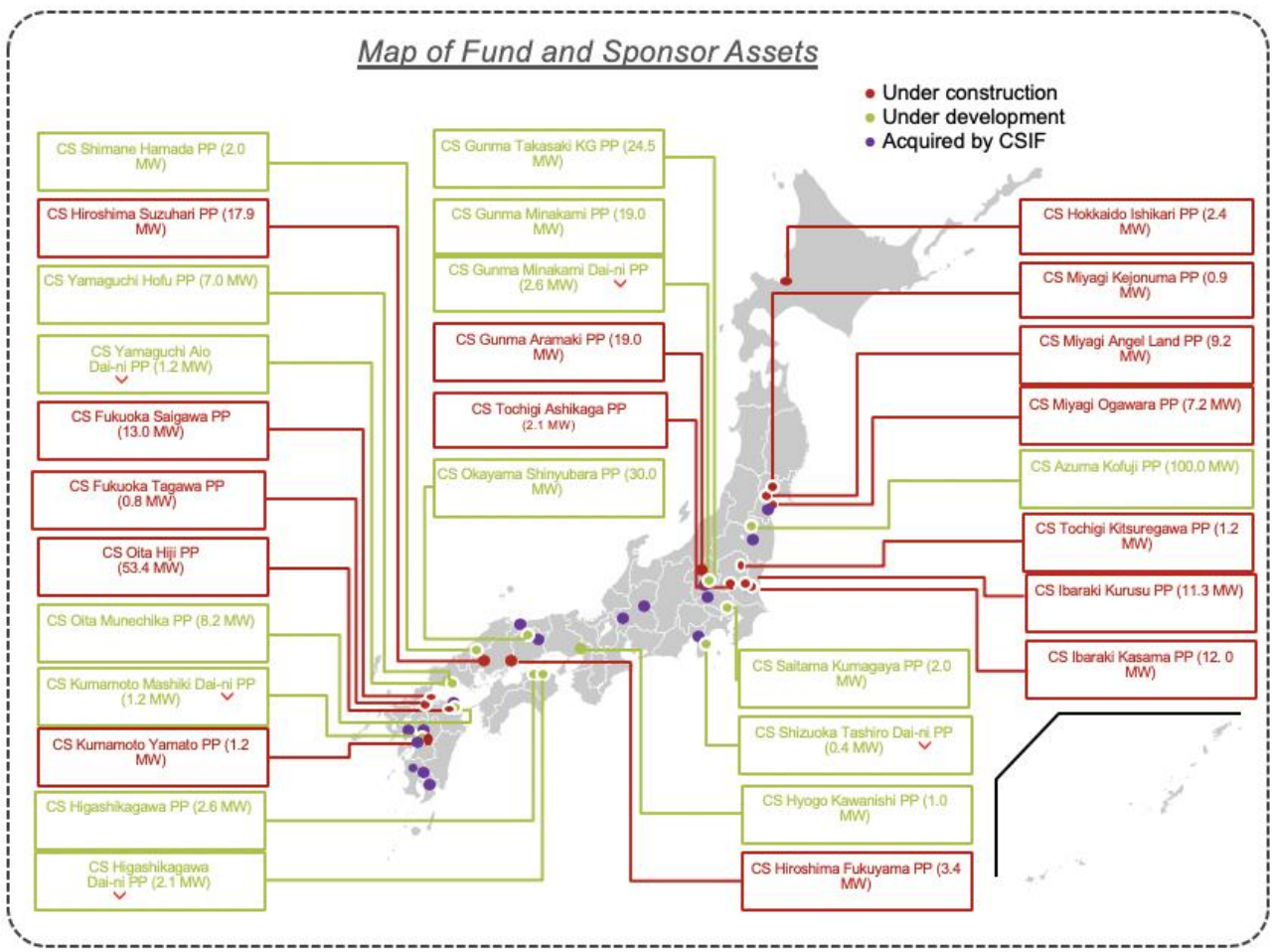
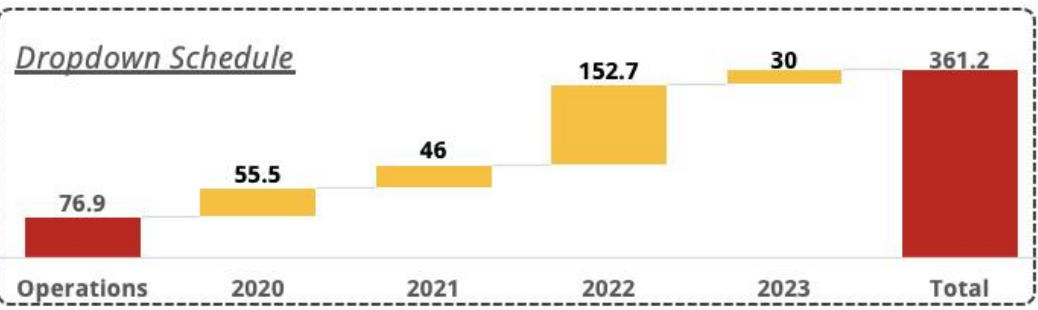
Equity Finance



1 Successfully launched Japan's largest solar infrastructure fund



Operational and under construction 15 projects, 156.9 MW + Under development 15 projects, 204.3 MW = Total sponsor portfolio 30 projects, 361.2 MW



Source: Compiled by the Asset Manager based on disclosures by Canadian Solar Projects K.K.

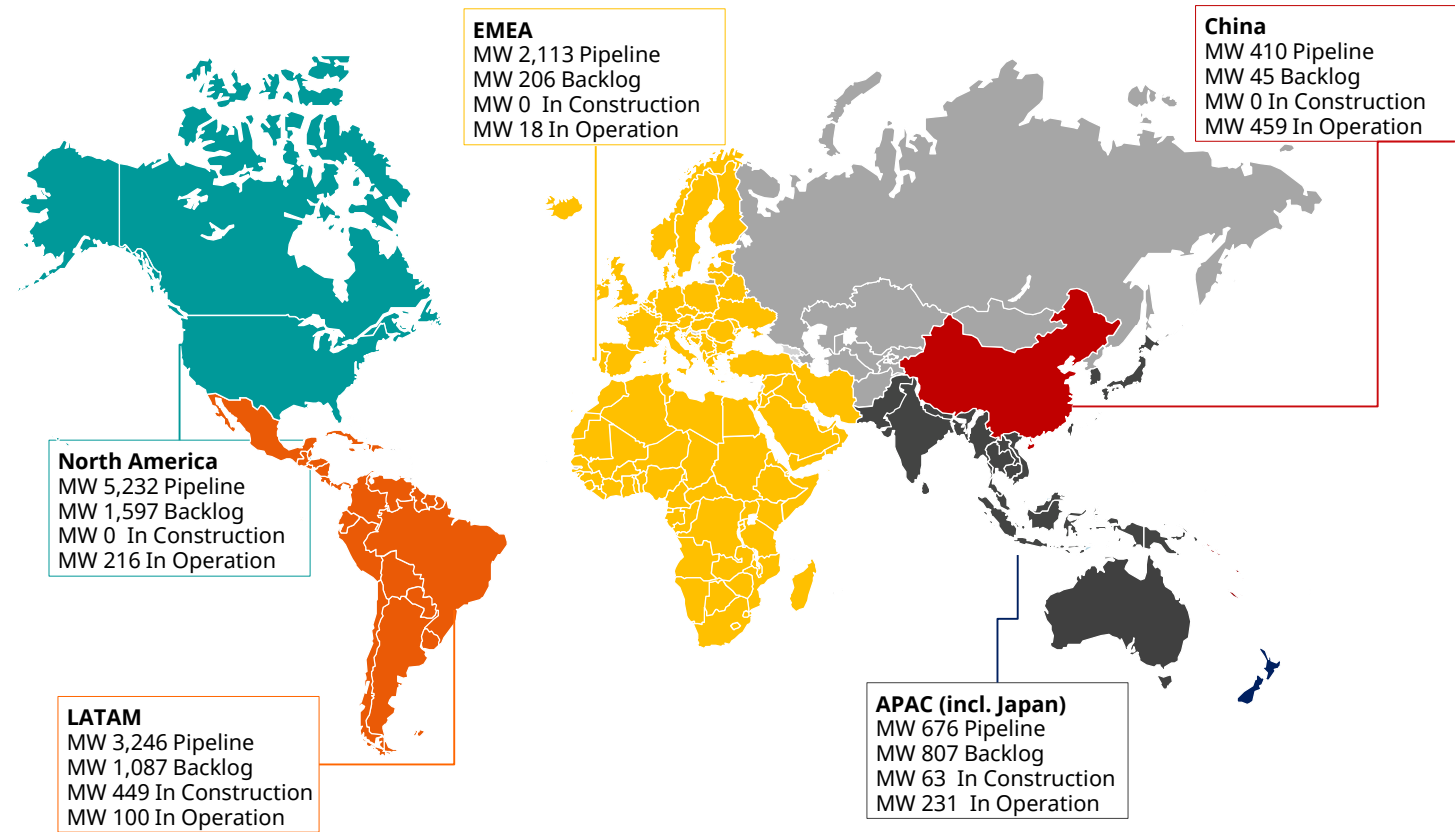
Globally diversified project pipeline with strong competitive position in key energy markets

Plants in Operation
1,023 MWp

Plants in Construction
512 MWp

Backlog
3.7 GWp

Pipeline
11.7 GWp



Industry-leading scale, global reach and track record of successful execution

- ❖ Backlog (formerly Late-stage pipeline) include projects that have passed the Cliff Risk Date and are expected to be built in the next 1 to 4 years. Cliff Risk Date depends on the country and is defined as the date in which the project passes the last of the high-risk stages (usually: environmental approval, interconnection agreement, Power Purchase Agreement). All projects in backlog have secured or are reasonably assured to secure a PPA or FiT. Some projects in backlog may not reach completion due to failure to secure other permits or changes in market conditions among other risk factors. Investors are advised to review a more detailed discussion of the risks factors contained in the company's annual report on Form-20F.
- ❖ Pipeline (formerly Early-stage) includes projects that have been approved by our internal Investment Committee or projects that are expected to be brought to the Investment Committee in near future.
- ❖ As a general rule of thumb, over 90% of our projects in backlog are expected to reach COD, 20-70% of pipeline projects can be expected to reach COD, depending on specific situation.

2 Solar project backlog and pipeline total ~15.4 GW, while storage backlog and pipeline total 2,820 MWh

Region	Backlog (MWp)	Pipeline (MWp)	Total (MWp)	5Yr CAFD (\$/MW/year)	10Yr CAFD (\$/MW/year)	20Yr CAFD (\$/MW/year)	Capex (\$/MW)
North America	1,597	5,232	6,829	8,000	9,000	38,000	1,000,000
Latin America	1,087	3,246	4,333	27,000	29,000	41,000	650,000
EMEA	206	2,113	2,319	20,000	20,000	33,000	750,000
Asia Pacific ¹	588	676	1,264	27,000	22,000	26,000	950,000
Japan	218	-	218	89,000	72,000	71,000	2,715,000
China	45	410	455				
Total	3,741	11,677	15,418				
	Backlog	Pipeline	Total				
Storage (MWh)	320	2,500	2,820				

