



Investor Presentation

First Quarter, June 2020

CSIQ
Nasdaq Listed

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Company introduction

Leading solar energy company: **global project developer** and **module manufacturer**

- 🌻 Founded in 2001 in Ontario, Canada
- 🌻 Listed on the NASDAQ as CSIQ in 2006
- 🌻 Presence in 23 countries/regions
- 🌻 Over 13,000 employees

Key 2019 numbers

- 🌻 Shipments 8.6 GW, revenue \$3.2 bn
- 🌻 Gross profit margin 22.4%, net income \$172 mn
- 🌻 Total assets: \$5.5 bn, total equity (book): \$1.4 bn

Energy Business



- 🌻 We develop, build, operate, sell and own solar power plants across 19 countries/territories
- 🌻 **17.5 GW of total project pipeline and in operation:**
1 GWp in operation, 0.8 GWp in construction,
3.7 GWp in backlog and 12 GWp in pipeline

Module and System Solutions (MSS)



- 🌻 We manufacture solar modules and deliver solar system solutions such as system kits, inverters and EPC services
- 🌻 **Top tier bankable brand** ⁽¹⁾ and innovator in solar cell and module technologies with 13 GW of total capacity and cumulatively shipped 43 GW+ to over 150 countries

(1) For definition of *solar bankability*, see slide 27.

Global footprint in project development & module manufacturing and sales

41 offices, of which:

- **Energy: 26 offices** across 17 countries/regions
- **MSS: 32 offices** across 18 countries/regions

15 factories in 6 countries/regions



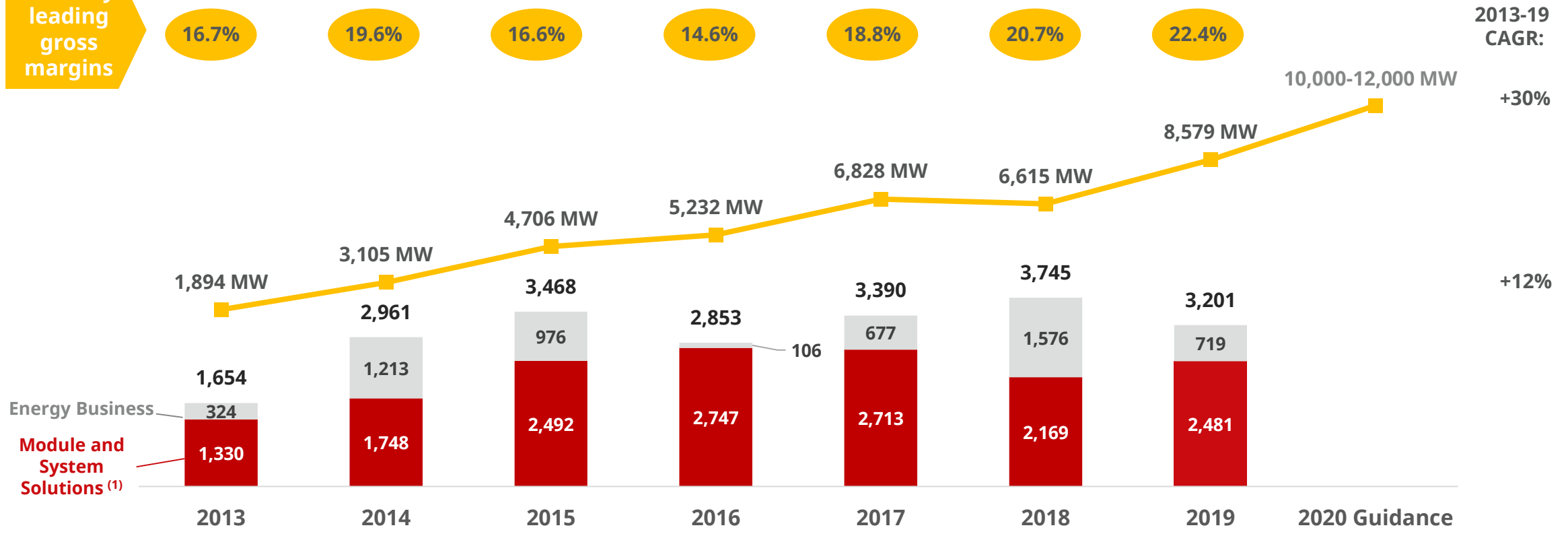
Our success is driven by our global-local teams and our culture of diversity

Note: Certain offices are shared between the Energy and MSS businesses.

Solid operational and financial performance over the past 7 years

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

Industry leading gross margins



2013-19 CAGR: +30%

+12%

| | | | | | | | | | |
|---------------------------|---------|----------|----------|---------|----------|----------|----------|----------------|-----------------------|
| Net Income ⁽²⁾ | \$32 mn | \$240 mn | \$172 mn | \$65 mn | \$100 mn | \$237 mn | \$172 mn | >> \$1 billion | Cumulative net income |
| ROE ⁽²⁾ | 8.1% | 33.4% | 21.0% | 7.4% | 9.6% | 19.3% | 12.3% | >> 16.0% | Avg. ROE |

(1) Includes intercompany transaction elimination effect from internal sales from MSS to Energy business.

(2) Net income and equity of Canadian Solar Inc. shareholders, excluding minority interests.

Why invest in Canadian Solar?

1

Industry leader strongly positioned to benefit from global secular growth in demand for solar energy

- One of the most **globally-exposed and diversified** solar companies
- **Strategically positioned** across the solar energy value chain
- Growth opportunities in **solar plus energy storage** and optimized solutions, leveraging R&D capabilities and captive markets

2

Differentiated business model focusing on profitable growth

- **Industry-leading gross margins** over the past 3 years.
- **Consistently profitable** over the past 7 years
- Strong sales channels with **leading market share** in premium markets and segments
- Focus on investments with **high risk-adjusted returns**

3

Strong balance sheet and liquidity supporting growth opportunities

- Significantly **deleveraged balance sheet**, with net debt to EBITDA at 2.8x, despite the high capital intensity of the industry
- Conservative liquidity management with **best-in-class working capital management**

Led by a strategically-minded and prudent management team with excellent track record ⁽¹⁾

(1) Management biographies on slide 48.

Near term uncertainty from COVID-19 but long term fundamental drivers intact

Risks and Impacts

- ❖ **Project financing:** potentially lower availability of tax equity in the U.S. due to macroeconomic weakness
- ❖ **Project sales:** higher cost of capital for project buyers due to volatility in the capital markets
- ❖ **Project construction/permitting:** delays but limited impact
- ❖ **Module sales:** weakness in global residential markets and certain project delays, but seeing a recovery under way
- ❖ **FX impact:** Sharp depreciation in certain currencies impacting demand
- ❖ **Module input costs:** rapid cost declines across the supply chain

Mitigation Strategies

- ❖ **Support** customers, suppliers and partners through the tough times
- ❖ **Renegotiate** PPA execution dates
- ❖ **Assess** and **balance** valuation vs. cash flow impacts, self-funding construction on certain projects to sell at a later date to achieve higher project valuation
- ❖ **Adjust** production plans focusing more on “build-to-order” and less on “build-to-stock”
- ❖ **Strengthen** credit control measures
- ❖ **Accelerate** R&D and product development to boost competitiveness
- ❖ **Adopt** extra-prudent approach at capital and liquidity management

Opportunities

- ❖ Improved **attractiveness of stable yielding solar assets** in a lower-for-longer interest rate environment
- ❖ Lower solar module and BOS ⁽¹⁾ prices **improving the economics** of contracted solar pipeline, **growing the number of solar markets at/reaching grid parity**
- ❖ Financial stress at lower-tier solar manufacturers to **accelerate industry consolidation**
- ❖ Unprecedented global fiscal and monetary stimulus to **accelerate investments in clean energy markets**
- ❖ Potential extension of the Investment Tax Credit (ITC) in the U.S.

(1) Balance of systems.