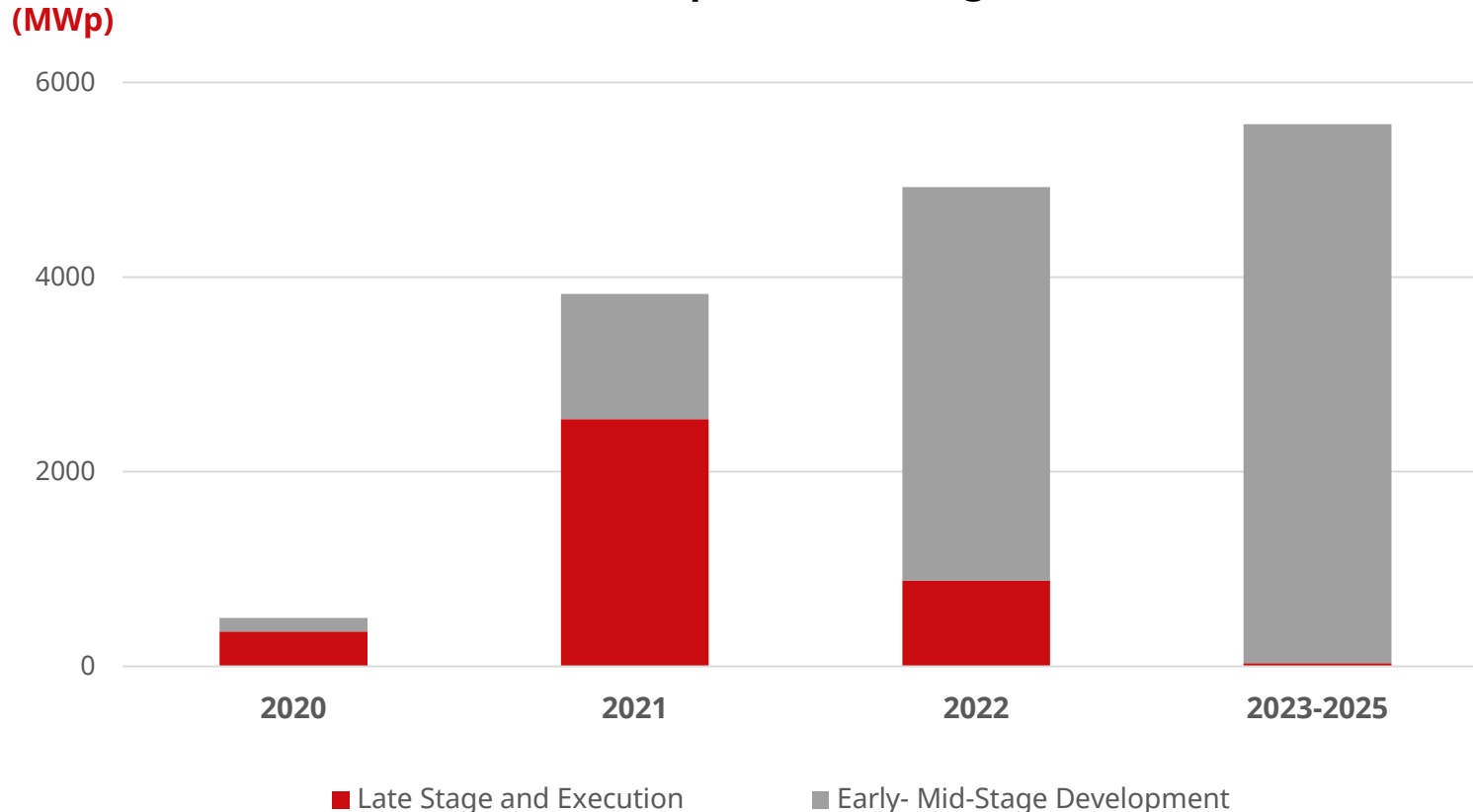
- Cashflow available for distribution (CAFD), is the cash that can be distributed to shareholders after satisfying accounting, legal and financing requirements
- US projects prioritize tax-equity payback, restricting CAFD in early years
- Over time, CAFD tends to go up as debt principal is paid down and covenants are reduced
- Above CAFD are for a representative project in each region

Source: Canadian Solar Inc. as of January 31, 2020

1. Ex. Japan

2 Our backlog and pipeline positions Canadian Solar to bring over 10 GW of projects into COD in the 2020-25 period

2020-2025 Pipeline COD Targets

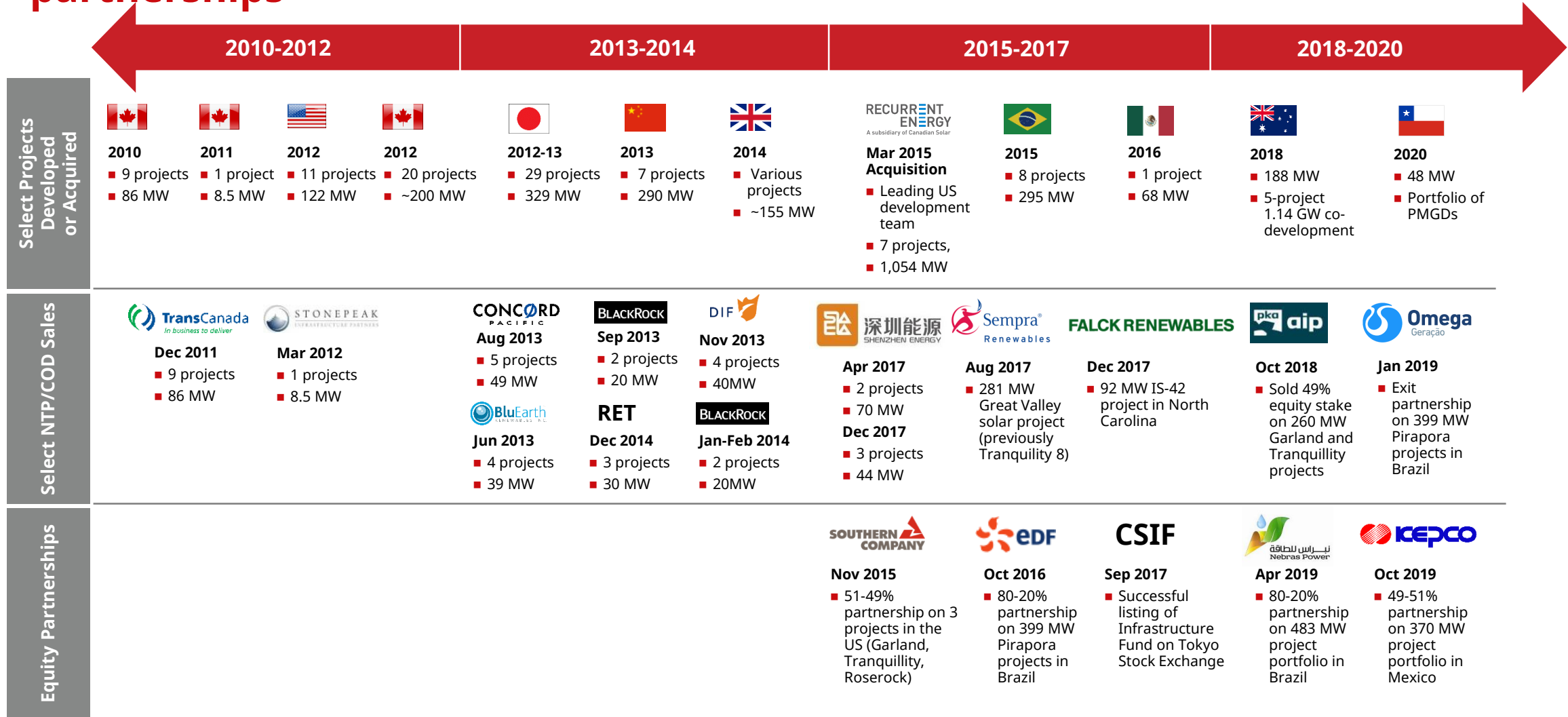


Canadian Solar Competitive Advantage

- ❖ Global presence and scale
 - Ability to diversify risk as well as optimize margin mix across regions
- ❖ Access to project finance from policy banks across several regions
- ❖ Our module technology supports a levelized cost of electricity (LCOE) that is significantly more competitive than module manufacturers that have announced an exit from the solar development space
- ❖ Central procurement at scale provide opportunity to further improve LCOE
- ❖ Early mover advantage in solar plus storage

3

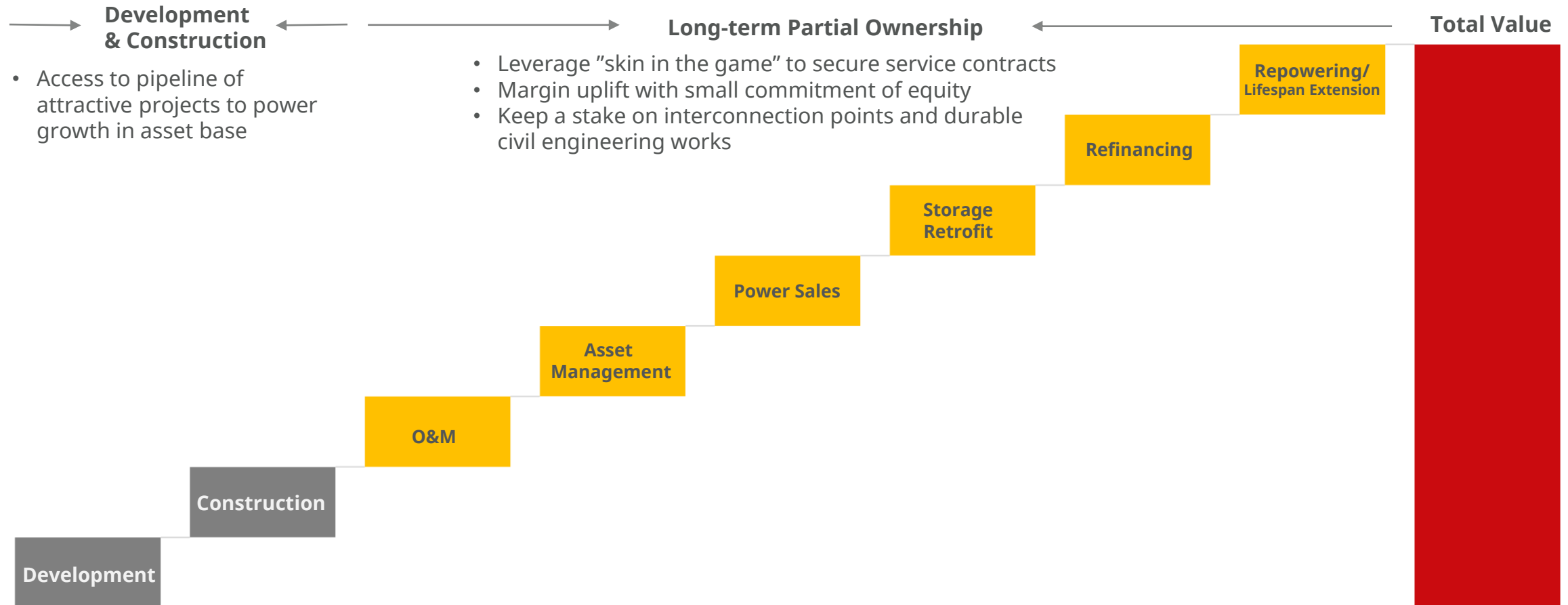
Our business model has successfully leveraged NTP, COD sales and equity partnerships



Since launching the Energy Business in 2009, Canadian Solar has grown to become a leading global solar development platform

3 Our plan is to selectively grow equity partnerships to capture additional value and leverage service business

Solar Power Project Life-Cycle Margin



3 Prioritize regions with attractive market size, strong project returns and developed local capital markets for partial ownership/equity partnerships

	Priority	Markets	Rationale
Development & Construction	Core	<ul style="list-style-type: none"> • North America: USA • Latin America: Brazil, Mexico • EMEA: Italy, Spain, France, Germany, Poland, Netherlands • Asia Pacific: Japan, Korea, Taiwan, Australia • China 	<ul style="list-style-type: none"> ❖ Critical mass to support operations at scale ❖ Strong and reliable solar resource ❖ Developed financial markets
	Opportunistic	<ul style="list-style-type: none"> • Latin America: Colombia, Chile, Peru, Canada • EMEA: Eastern Europe, Israel, South Africa, Namibia, Northern Africa • Asia Pacific: Malaysia, Thailand, Philippines 	<ul style="list-style-type: none"> ❖ Profitable opportunities ❖ Potential to become a core market
Partial Ownership	Immediate	<ul style="list-style-type: none"> • Latin America: Brazil • EMEA: Italy, Spain • Asia Pacific: Japan (ongoing via CSIF) 	<ul style="list-style-type: none"> ❖ Attractive total return ❖ Ability to scale ❖ Potential to launch a public/private infrastructure fund
	Potential	<ul style="list-style-type: none"> • Latin America: Mexico • Asia Pacific: Taiwan, Australia • China 	<ul style="list-style-type: none"> ❖ Countries we can develop at least 1 GW of projects over 5 years can become a target for long-term partial ownership



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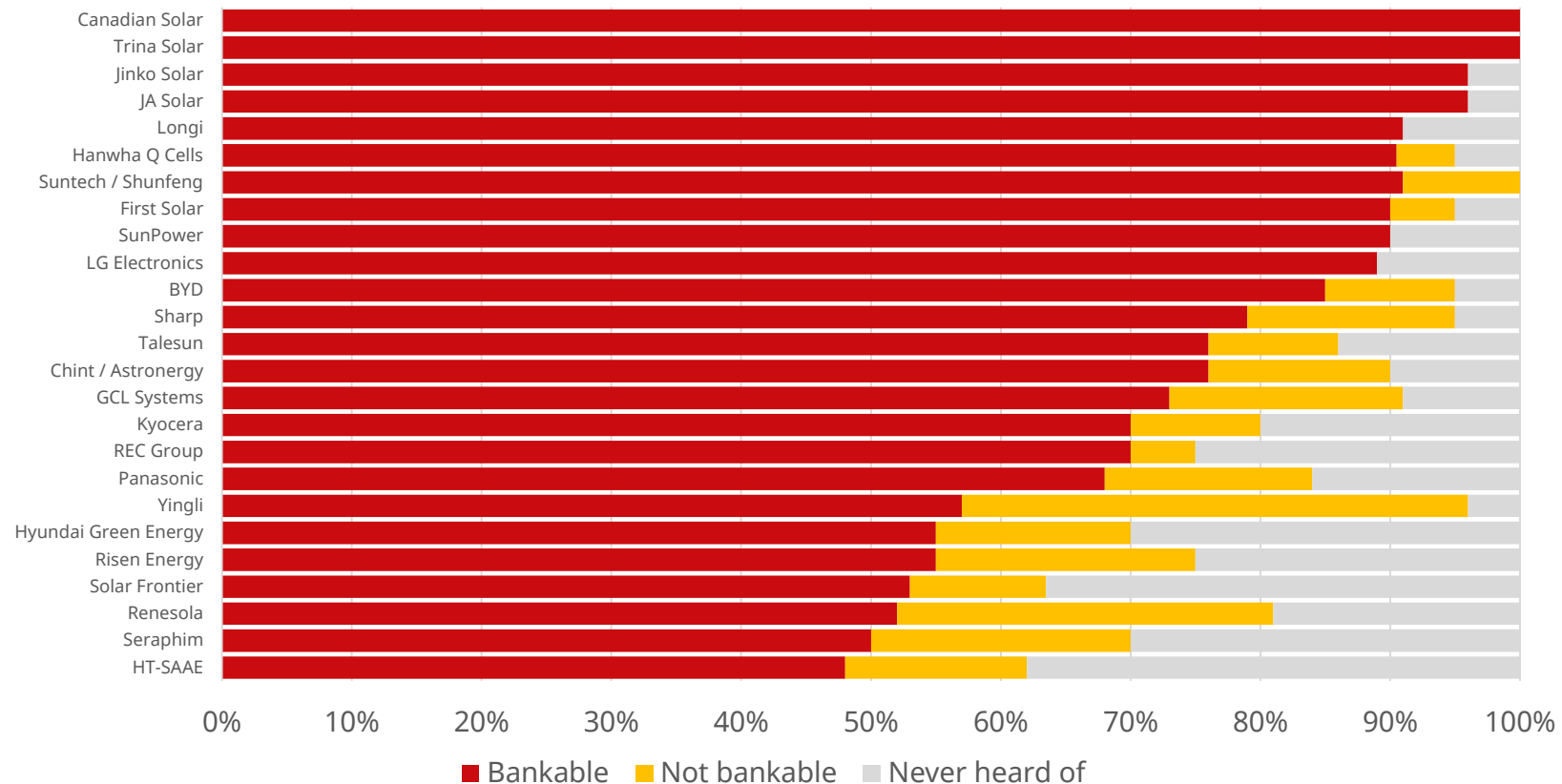
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Leading module and total solutions provider with a track record of delivering high-quality products and services in over 150 countries

- 🌅 World-leading bankable brand with global footprint
- 🌅 Leader in solar cell and module technologies, with homegrown innovation driving product differentiation
- 🌅 Technology-agnostic cell and module manufacturing capacity
- 🌅 Best-in-class sales operation management
- 🌅 Optimized sales channel strategy, delivering higher ASPs and providing sustainable competitive advantage
- 🌅 Opportunity to leverage captive market to grow systems solutions and energy storage business

World-leading bankable brand

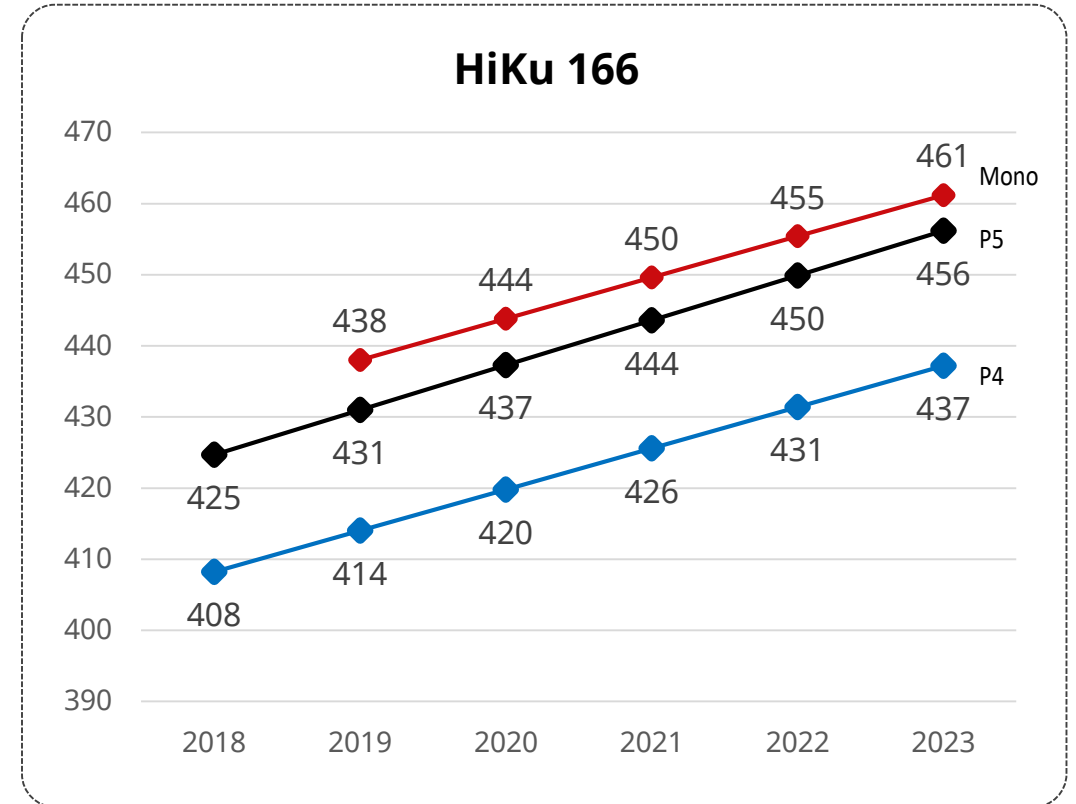
- 🌅 No. 1 Bankable Module Supplier, Bloomberg New Energy Finance 2019 Bankability Survey – top bankable module supplier with **100% bankability for 3 consecutive years**
- 🌅 No. 1 Module Supplier, for Quality & Performance-Price Ratio, IHS Markit, 2016



Source: Bloomberg New Energy Finance 2019 Module Bankability Survey. Survey results are used by financial institutions across the world for credit analysis. Respondents include banks, funds, EPC contractors, independent power providers (IPPs) and technical advisors.

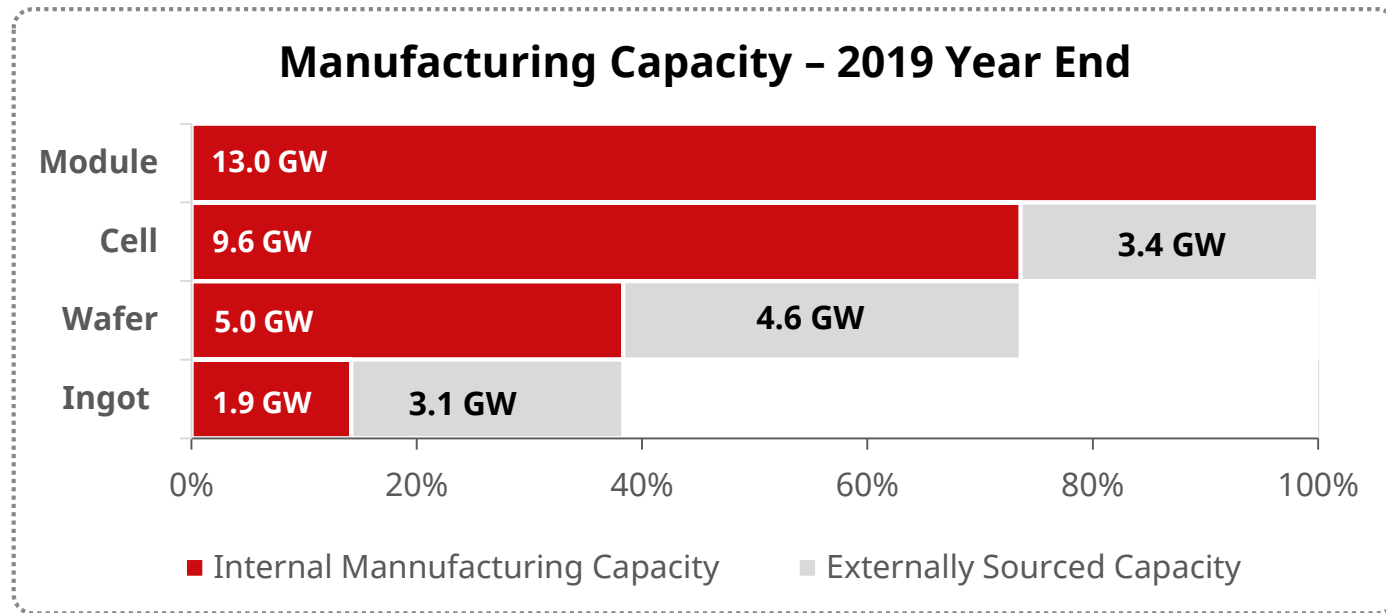
Leader in solar cell and module technologies, with homegrown innovation driving product differentiation

- ☀️ Among the first solar PV manufacturers to mass produce:
 - ❖ Black silicon and diamond wire saw (DWS) poly wafers
 - ❖ 5-busbar (5BB) and multi-busbar cells (MBB)
 - ❖ Half-cut cells
 - ❖ Large 166 mm wafers
 - ❖ Double glass and bifacial modules
- ☀️ 100% capacity converted to PERC and half-cut cells
- ☀️ ~80% capacity in MBB cells

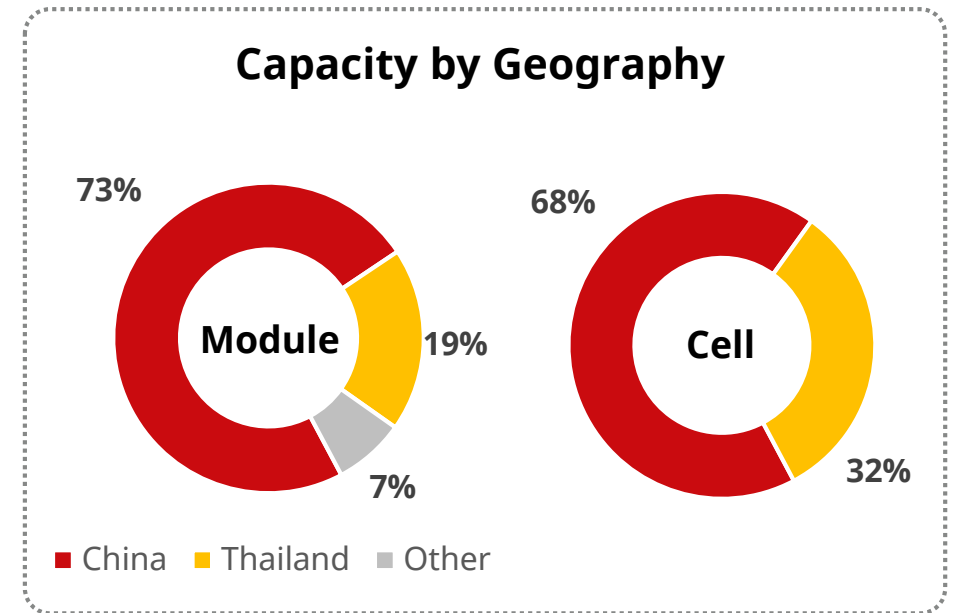


Technology-agnostic cell and module manufacturing capacity

- 🌅 Our cell capacity is convertible to produce mono- or multi- with little or zero additional capex
- 🌅 During 2018-19, gross margin of multi-product has exceeded that of mono-product by ~400 bps
- 🌅 Inverted pyramid manufacturing capacity frees resources to focus on downstream businesses



Note: 2020 planned capacity additions: 3 GW module, 500 MW cell, 500 MW ingot




Note: Other include Vietnam, Taiwan, Brazil, Canada

Best-in-class sales operation management

🌟 Industry-leading operations management and efficiency:

- ❖ Fast payment cycle
- ❖ Low inventory
- ❖ Negative cash conversion cycle
- ❖ Close to zero bad debt in 2017-2019

🌟 Highest module ASP among all China-based manufacturers in 2019.