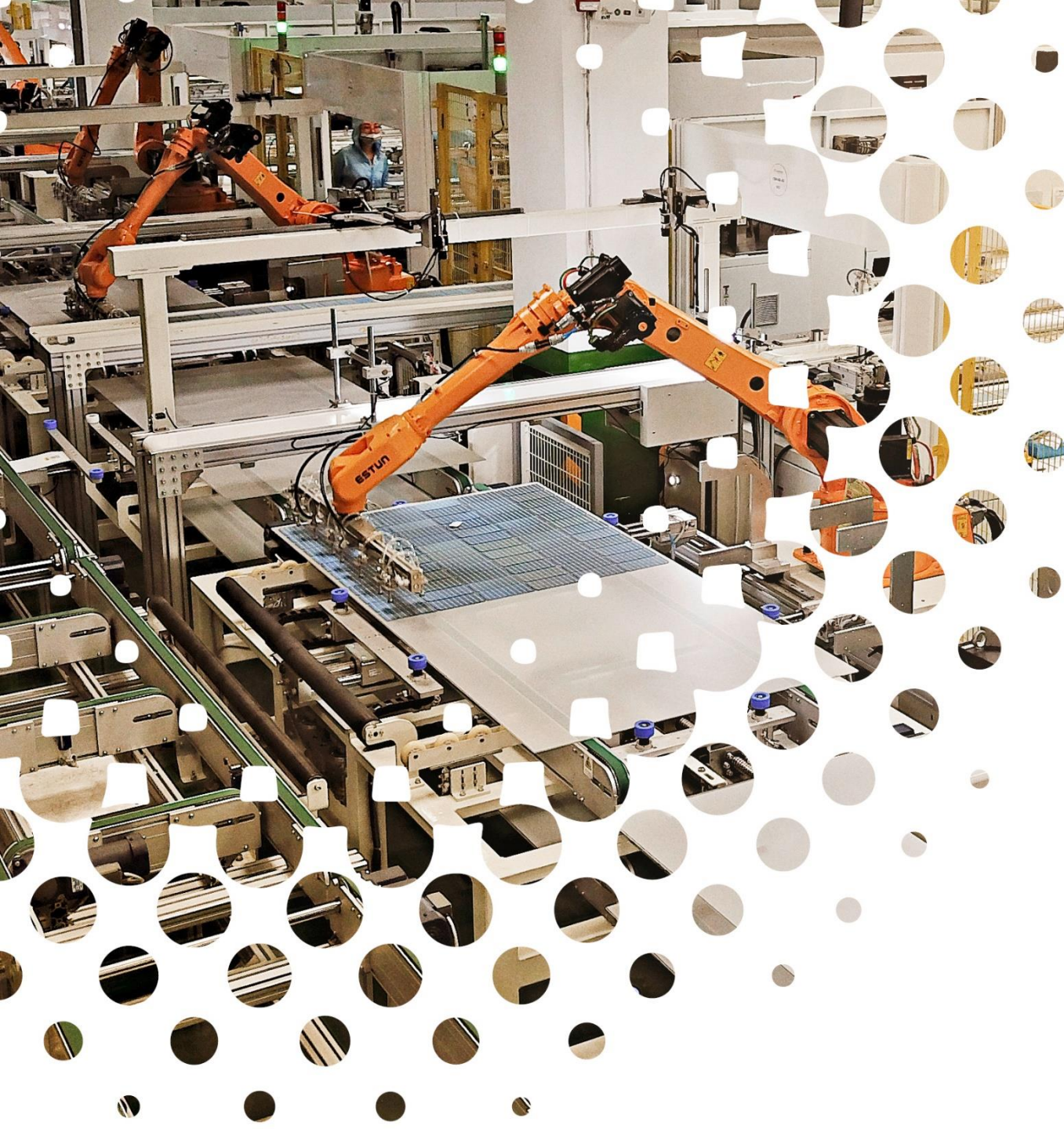


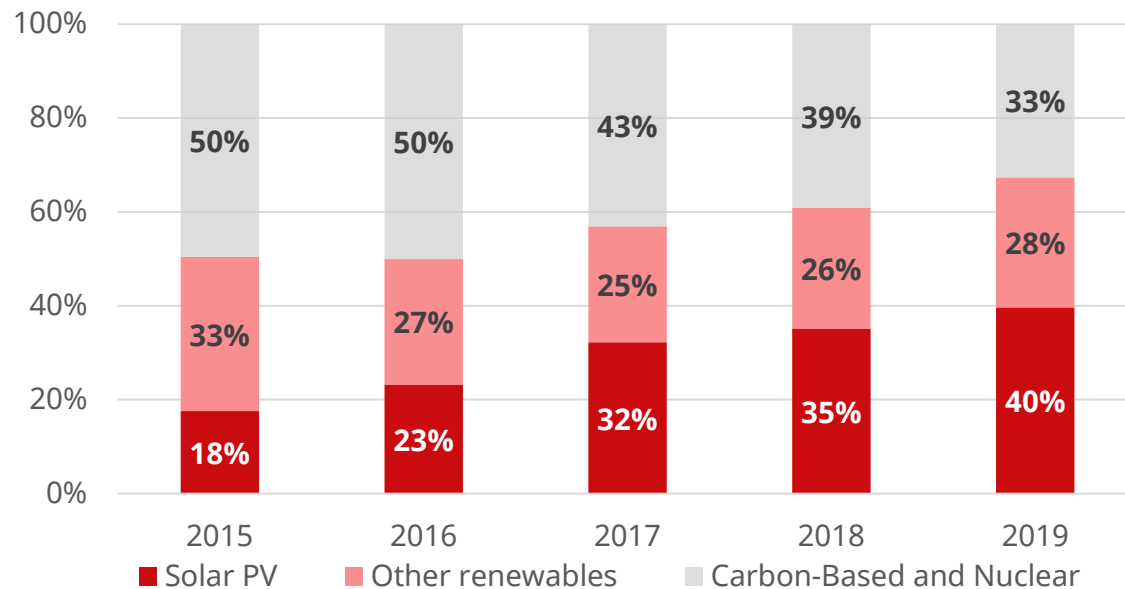
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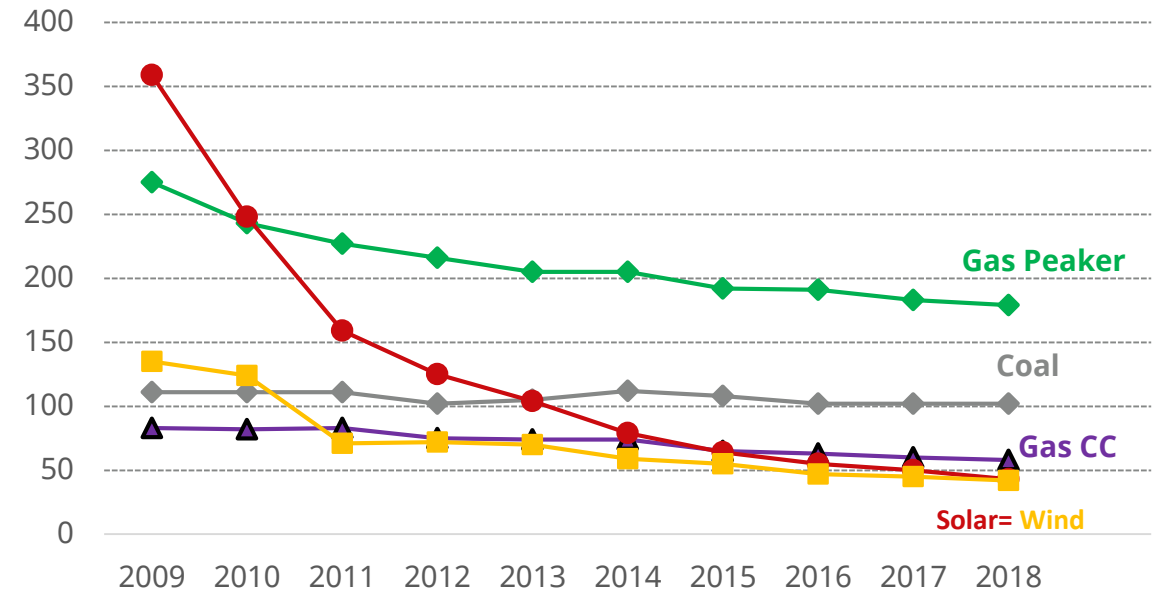
Solar energy adoption accelerating due to competitive economics & policy support