					
2017-2019 <i>Average</i>	CSIQ⁽¹⁾	Jinko Solar	LONGi⁽²⁾	First Solar	SunPower
Inventory Days	49	83	92	56	70
Receivable Days	51	82	133	74	38
Payable Days	121	148	214	32	81
Cash Conversion Cycle	(21)	17	11	98	27

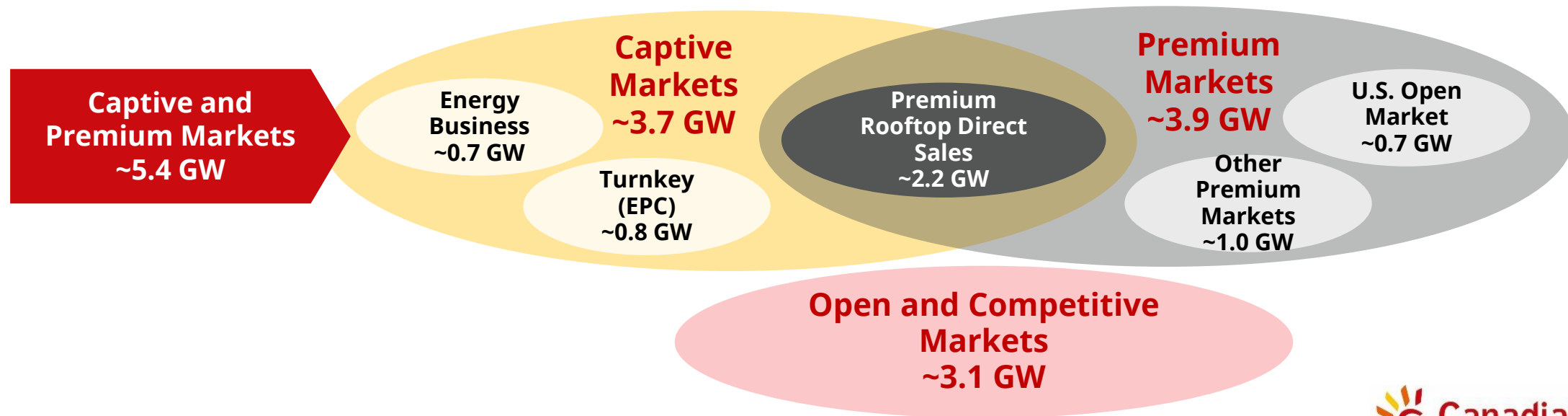
Source: Company filings, Factset data.

(1) CSIQ inventory and receivables are gross amounts i.e. adding back provisions and bad debt allowances, respectively. Using net amounts would reduce average inventory and receivable days.

(2) 2017-2019 3Q average.

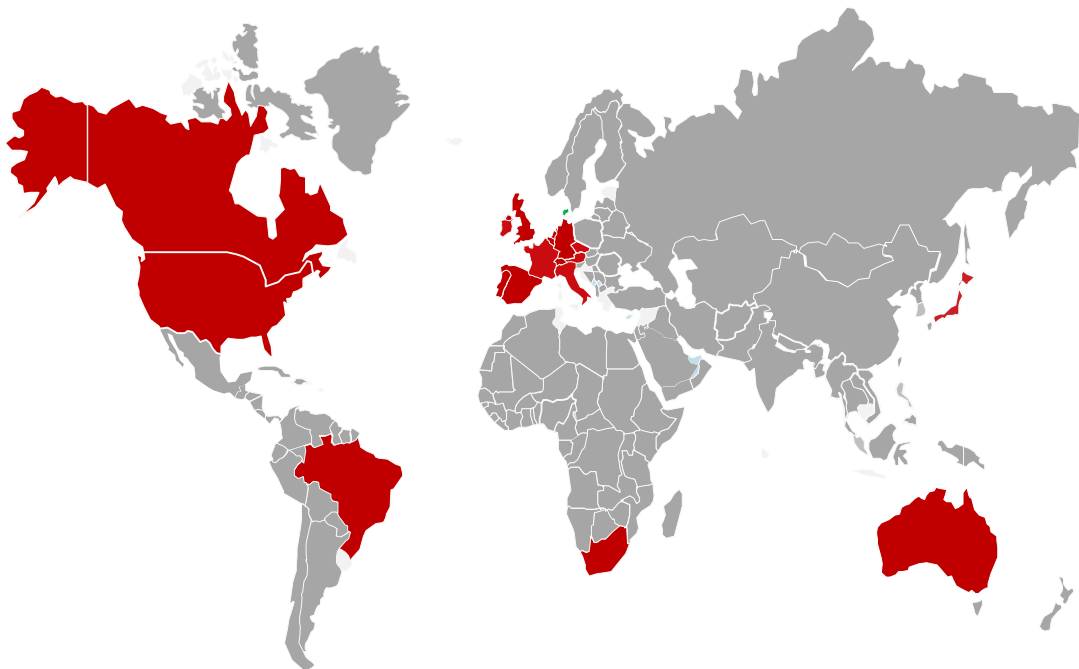
Optimized sales channel strategy, delivering higher ASPs and providing a source of sustainable competitive advantage

- ☀️ Captive market opportunity in 2019 totaled ~3.7 GW
 - ❖ Container-size direct sales to premium rooftop installers, stable predictable quarterly demand
 - ❖ Our own global Energy Business projects
 - ❖ Turnkey solutions
- ☀️ Other premium high-price markets in 2019 totaled ~1.7 GW, including the US



Premium rooftop markets are a captive market for Canadian Solar

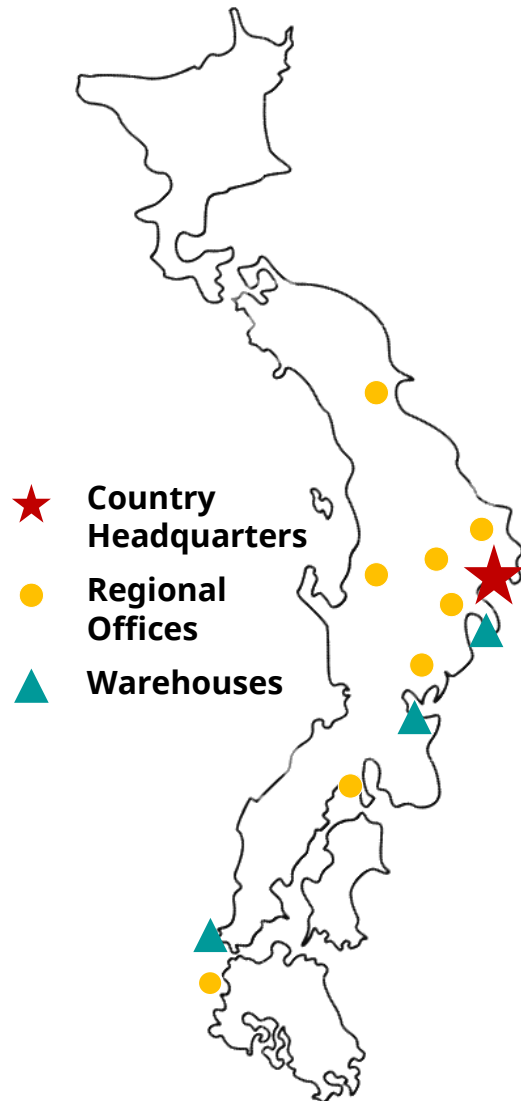
Direct Sales Channel to Premium Rooftop Markets



Container-size orders at a premium price
Stable and predictable quarterly demand

Shipment & Market Share	~2.2 GW in 2019 ~20% market share in target residential & small commercial markets
ASP Premium	~2 cents (USD)/Watt
Target Markets	Japan, Australia, US, Canada, Brazil, South Africa, EU
Barriers to Entry	<ul style="list-style-type: none">• Dedicated teams• Product differentiation & positioning• Financing & insurance• Warehousing, training & technical support• Dedicated channel policies & management, co-marketing → Customer loyalty

Japan is a premium market with 2-3x profitability



🌅 Strong brand name and presence in Japan:

- ❖ **No. 2** residential solution supplier behind Panasonic but ahead of Toshiba, Sharp and Kyocera. Among the few foreign household brands in Japan
- ❖ **No. 1** module supplier with ~10% market share in one of the most highly-priced solar module markets globally
- ❖ **Top utility project developer**, ~500 MWp grid-connected and late-stage projects, supported by financing facilities such as the largest solar infrastructure fund listed in the Tokyo Stock Exchange (Canadian Solar Infrastructure Fund or CSIF, 9284.T)
- ❖ **Local presence:** 9 offices, ~230 employees, nation-wide services centers, warehouses and logistics

Downstream total solutions is a captive market

🌟 Project Development and 3rd Party EPC Markets



- ❖ **Project Development 3rd party EPC:** ~470 MW in 2019
- ❖ **3rd party EPC:** ~830 MW in 2019

➤ We expect shipments to both segments to continue to grow strongly post COVID-19

Why 3rd Party EPC?

Shared OPEX with both MSS & EG business

Additional Profit

- Embedded margins from module, components and optimized solutions
- Margins increased by 100%~300% (in absolute terms) over module-only sales, depending on whether energy storage is involved

Controlled Risks

- Project- and market-tailored JV or partnership structure to manage construction
- Constructor's performance bond directly to project owner

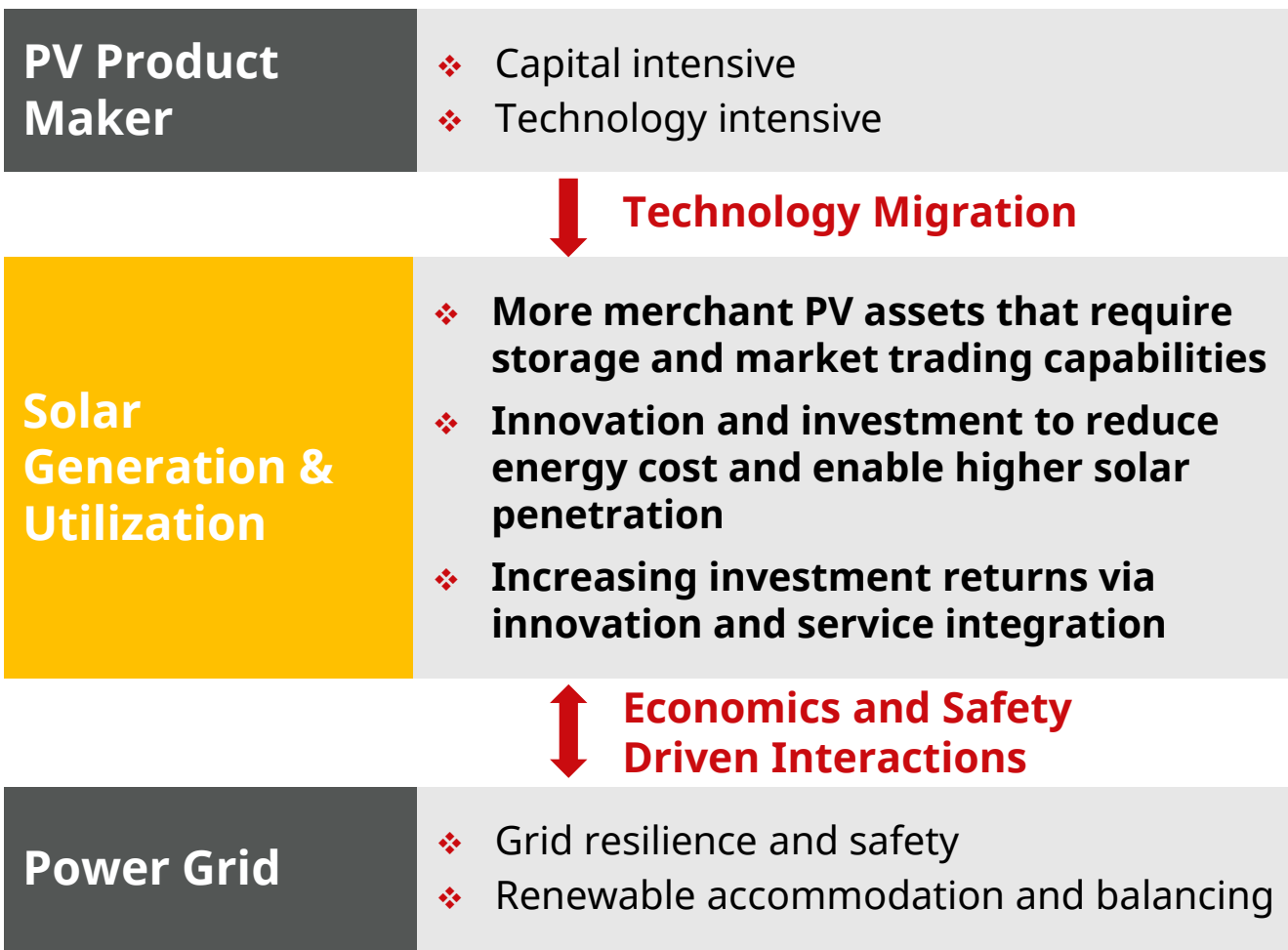
Enhanced Opportunities due to bankability, brand and balance sheet

Opportunity to leverage captive markets to grow our Systems Solutions and Energy Storage Business (SSES)

 **System Solutions and Energy Storage (SSES)**

Enabling Technologies:

- ❖ **Power Electronics**
- ❖ **Energy Storage**
- ❖ **IoT, Big Data, AI, Cloud Computing**



Tech DNA

We expect System Solutions and Energy Storage (SSES) to become an important part of our business in the years ahead

Canadian Solar already generates revenue from O&M, EPC, inverters and system kit offerings

100% Addressable Captive Markets

Energy Group, including EPC Services

For utility and large-scale C&I solar

- Energy storage systems
- Optimized BOS package
- Special system solutions (e.g. floating)
- Assets “cradle to grave” life-time services

MSS (Module & System Solutions)

For residential and small-scale C&I solar

- Integrated systems with energy storage
- Module-Level Power Electronics (MLPE)
- System Kits and single BOS components
- Stand-alone energy storage systems

Canadian Solar strengths: captive markets, brand & bankability, efficient manufacturing, EPC and O&M capabilities



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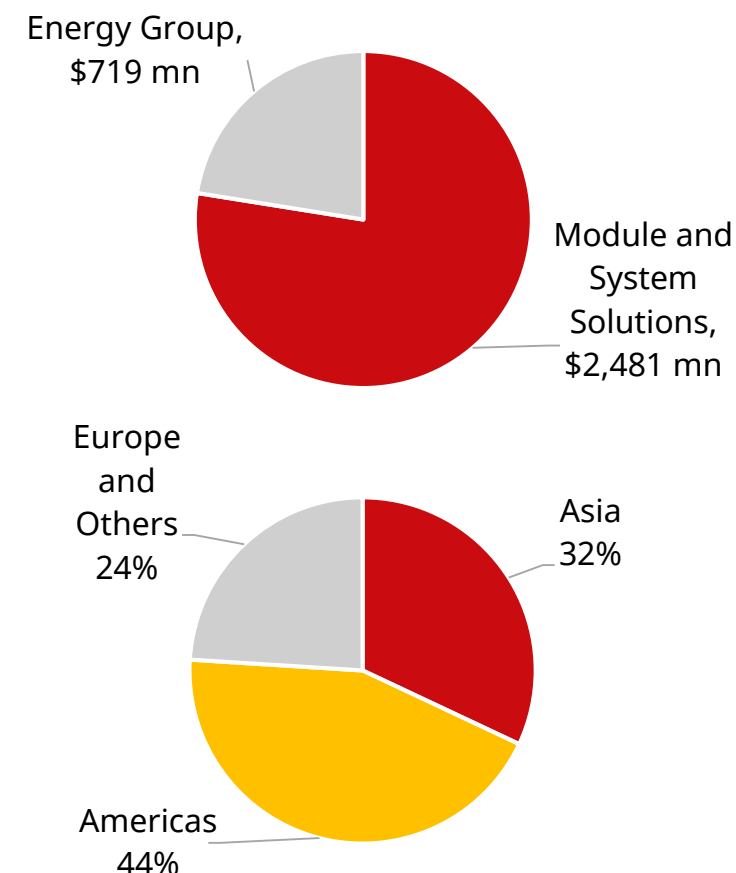
- 1 Company Overview**
- 2 Market Opportunity**
- 3 Module and Systems Solutions**
- 4 Energy Business**
- 5 Financial Highlights**

Consolidated Income Statement Summary

<i>USD millions except per share data</i>	4Q19	vs. 3Q19	vs. 4Q18	FY19	vs. FY18
Net revenues	920	21%	2%	3,201	-15%
Cost of revenues	690	23%	10%	2,482	-16%
Gross profit	230	15%	-15%	719	-7%
Operating expenses	118	-1%	-12%	460	12%
Operating income	111	39%	-18%	258.9	-29%
Other (expenses)/income	-2	NM	NM	19	NM
Depreciation and amortization	45	22%	40%	159	23%
EBITDA (non-GAAP)⁽¹⁾	155	30%	-24%	437	-17%
Net income attributable to Canadian Solar Inc.	68	16%	-39%	172	-28%
Diluted EPS	1.12	17%	-38%	2.83	-27%
<i>Gross margin</i>	<i>25.0%</i>	<i>-12 bp</i>	<i>-52 bp</i>	<i>22.4%</i>	<i>17 bp</i>
<i>EBITDA* margin</i>	<i>16.8%</i>	<i>12 bp</i>	<i>-58 bp</i>	<i>13.7%</i>	<i>-5 bp</i>
<i>Net margin</i>	<i>7.4%</i>	<i>-3 bp</i>	<i>-50 bp</i>	<i>5.4%</i>	<i>-10 bp</i>
<i>Return on equity (TTM)</i>	<i>12.3%</i>	<i>-39 bp</i>	<i>-70 bp</i>	<i>12.3%</i>	<i>-70 bp</i>

(1) EBITDA calculated as operating income after loss/gain on change in fair value of derivatives, FX gain/loss, investment income/loss, and income from minority shareholdings; then adding back depreciation and amortization. For a reconciliation of GAAP to non-GAAP results, see accompanying table "GAAP to Non-GAAP Reconciliation" on slide 54.

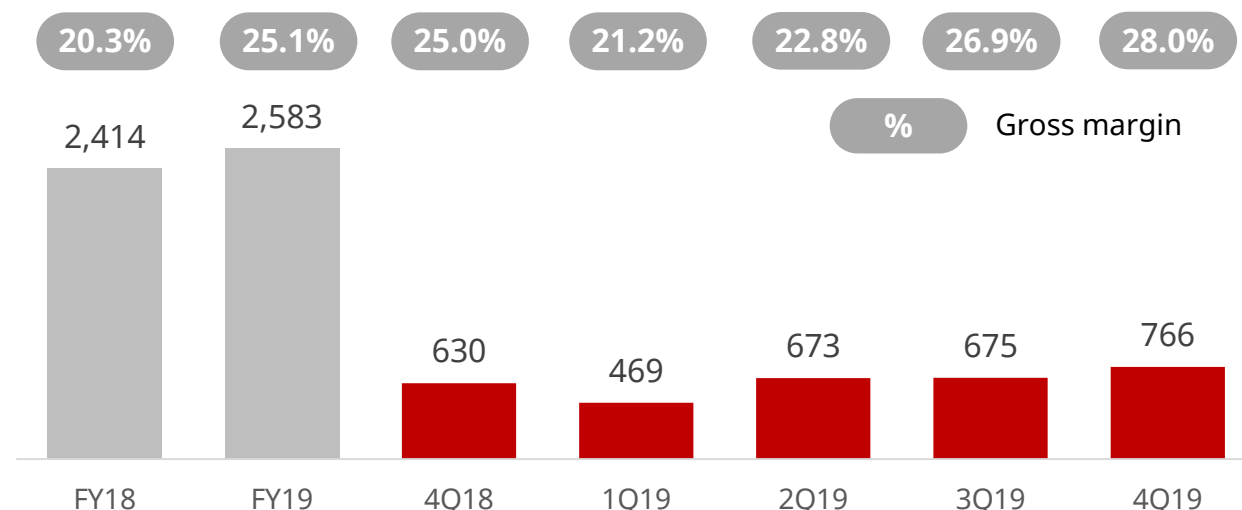
FY19 Revenue Split



Modules and System Solutions Summary Financials

USD millions except shipment data	4Q19	vs. 3Q19	vs. 4Q18	FY19	vs. FY18
Total shipments (MW)	2,474	4%	27%	8,579	30%
Revenues ⁽¹⁾	766	14%	22%	2,583	7%
Gross profit ⁽¹⁾	214	18%	36%	649	32%
Income from operations ⁽¹⁾	114	31%	116%	280	97%

Module and System Solutions Revenues (USD million)⁽¹⁾



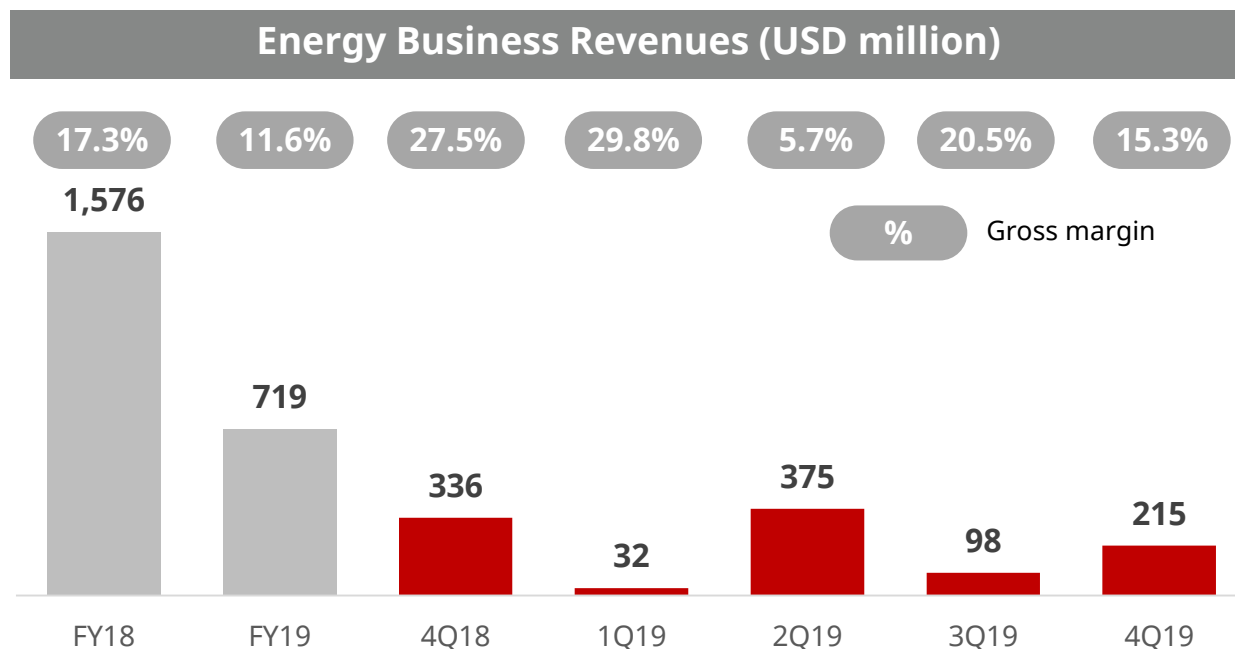
(1) Includes effects of both sales to third party customers and to the Company's Energy Business to reflect the real underlying performance. Please refer to the financial tables in the quarterly press release for the intercompany transaction elimination information. Income from operation amounts reflect management's allocation and estimate as some services are shared by the two segments of the Company.