- ☀️ 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
- ☀️ Rising carbon prices and structural growth in demand for electricity to 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

Global Generation Capacity Addition Mix (GW)



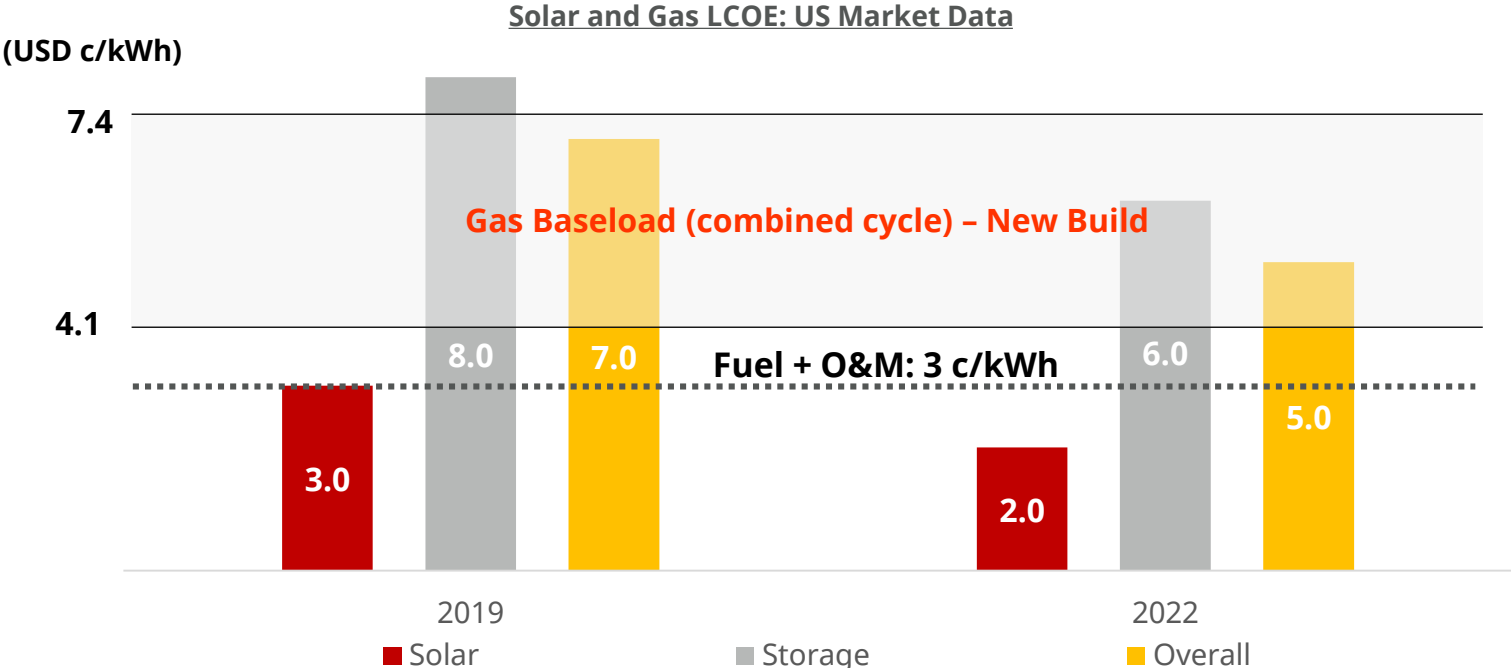
Mean Levelized Cost of Electricity (\$/MWh)



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

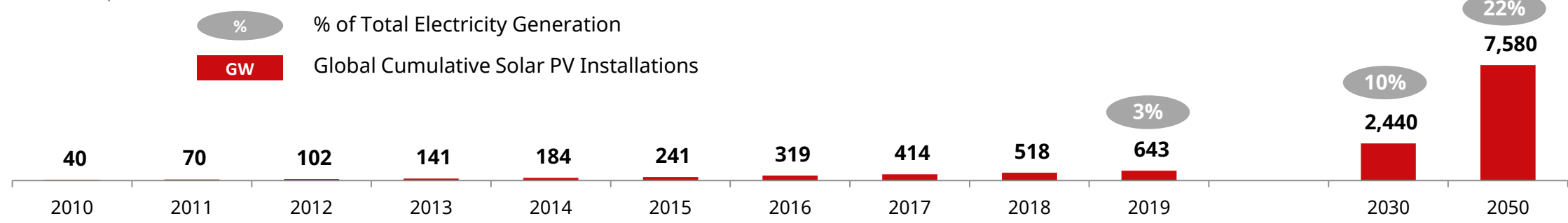
- ☀ Recently issued PPAs in the US are **\$4-5 c/kWh** for PV + 4h storage (to be connected in 2021-2024)
- ☀ Majority of new solar PPAs in California are requesting storage to be paired, setting a trend for other markets



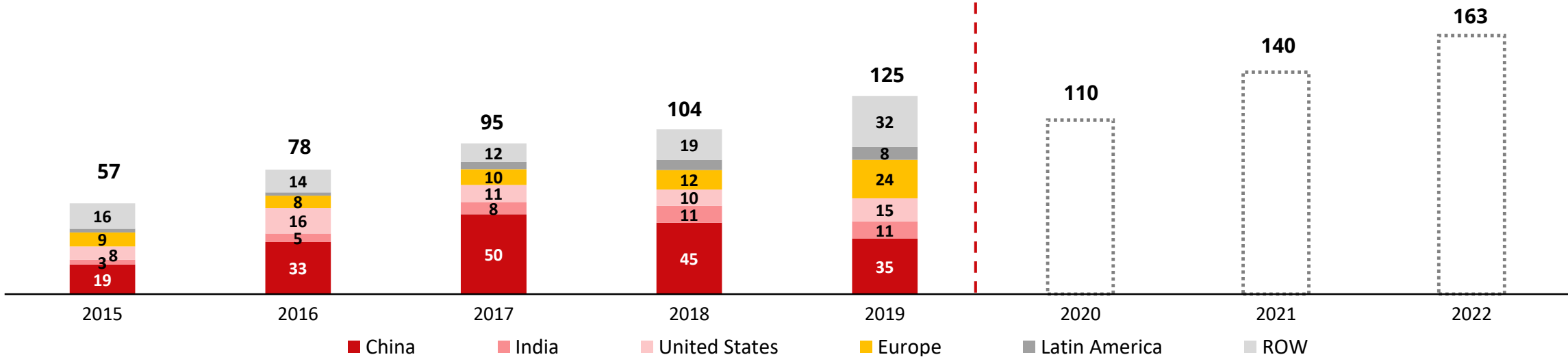
Key energy markets remain underpenetrated providing long-term visibility into the global demand environment

Solar energy expected to grow from 3% of global electricity generation in 2019 to around 10% by 2030

Source: IHS, BNEF.



Independent analysts expect relatively weak demand in 2020 and growth to return by the following year



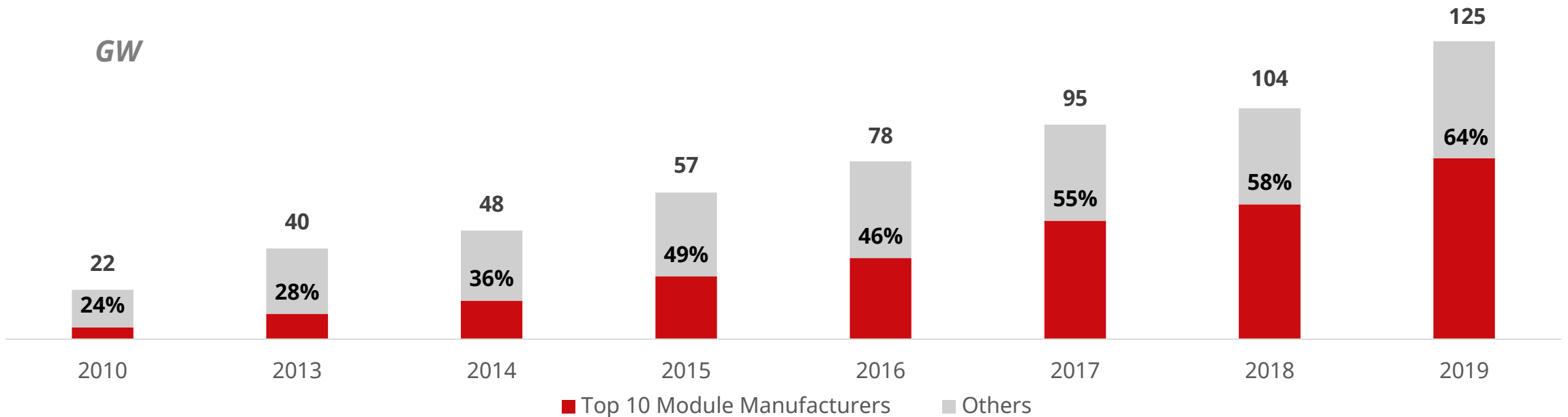
Source: IHS (April 2020). Disclaimer: Industry forecasts in the charts above and elsewhere in this presentation are provided by third-party industry analysts. Although we have not independently verified the accuracy of these forecasts, we believe them to be reliable and reasonable.