Highlights

- Total module shipments grew by 4% qoq and 27% yoy, driven by strong demand from the US, Brazil, China and Japan during the quarter
- Average selling prices (ASPs) were flat qoq, tracking above our peers, while our cost of manufacturing continued to decline. This drove a significant increase in gross profit
- Excluding the impact of anti-dumping and countervailing duty (AD/CVD) true-up of \$24 mn and \$6 mn for Q3 and Q4 respectively, the underlying gross margin would have been 23.3% and 27.1% respectively

Energy Business Summary Financials

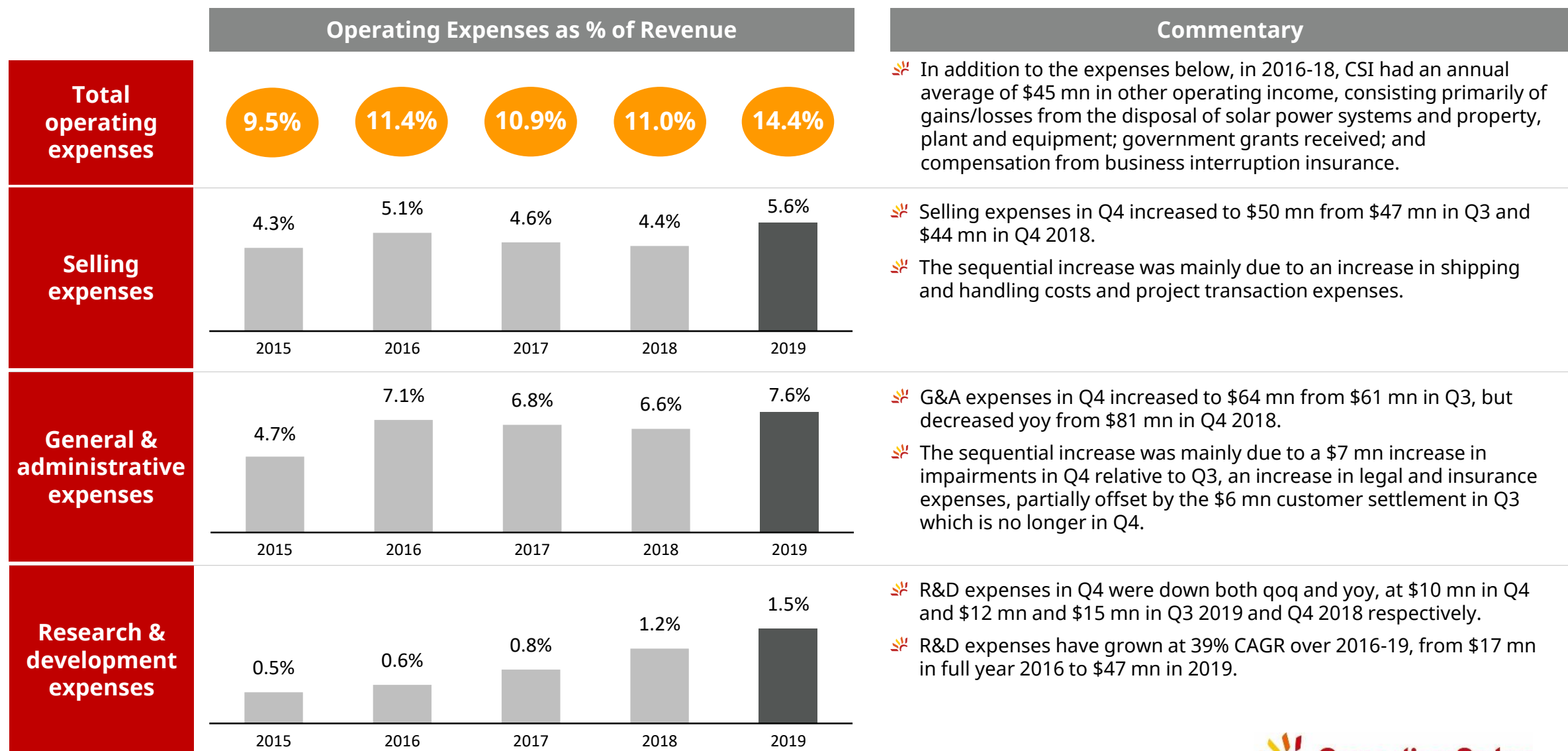
USD millions	4Q19	vs. 3Q19	vs. 4Q18	FY19	vs. FY18
Revenues	215	121%	-36%	719	-54%
Gross profit	33	65%	-64%	84	-69%
Income from operations	15	NA	-76%	-7	NA



Highlights

- ☀️ Q4 revenues were up qoq but down yoy, as 2018 was a peak year for project sales.
- ☀️ Projects sold during the quarter included the sale of the 11 MWp project in Shizuoka Japan, 102 MWp NC 102 project in the US, and 3 MWp Milborne Port project in the UK.
- ☀️ Gross margin in Q4 was affected by the sale of relatively low margin projects.

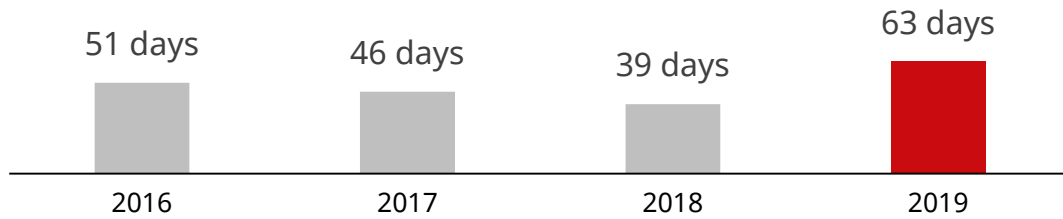
Operating expenses



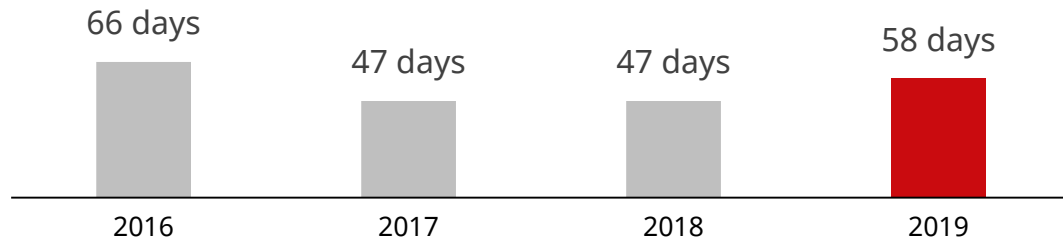
Disciplined working capital management, disciplined and balanced capex