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

Growing **customer loyalty** driven by:

- 🌟 Brand and bankability ⁽¹⁾
- 🌟 Technology differentiation and value proposition, driven by LCOE ⁽²⁾ and energy yield
- 🌟 Quality and performance of integrated energy system solutions
- 🌟 Reliability and predictability of delivery and other services
- 🌟 Long-term partnerships

Industry consolidating: market share of top 10 module manufacturers vs. annual global shipments



(1) For definition of *solar bankability*, see slide 27.

(2) Levelized cost of electricity.

Source: IHS, company filings.



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Energy business highlights

1

Large global pipeline and backlog of solar power projects

- **Develop, build, operate, sell and own** solar power plants
- **Large and growing** pipeline
- Visibility into **profitable growth**
- **956 MWp** in operation
- **807 MWp** in construction
- **3.7 GWp** in backlog
- **12 GWp** in pipeline
- **2,820 MWh** in **storage** pipeline

2

Solid global track record as a solar project developer

- Since 2009, built and connected **>5.6 GWp** solar projects globally
- Strong relationships with key players in the **solar energy ecosystem**
- In 2015, acquired **Recurrent Energy** in the U.S.
- In 2017, launched the **first and largest IPO of a Japanese solar infrastructure fund**, with approx. USD 470 million assets under management⁽¹⁾

3

Differentiated business model combining asset sales and stable income

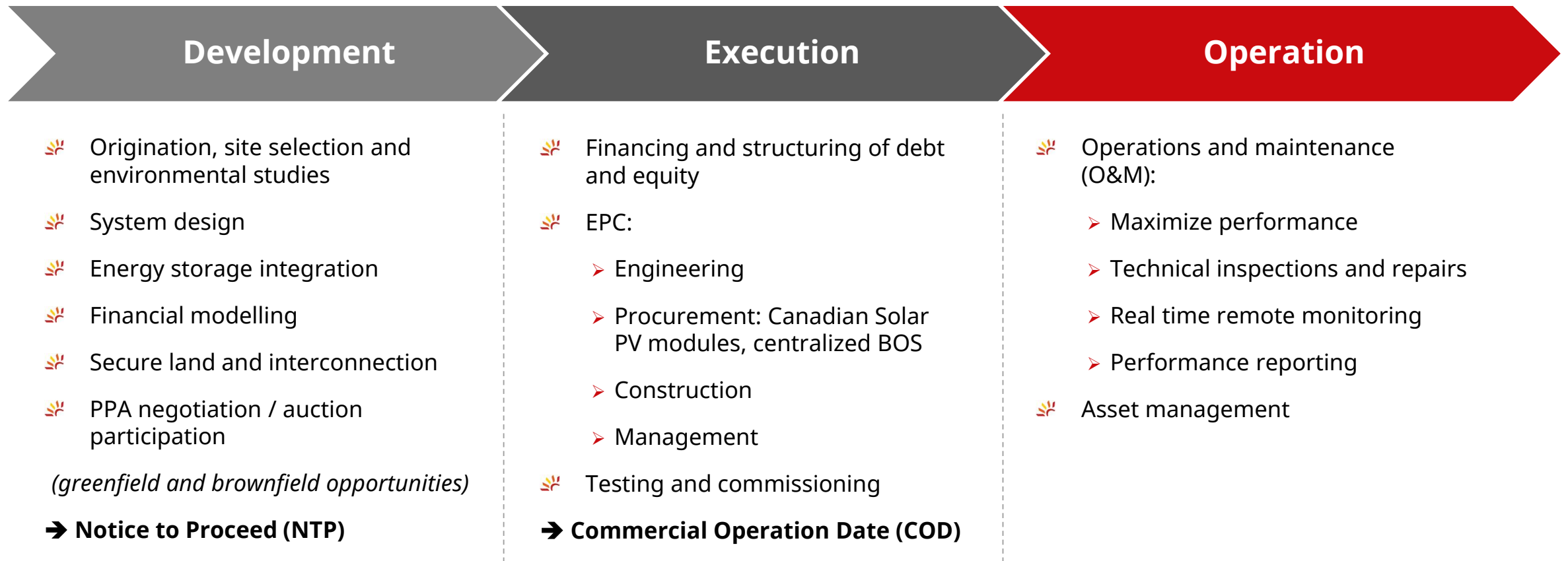
- **Technological & cost synergies** as an integrated solutions provider
- Sell projects at **NTP** and **COD**⁽²⁾, depending on optimal exit point (max. gross profit/W)
- Expect approx. **25% CAGR** in project sales to 2024
- Retain approx. **1 GW in minority ownerships by 2024**⁽³⁾ in certain markets to capture new sources of recurring income and improve predictability of future cash flows

(1) As at December 31, 2019.

(2) NTP: notice to proceed, COD: commercial operation date.

(3) For details, see slide 23.

Integrated model with expertise across the solar development value chain

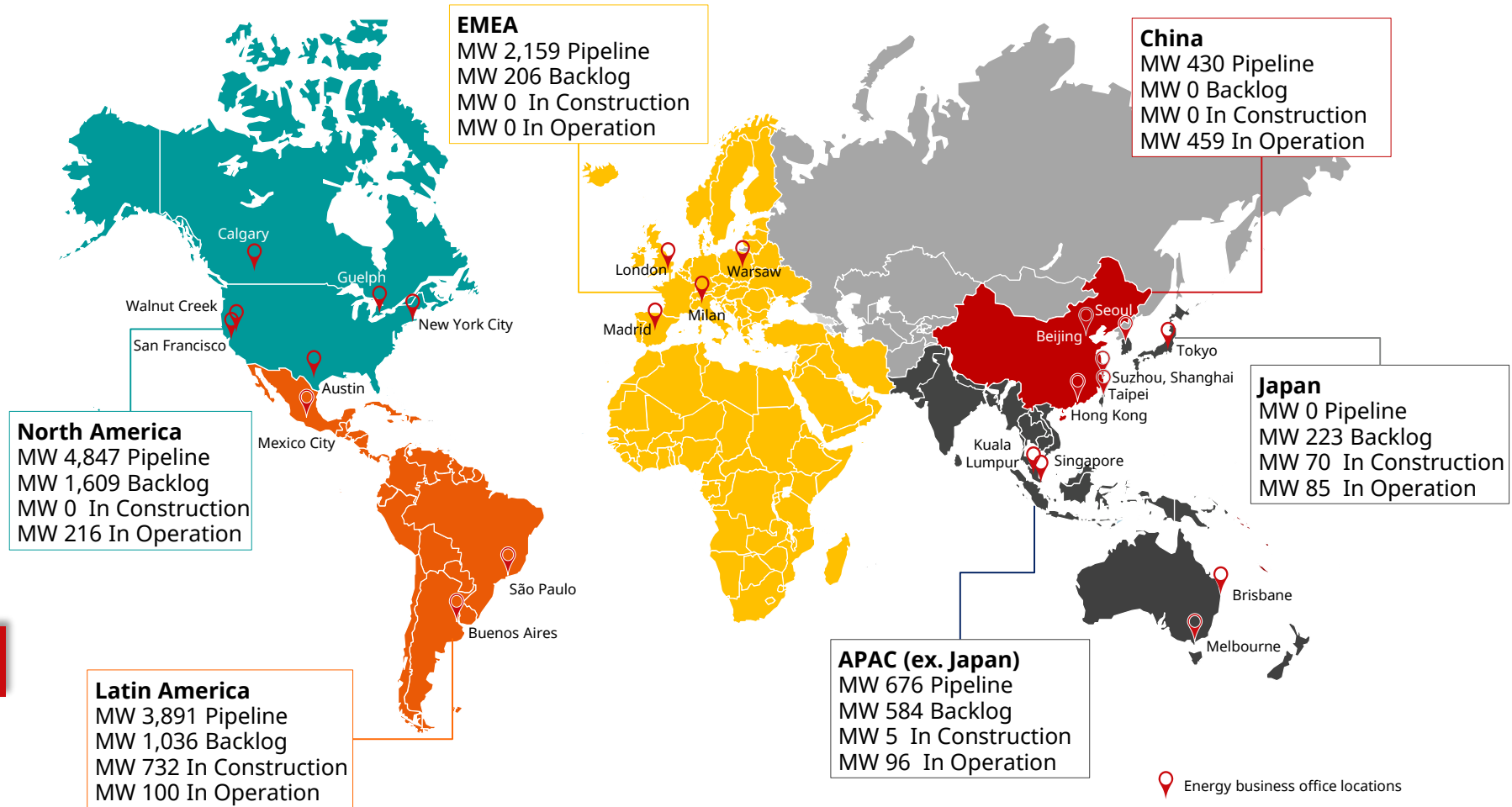


Monetization strategy: Exit at NTP, COD or through equity partnerships (retaining minority ownership), depending on the optimal exit point for each project based on market- and project-specific risk and return profile

Strong competitive position with a large and globally diversified project pipeline

- Plants in Operation
956 MWp
- Plants in Construction
807 MWp
- Backlog
3.7 GWp
- Pipeline
12 GWp
- Storage Backlog
320 MWh
- Storage Pipeline
2,520 MWh

Early mover



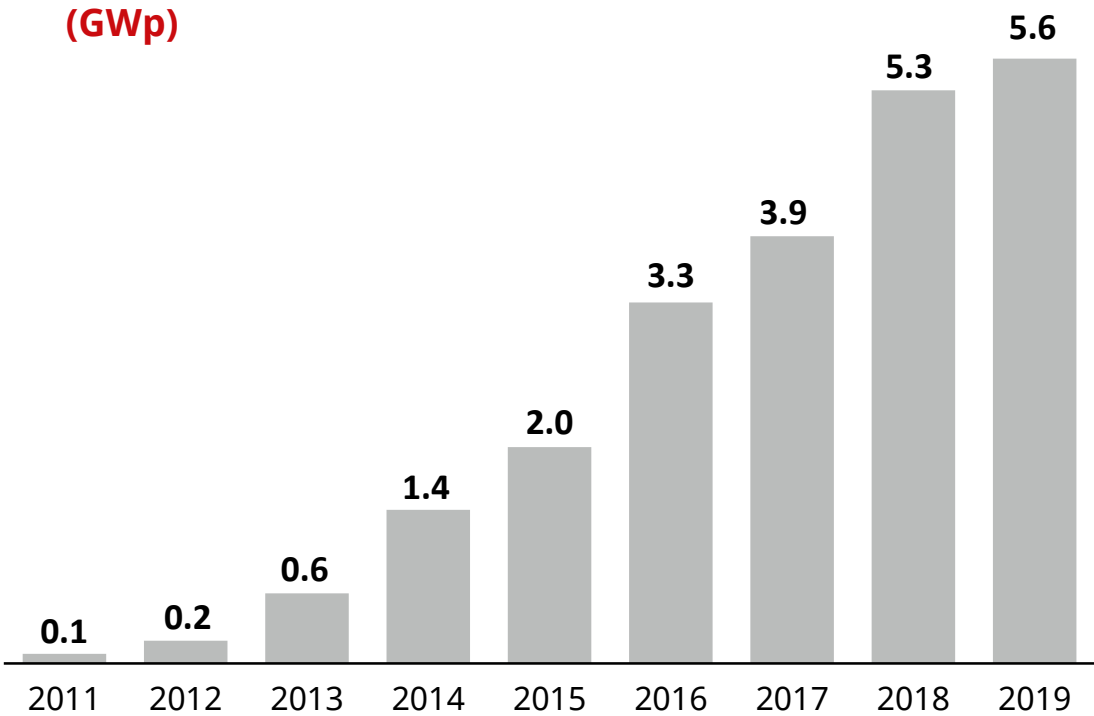
Opportunity to unlock value in 5.4 GWp⁽¹⁾ of executed or contracted projects

As of March 31, 2020.

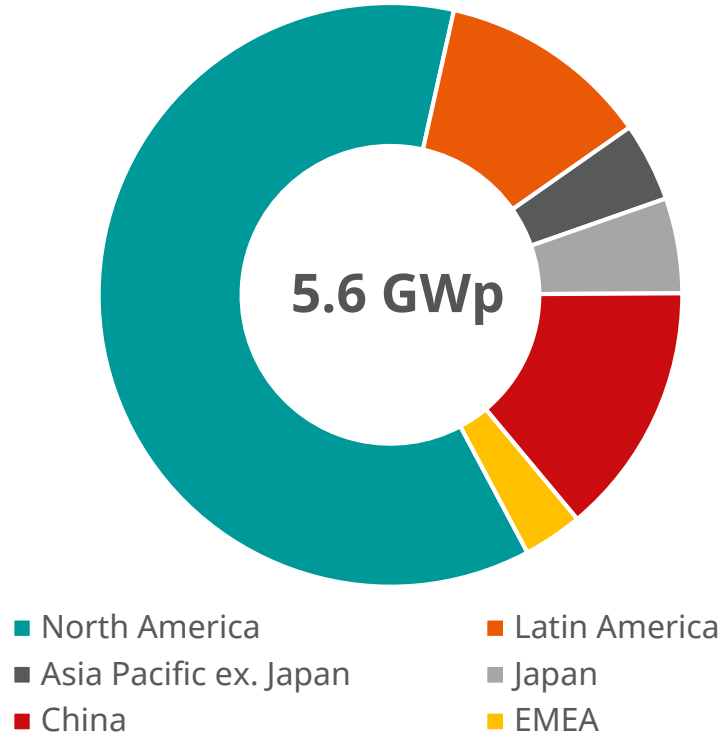
(1) Gross GWp of projects in backlog, construction and operation, including combined project stakes of c.800 MWp already sold to third parties.
Note: Definitions of backlog and pipeline are consistent with industry practice. For more details, see form 6-K for Q1 2020 results on May 28, 2020.