Working Capital Days

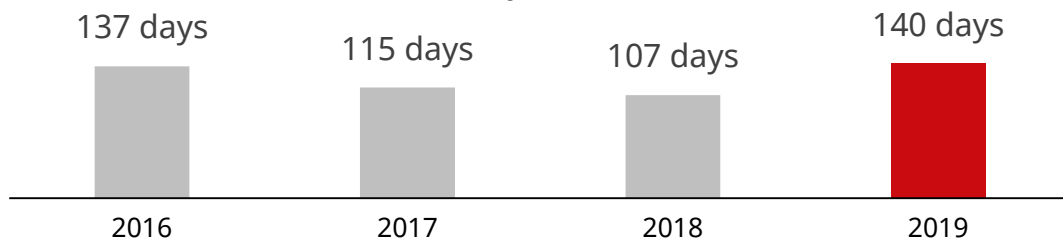
Inventory Turnover⁽¹⁾



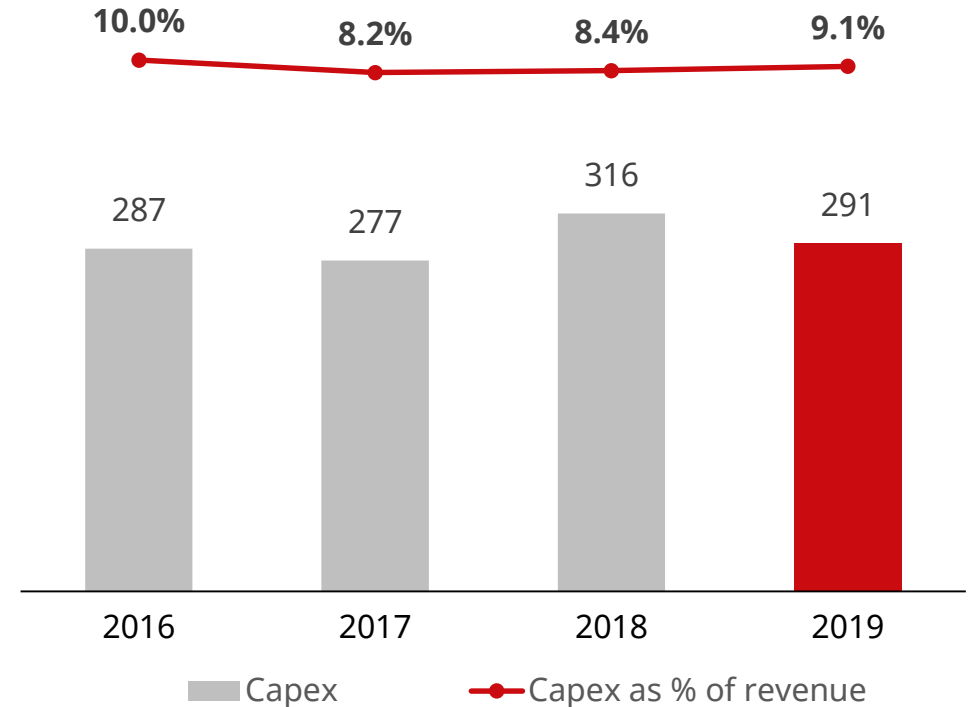
Accounts Receivable Turnover⁽²⁾



Accounts Payable Turnover⁽³⁾



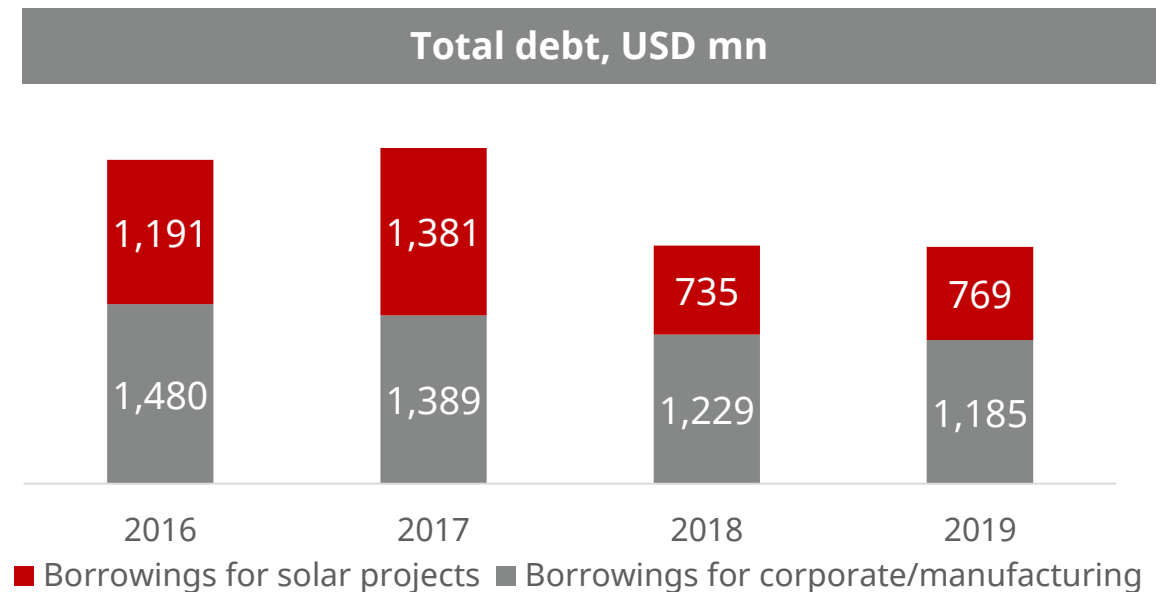
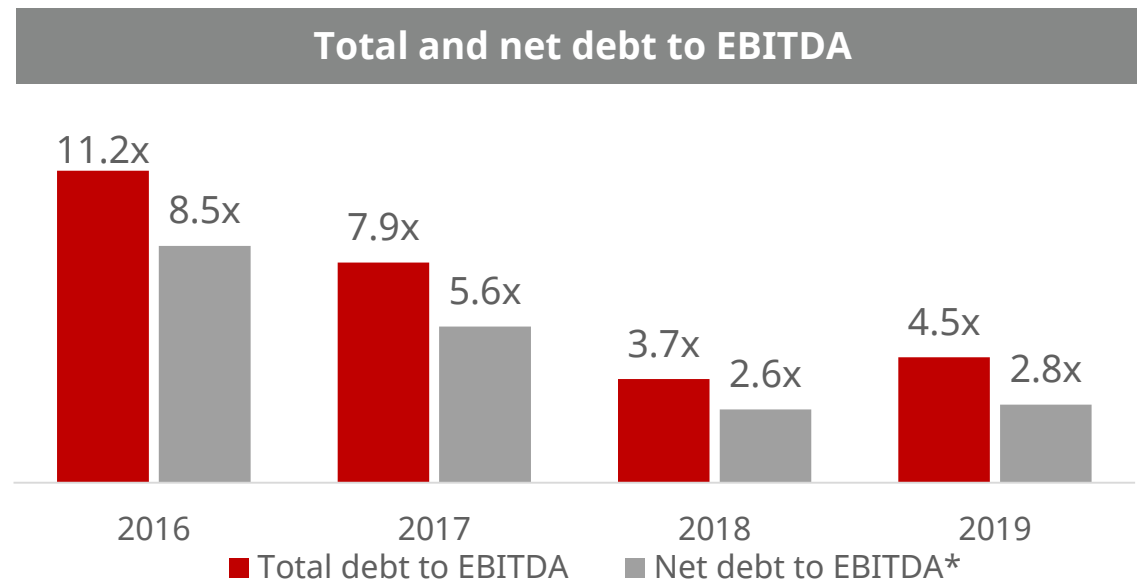
Capital Expenditures (USD million)⁽⁴⁾



- 1) Inventory turnover days calculated as average gross inventory (adding back provisions) divided by cost of revenues x365
- 2) Account receivables days calculated as average gross accounts receivable (adding back bad debt allowance) divided by total revenues x365.
- 3) Accounts payable days calculated as average accounts payable divided by cost of revenues x365.
- 4) Capex for PP&E only, excluding capex related to project development.

Canadian Solar has significantly deleveraged its balance sheet

- 🌅 Total and net debt to EBITDA is now at 4.5x and 2.8x respectively.
- 🌅 The ratios would be approximately 1x lower excluding project level non-recourse debt.
- 🌅 Deleverage mainly driven by growth in EBITDA and reduction in project debt associated with project sales.

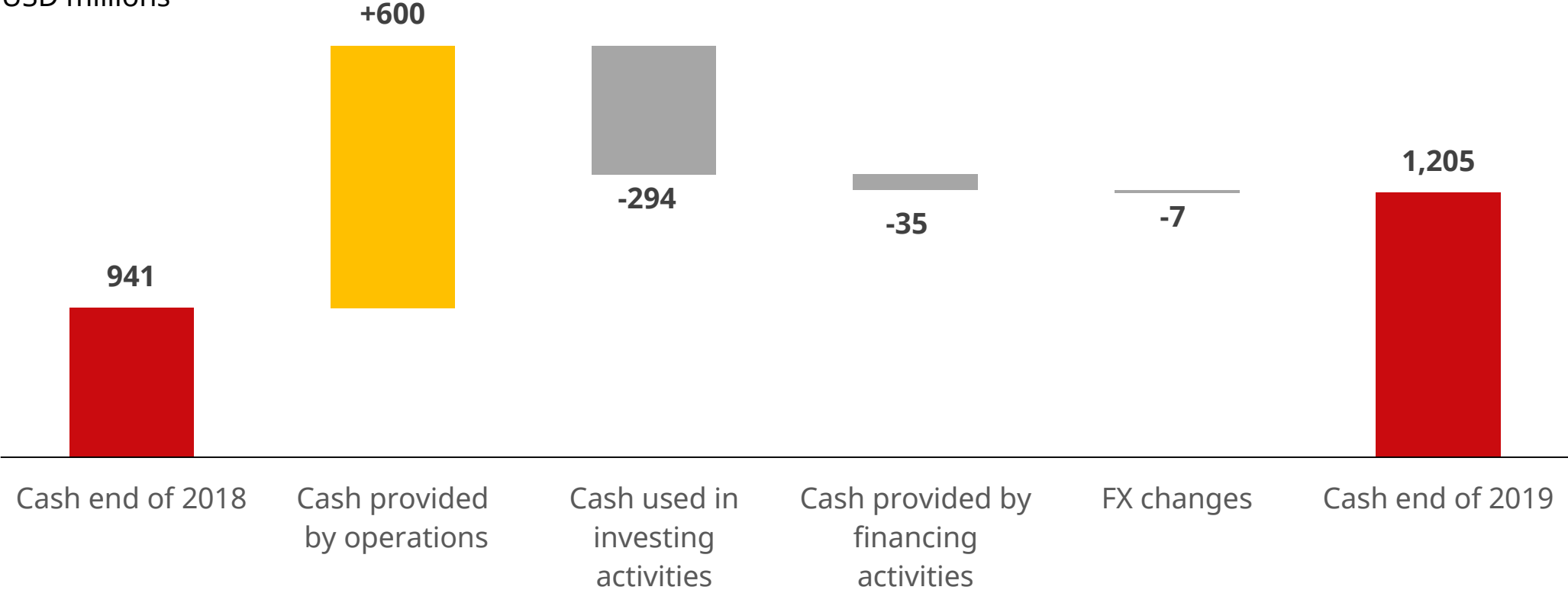


*Note: Net debt calculation nets out unrestricted cash and restricted cash securing debt only.

We continue to generate operating cash, invest in the long-term success of our business and strengthen our overall cash position

Cash flow changes in FY19

USD millions



Note: Values based on Canadian Solar’s unaudited statement of cash flows.

Canadian Solar has delivered an average ROIC of 10.3% (after tax) over the past 6 years

In USD millions, except % data

Return on Invested Capital (ROIC)	2014	2015	2016	2017	2018	2019	6 yr avg
Total equity (book value)	730	833	899	1,060	1,273	1,425	
+ Long-term borrowings	134	607	493	404	394	619	
+ Short-term borrowings	726	1,157	1,600	1,958	1,028	933	
+ Other interest-bearing debt	150	176	577	408	543	402	
- Cash and equivalents	550	553	511	562	444	669	
- Cash to secure short-term debt	113	107	133	245	134	69	
Invested Capital	1,077	2,112	2,926	3,023	2,659	2,642	2,407
EBIT (non-GAAP)	356	260	143	251	399	278	
- 26.5% tax (Canadian statutory rate)	-94	-69	-38	-67	-106	-74	
Net Operating Profit After Tax (NOPAT)	262	191	105	185	293	204	1,240*
ROIC = NOPAT/Invested Capital	24.3%	9.1%	3.6%	6.1%	11.0%	7.7%	10.3%

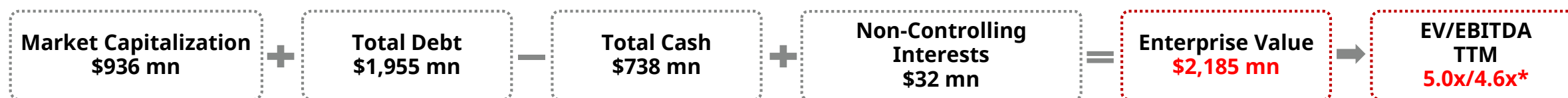
*6-year cumulative.

Attractive valuation supported by resilient financial performance

Total Debt and Cash Breakdown				
	1Q19	2Q19	3Q19	4Q19
Short-term borrowings	1,071	1,080	1,056	933
Long-term borrowings on project assets - current	280	177	262	286
Capital leases - current	38	39	31	26
Long-term borrowings	434	463	526	619
Financing liabilities - non-current	79	78	76	77
Capital leases - non-current	26	22	17	14
Total debt	1,928	1,859	1,968	1,955
Cash and equivalents	370	438	526	669
Restricted cash - current:	516	526	515	527
Of which to secure debt:	67	75	82	69
Total cash (for EV calculation)	437	513	608	738
Net debt	1,491	1,345	1,360	1,217

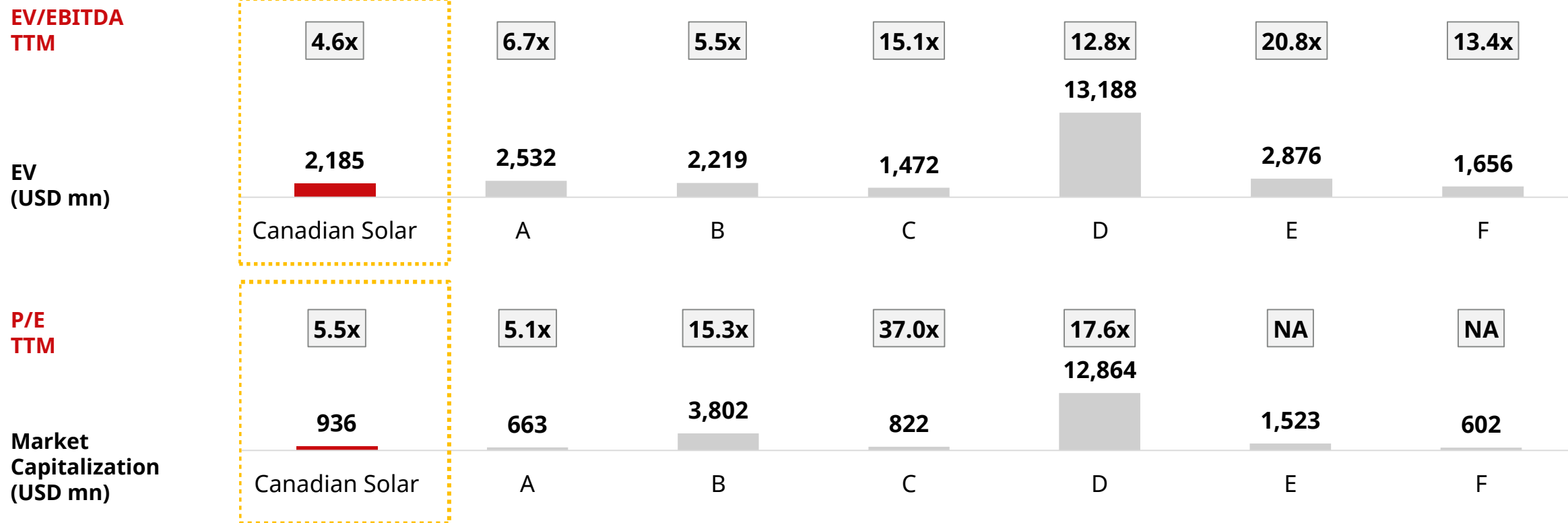
EBITDA Calculation					
	1Q19	2Q19	3Q19	4Q19	FY19
Total revenue	485	1,036	760	920	3,201
- COGS	-377	-854	-561	-690	-2,482
Gross profit	107	183	199	230	719
- Operating expenses	-101	-122	-119	-118	-460
Operating profit	7	61	80	111	259
-/+ Other expenses/income	-11	30	2	-2	19
+ Depreciation & amortization	38	40	37	45	159
EBITDA (non-GAAP)	33	130	119	155	437
Impairments	0	14	14	14	42
Adjusted EBITDA (non-GAAP)*	33	144	133	169	479

*EBITDA including impairments



1. Source: Factset, company filings.
2. Prices as at market close of March 30, 2020.
3. All Canadian Solar financials are actual reported values. For a reconciliation of GAAP to non-GAAP results, see accompanying table "GAAP to Non-GAAP Reconciliation" on slide 53.