Track record developing and connecting over 5.6 GWp in solar projects

Cumulative Power Plants Built and Connected



Regional Mix

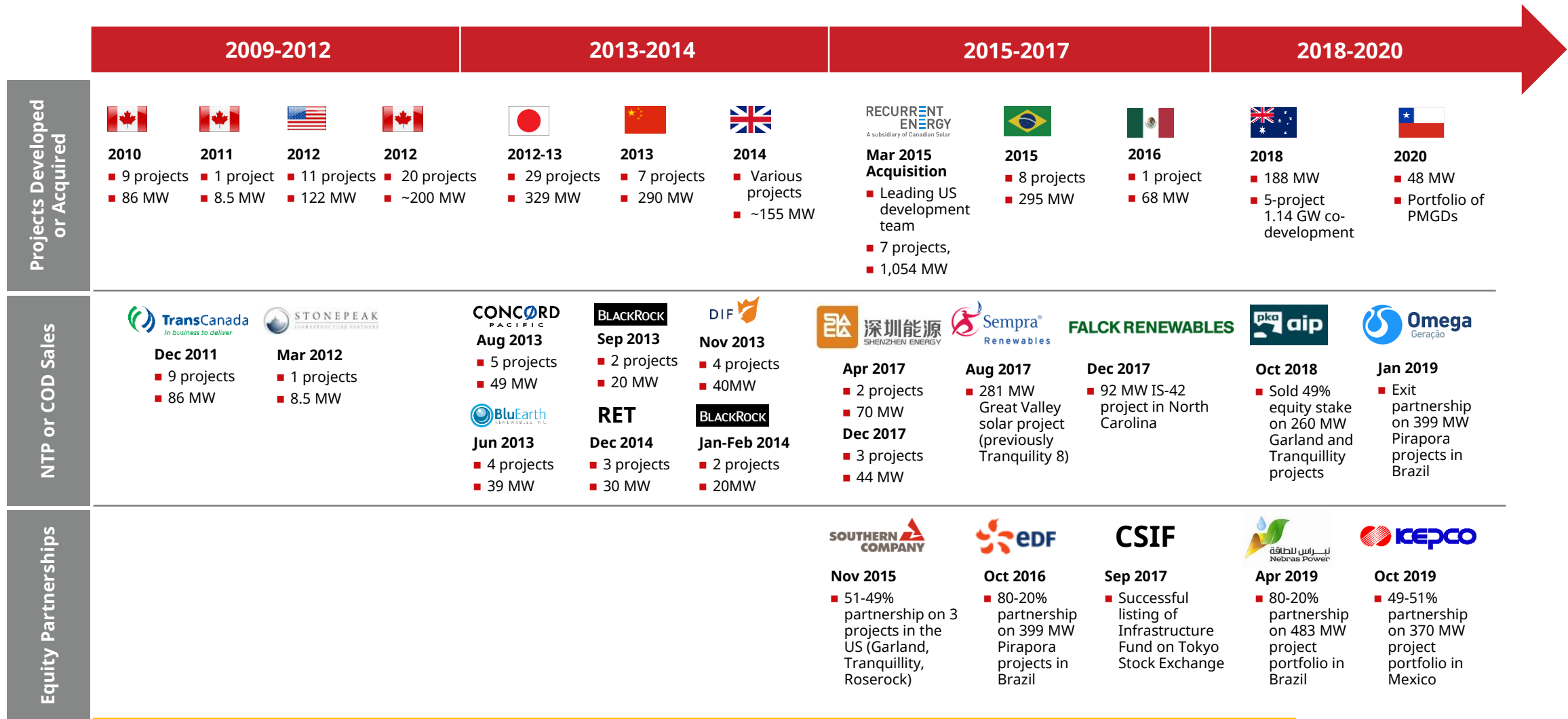


Note: Includes projects built and connected by Recurrent prior to Canadian Solar's acquisition in 2015.

Supported by strong partnerships in the solar energy ecosystem

| Debt Finance | Equity Finance | Offtakers |
|--------------|----------------|-----------|
| | | |

Successfully monetized solar projects through NTP, COD sales and equity partnerships



A leading global solar development platform since 2009

Launched Japan's first and largest publicly listed solar infrastructure fund

Canadian Solar Infrastructure Fund TSE: 9282.T

| | |
|---------------------------|---------------------|
| Valuation (1) | ¥ 51 bn (~\$470 mn) |
| Market capitalization (2) | ¥ 27 bn (~\$250 mn) |
| No. of power plants | 21 |
| Total power output | 120 MWp |

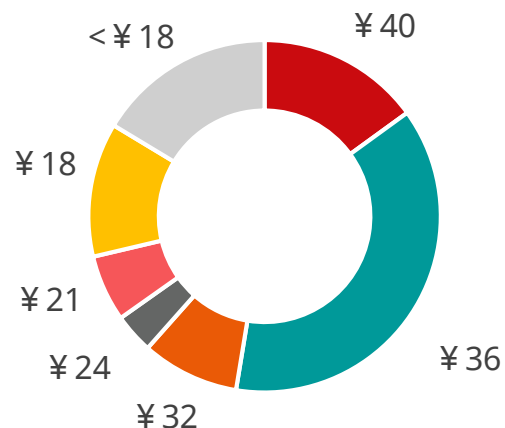
☀️ Canadian Solar Inc. owns 15% of CSIF

Total sponsor portfolio
27 projects, 358 MWp

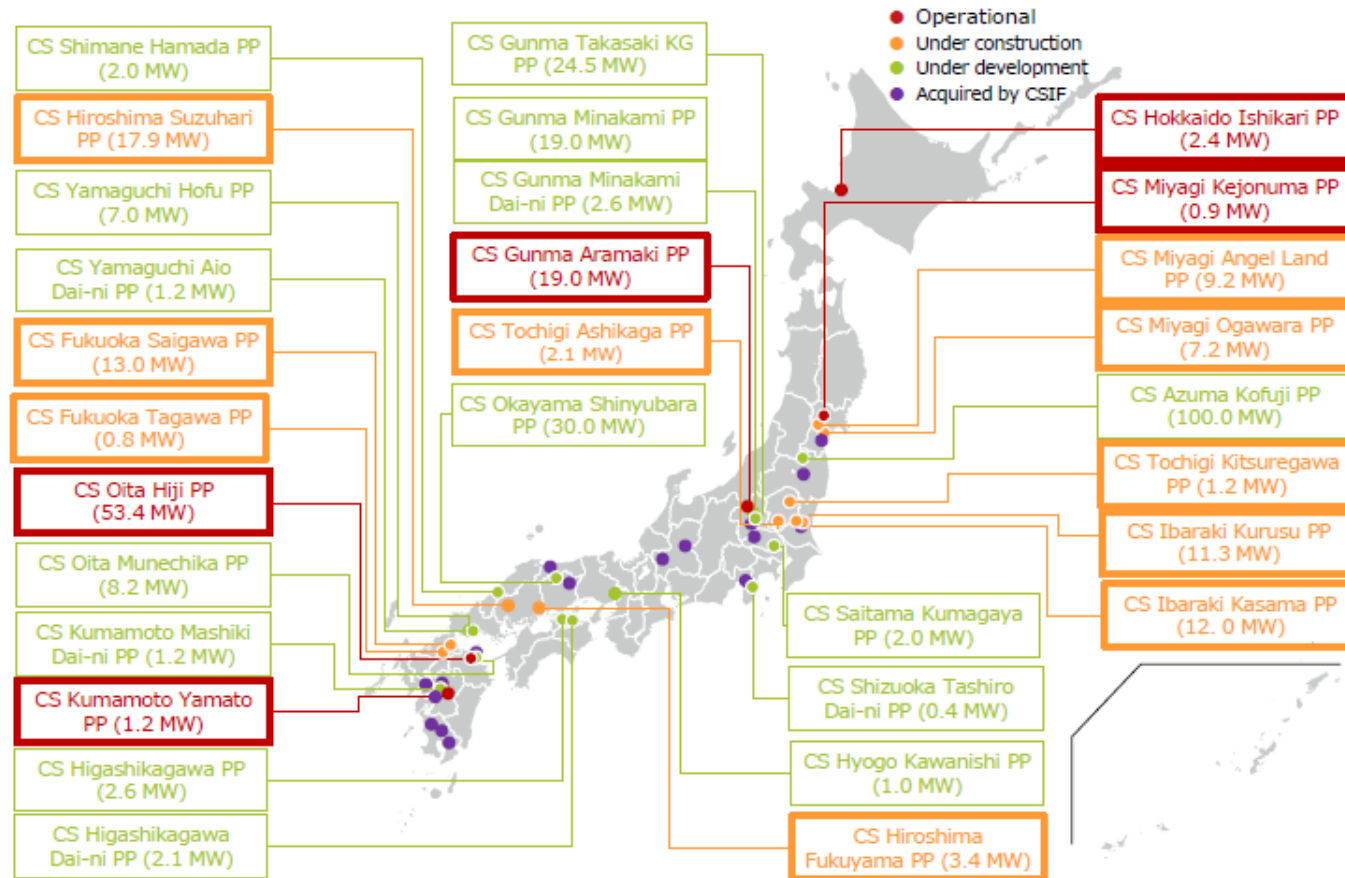
Operational and
under construction
13 projects, 155 MWp

Under development
14 projects, 203 MWp

Sponsor portfolio FIT
distribution (by MW)



Map of CSIF and sponsor assets

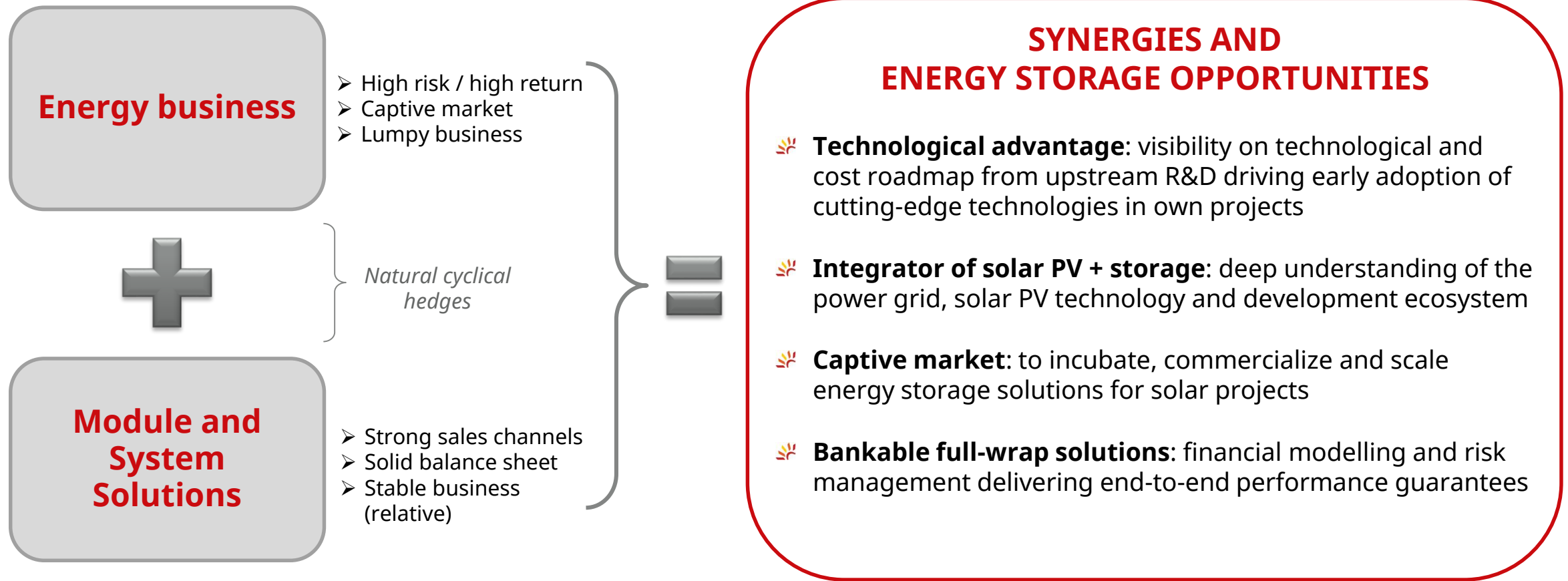


60% of Japan portfolio contracted at FIT prices of USD >0.30/kWh!

(1) Median project valuation amounts estimated by Pricewaterhouse Coopers Sustainability LLC and Ernst & Young Transaction Advisory Services Co., Ltd. in their project valuation reports as at each financial period end (half year) or acquisition. Valuation as at December 31, 2019.

(2) As at June 8, 2020.

Synergies from integrated business model and growth opportunities in energy storage



Unique business model to develop cost effective, end-to-end, integrated solar energy solutions

Expect 25% CAGR in project sales and accumulate 1 GW in minority stakes by 2024

| Energy Business Targets ⁽¹⁾ | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---------|---------|---------|---------|---------|
| Annual project sales, GWp | 1.1-1.3 | 1.8-2.3 | 2.4-2.9 | 3.2-3.7 | 3.6-4.1 |
| Cumulative projects retained, MWp (including inventory to be sold) | 30 | 130 | 410 | 760 | 960 |

Retain minority ownership in certain markets to:

- ☀️ Capture higher margin income and additional operational value throughout partial ownership holding period, while recycling a large portion of the capital deployed
- ☀️ Over time, improve predictability and reduce volatility of future cash flows, smoothing the typical lumpiness associated with the development and sale of solar projects

Funded via capital partnerships with long-term investors through public or private vehicles. Focus on markets with:

- ☀️ Strong energy demand
- ☀️ High solar irradiance
- ☀️ Stable capital markets
- ☀️ Benign policy environment
- ☀️ Attractive project returns

Canadian Solar Ecosystem

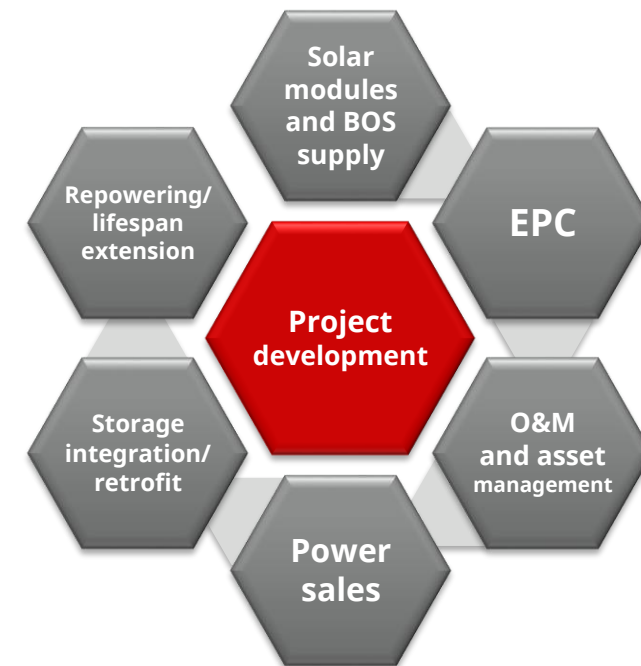




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Module and System Solutions (MSS) business highlights

1

Global leader in solar cell and module technologies

- **Global footprint** – 15 factories in 6 countries/regions, cumulatively delivered 42+ GW of solar modules to customers in over 150 countries
- **Top tier bankable** solar photovoltaic module brand
- **Innovator** and **first mover** in commercializing critical solar cell and module technologies at scale
- Deliver **lowest LCOE⁽¹⁾** products

2

Market share leader in premium markets and segments

- Industry-leading **margins**
- Strong market positioning in high-priced **premium markets**
- Large and growing downstream **captive market** from Energy business and turnkey solutions
- Best-in-class sales operation and **working capital management**

3

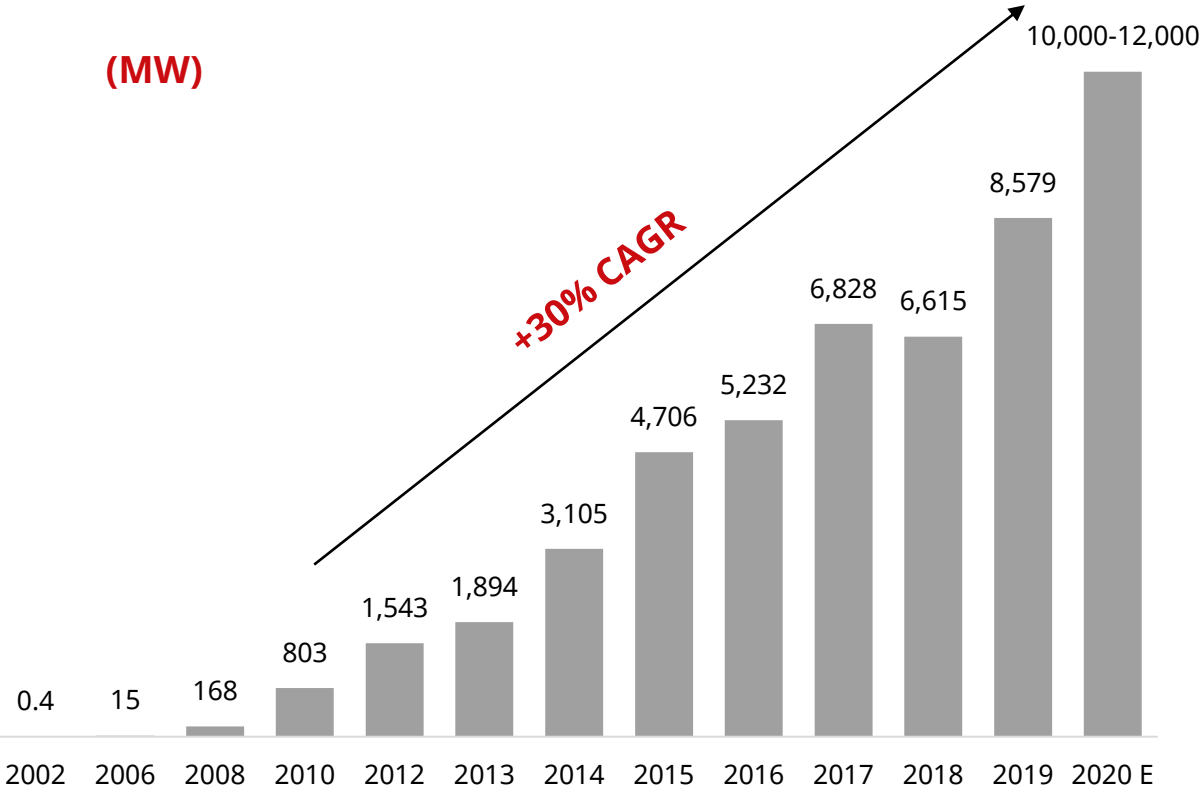
Growth opportunities in system solutions and energy storage