Attractive valuation relative to peers



- ❖ The above relative valuation analysis is intended for illustration purposes only, investors are encouraged to do their own due diligence based on their own analysis of publicly available financial information.
- ❖ The rationale for Canadian Solar EV/EBITDA calculation can be reviewed on slide 47. EV/EBITDA and P/E for close peers is based on Factset database. We have not independently verified the accuracy of Factset's data, but believe it to be reasonable.

1. NA: Not applicable due to negative earnings.
2. Prices as at March 30, 2020 market close.
3. Company B's earnings were adjusted to remove the costs of a litigation loss.

Guidance as of March 26, 2020

	Q4 2019	Q1 2020E
Module Shipments	2,474 MW	2.15 GW to 2.25 GW
Revenue⁽¹⁾	\$920 mn	\$780 mn to \$810 mn
Gross Margin⁽¹⁾	25.0%	26% to 28%

	FY2019	FY2020E	YoY Δ%
Module Shipments	8,579 MW	10 GW to 12 GW	17% to 40%
Revenue⁽¹⁾	\$3.2 bn	\$3.4 bn to \$3.9 bn	6% to 22%
Gross Margin⁽¹⁾	NA	NA	NA

(1) Includes MSS and Energy businesses, including the elimination effect from intercompany sales.

Experienced, strategic and prudent management team with a strong track record



Dr. Shawn Qu
Chairman and CEO

- ❖ Founded Canadian Solar in 2001, firmly establishing the company as a global leader of the solar industry.
- ❖ Director & VP at Photowatt International S.A.
- ❖ Research scientist at Ontario Hydro (Ontario Power Generation).



Yan Zhuang
Acting CEO, SVP and
Chief Commercial Officer

- ❖ Head of Asia of Hands-on Mobile, Inc.
- ❖ Asia Pacific regional director of marketing planning and consumer insight at Motorola Inc.



Dr. Huifeng Chang
SVP and Chief Financial Officer

- ❖ Co-Head of Sales & Trading at CICC US in New York.
- ❖ CEO of CSOP Asset Management in Hong Kong.
- ❖ Vice President of Citigroup Equity Proprietary Investment in New York.



Guangchun Zhang
SVP and Chief Operating Officer

- ❖ Vice President for R&D and Industrialization of Manufacturing Technology at Suntech Power Holdings.
- ❖ Centre for Photovoltaic Engineering at the University of New South Wales and Pacific Solar Pty. Limited.



Ismael Guerrero
CVP and President of Energy Group

- ❖ President, Head of Origination and COO at TerraForm Global.
- ❖ Vice President of Global Projects at Canadian Solar.
- ❖ Director of Operations for Asia at the Global Sustainable Fund.



Jianyi Zhang
SVP and Chief Compliance Officer

- ❖ Senior advisor to several Chinese law firms.
- ❖ Senior assistant general counsel at Walmart Stores, Inc.
- ❖ Managing Partner at Troutman Sanders LLP.



Dr. Guoqiang Xing
SVP and Chief Technology Officer

- ❖ Chief Technology Officer of Hareon Solar.
- ❖ R&D Director of JA Solar.
- ❖ R&D Director at several semiconductor companies.

Seasoned and focused independent board of directors

Independent Directors and Advisor

Robert McDermott - Director

Chair of the Nominating and Corporate Governance, and member of Audit and Compensation Committees

- ❖ Partner with McMillan LLP, a business and commercial law firm.
- ❖ Director and senior officer of Boliden Ltd.

Dr. Harry Ruda - Director

Chair of Technology, member of the Audit, Nominating and Governance, and Compensation Committees

- ❖ Director of the Centre for Advanced Nanotechnology, Stanley Meek Chair in Nanotechnology and Prof. of Applied Science and Engineering at the University of Toronto, Canada

Andrew Wong - Director

Chair of the Compensation, member of the Audit, Nominating and Governance Committees

- ❖ Senior Advisor to Board of Directors of Henderson Land Development Co.
- ❖ Director of Ace Life Insurance Co. Ltd., China CITIC Bank Corp., Intime Retail (Group) Co. Ltd. and Shenzhen Yantian Port (Group) Co. Ltd.

Arthur Wong - Director

Chair of the Audit Committee, member of Nominating and Governance, and Compensation Committees

- ❖ Independent director and chair of the audit committee of China Automotive Systems, Inc., Daqo New Energy Corp., and China Maple Leaf Educational Systems Limited.
- ❖ Various positions with Deloitte Touche Tohmatsu (Deloitte) in Hong Kong, San Jose and Beijing.
- ❖ Chief Financial Officer at a variety of companies.

Lauren Templeton - Director

Member of the Audit Committee, Nominating and Governance, and Compensation Committees.

- ❖ Founder and President of Templeton & Phillips Capital Management, LLC, a global investing boutique located in Chattanooga, Tennessee.
- ❖ Independent director and member of the Audit Committee of Fairfax Financial Holdings Limited and Fairfax India Holdings Corporation.
- ❖ Ms. Templeton serves on a number of non-profit organizations.

Karl E. Olsoni – Strategic Advisor

- ❖ Operating Partner with Quinbrook Infrastructure Partners, an infrastructure fund manager investing in clean energy infrastructure in the United States, the United Kingdom and Australia.
- ❖ Partner with the kRoad group of companies which invest in battery storage, waste transformation and e-mobility.
- ❖ Previously Managing Director of the Clean Energy and Infrastructure team at Capital Dynamics.

Consolidated Income Statement

<i>USD millions except per share data</i>	2017	2018	2019	'19 yoy	4Q18	1Q19	2Q19	3Q19	4Q19	4Q qoq	4Q yoy
Net Revenue	3,390	3,745	3,201	-15%	901	485	1,036	760	920	21%	2%
Cost of revenues	-2,753	-2,970	-2,482	-16%	-630	-377	-854	-561	-690	23%	10%
Gross profit	637	775	719	-7%	271	107	183	199	230	15%	-15%
Selling expenses	-156	-165	-180	9%	-44	-38	-45	-47	-50	7%	13%
General and administrative expenses	-231	-247	-244	-1%	-81	-51	-66	-61	-64	4%	-21%
Research and development expenses	-29	-44	-47	6%	-15	-13	-12	-12	-10	-12%	-34%
Other operating income, net	48	45	11		6	2	1	1	6		
Total operating expenses, net	-368	-411	-460	12%	-135	-101	-122	-119	-118	-1%	-12%
Income from operations	269	364	259	-29%	137	7	61	80	111	39%	-18%
Net interest expense	-107	-95	-69		-21	-20	-16	-17	-17		
Gain (loss) on change in fair value of derivatives	0	-19	-22		-7	-1	-12	-2	-6		
Foreign exchange gain (loss)	-23	7	10		7	-13	16	3	4		
Investment income (loss)	-4	41	2		35	1	2	-1	0		
Income tax benefit (expense)	-41	-62	-42		-37	8	-14	-10	-25		
Equity in earnings (loss) of unconsolidated investees	9	6	29		0	2	24	2	1		
Net income	103	242	167		114	-17	60	55	68		
Less: net income attributable to non-controlling interests	3	5	-5		3	0	-3	-3	0		
Net income attributable to Canadian Solar Inc.	100	237	172	-28%	112	-17	63	58	68	16%	-40%
Earnings per share - basis	1.71	4.02	2.88		1.89	-0.29	1.05	0.97	1.13		
Earnings per share - diluted	1.69	3.88	2.83	-27%	1.81	-0.29	1.04	0.96	1.12	17%	-38%

Summary Balance Sheet

<i>USD millions</i>	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19
Cash and cash equivalents	562	567	452	520	444	370	438	526	669
Restricted cash - current	618	613	536	460	481	516	526	515	527
Accounts receivable	358	354	370	323	498	389	455	449	437
Inventories	346	414	336	322	262	385	338	413	554
Project assets - current	1,523	959	1,191	1,187	934	920	690	910	604
Other current assets	678	506	511	525	455	510	448	532	462
Total current assets	4,085	3,413	3,396	3,337	3,074	3,090	2,895	3,345	3,253
Restricted cash - non-current	11	11	3	16	16	26	17	7	10
Property, plant and equipment	747	791	797	863	885	933	958	996	1,046
Net intangible assets and goodwill	17	15	16	16	16	20	19	24	23
Project assets - non-current	148	166	92	117	352	393	404	238	483
Solar power systems	64	63	59	56	55	60	57	53	53
Investments in affiliates	414	415	411	403	126	128	153	150	153
Other non-current assets	403	426	419	396	369	423	536	495	446
Total non-current assets	1,804	1,887	1,797	1,867	1,819	1,983	2,144	1,963	2,214
TOTAL ASSETS	5,890	5,300	5,193	5,204	4,893	5,073	5,039	5,308	5,467
Short-term borrowings	1,958	1,858	2,000	1,878	1,028	1,071	1,080	1,056	933
Long-term borrowings on project assets-current	0	0	0	0	266	280	177	262	286
Accounts and notes payable	976	914	815	857	749	934	926	1,006	1,131
Other payables	315	295	303	322	408	380	440	453	446
Tax equity liabilities	408	155	154	164	158	158	50	53	0
Other current liabilities	451	398	391	424	339	241	258	250	296
Total current liabilities	4,108	3,620	3,663	3,645	2,948	3,064	2,931	3,080	3,092
Long-term borrowings	404	328	221	120	394	434	463	526	619
Convertible notes	126	0	0	0	0	0	0	0	0
Other non-current liabilities	192	208	206	237	278	302	323	336	331
Total non-current liabilities	722	536	427	357	672	736	786	862	950
TOTAL LIABILITIES	4,830	4,156	4,090	4,002	3,620	3,800	3,717	3,942	4,042
Common shares	702	702	703	703	703	704	703	704	704
Retained earnings	384	428	444	510	622	605	668	726	794
Other equity	-54	-26	-82	-52	-100	-79	-91	-103	-105
Total Canadian Solar Inc. shareholders' equity	1,032	1,104	1,065	1,161	1,226	1,230	1,280	1,327	1,393
Non-controlling interests	28	39	38	41	47	43	42	38	32
TOTAL EQUITY	1,060	1,144	1,103	1,202	1,273	1,273	1,322	1,366	1,425

GAAP to Non-GAAP Reconciliation

<i>In USD millions</i>	FY18	FY19	3Q19	4Q19
GAAP net income	242	167	55	68
<i>Add back:</i>				
Income tax benefit (expense)	62	42	10	25
Net interest expense	95	69	17	17
Non-GAAP EBIT	399	278	82	110
<i>Add back:</i>				
Depreciation & amortization	129	159	37	45
Non-GAAP EBITDA	528	437	119	155
<i>Add back:</i>				
Impairments	46	42	14	14
Non-GAAP adjusted EBITDA	574	479	133	169

☀ To supplement financial disclosures presented in accordance with GAAP, the Company uses non-GAAP measures which are adjusted from the most comparable GAAP measures for certain items as described herein.

☀ The Company presents non-GAAP values for EBITDA so that readers can better understand the underlying operating performance of the business, excluding the effect of non-cash costs such as depreciation, amortization and impairments.

☀ The non-GAAP numbers are not measures of financial performance under U.S. GAAP, and should not be considered in isolation or as an alternative to other measures determined in accordance with GAAP. These non-GAAP measures may differ from non-GAAP measures used by other companies, and therefore their comparability may be limited.



Thank You

CSIQ
Nasdaq Listed