- **Products** and **services beyond modules**: system kits, inverters and power electronics, microgrids, turnkey services etc.
- Growth opportunities leveraging downstream captive markets to offer **integrated technology solutions** for solar systems and **energy storage**
- **Deep understanding** of solar power plant operations and power markets through **knowledge share** with Energy business

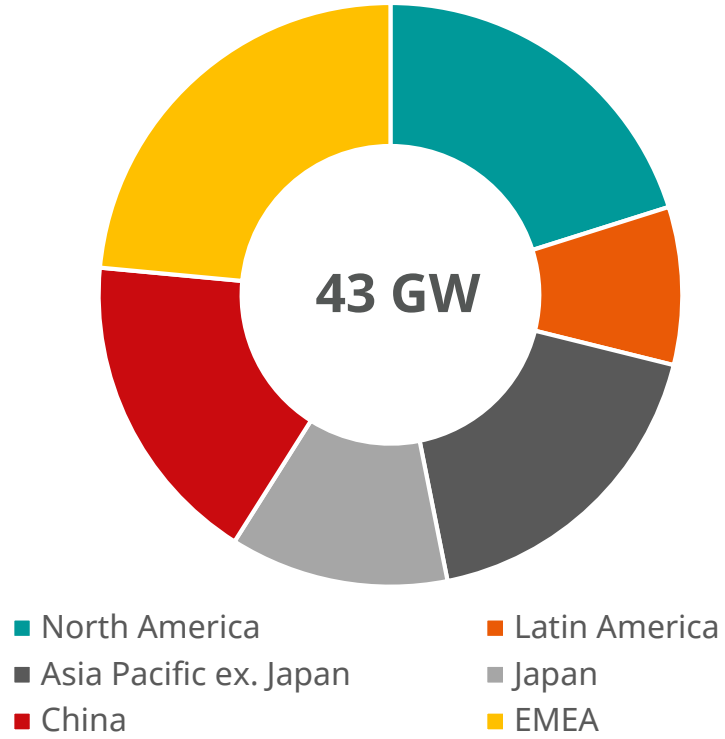
(1) Levelized cost of electricity.

Cumulatively delivered over 43 GW in shipments across 150 countries

Annual shipments

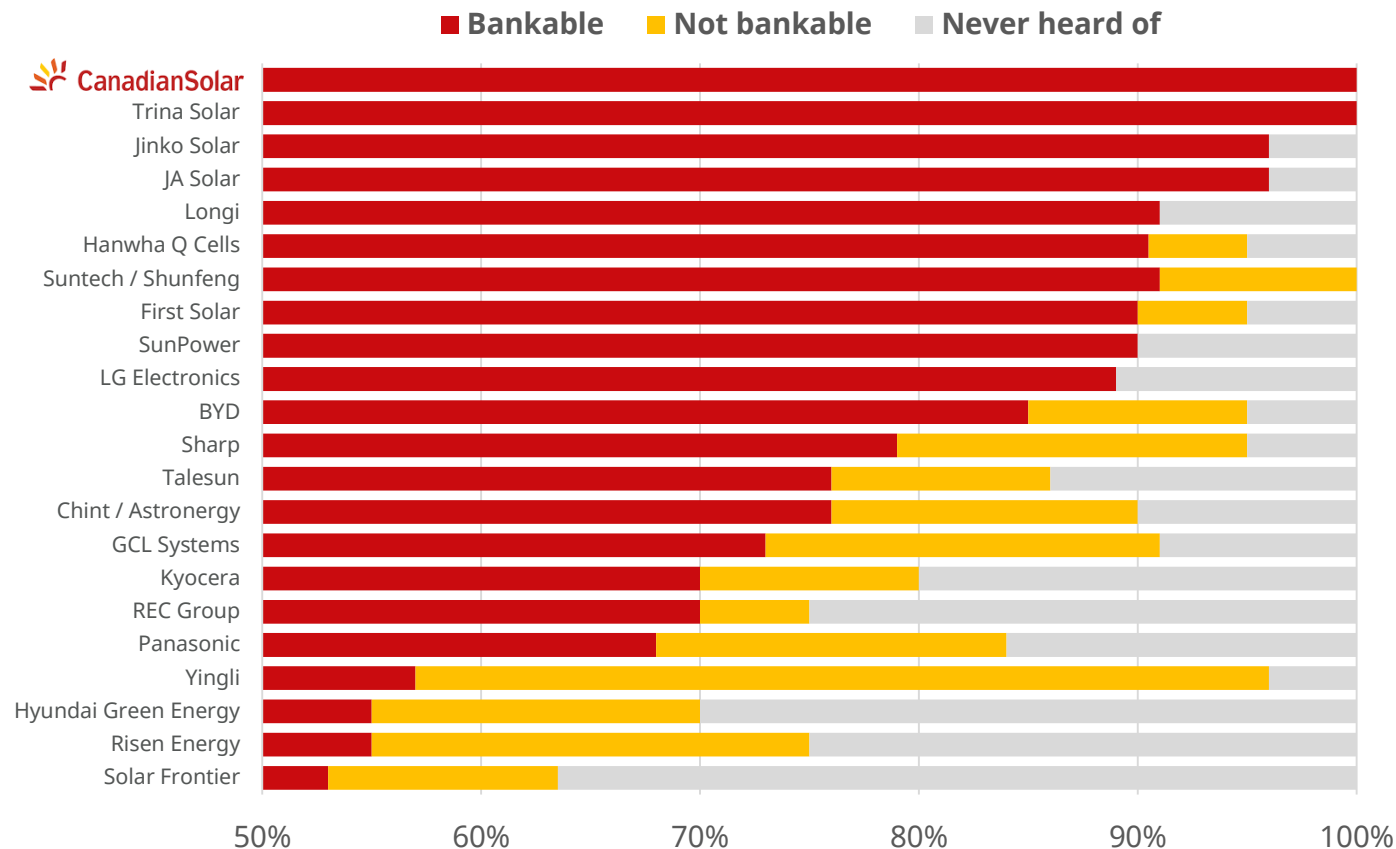


Regional Mix



World-leading bankable brand

- ☀️ **No. 1** Bankable Module Supplier in the *Bloomberg New Energy Finance Bankability Survey, 2019* – top bankable module supplier with **100% bankability for 3 consecutive years**
- ☀️ **AA-Rated** (top 5) in the *PV Module Tech Bankability Ratings, 2020*
- ☀️ **No. 1** Module Supplier, for Quality & Performance-Price Ratio, *IHS Markit, 2016*



Solar brand bankability ratings are used by financial institutions across the world for credit analysis, and indicate the likelihood that projects using the solar products will be offered non-recourse financing by banks (*Bloomberg New Energy Finance*). It takes into account various factors, including quality and reliability of products and services, product warranties, financial strength and track record of the company, among others.

Source: Bloomberg New Energy Finance Module Bankability Survey, 2019. Survey respondents include banks, funds, EPC contractors, independent power providers (IPPs) and technical advisors.

Innovator and leader in solar cell and module technologies

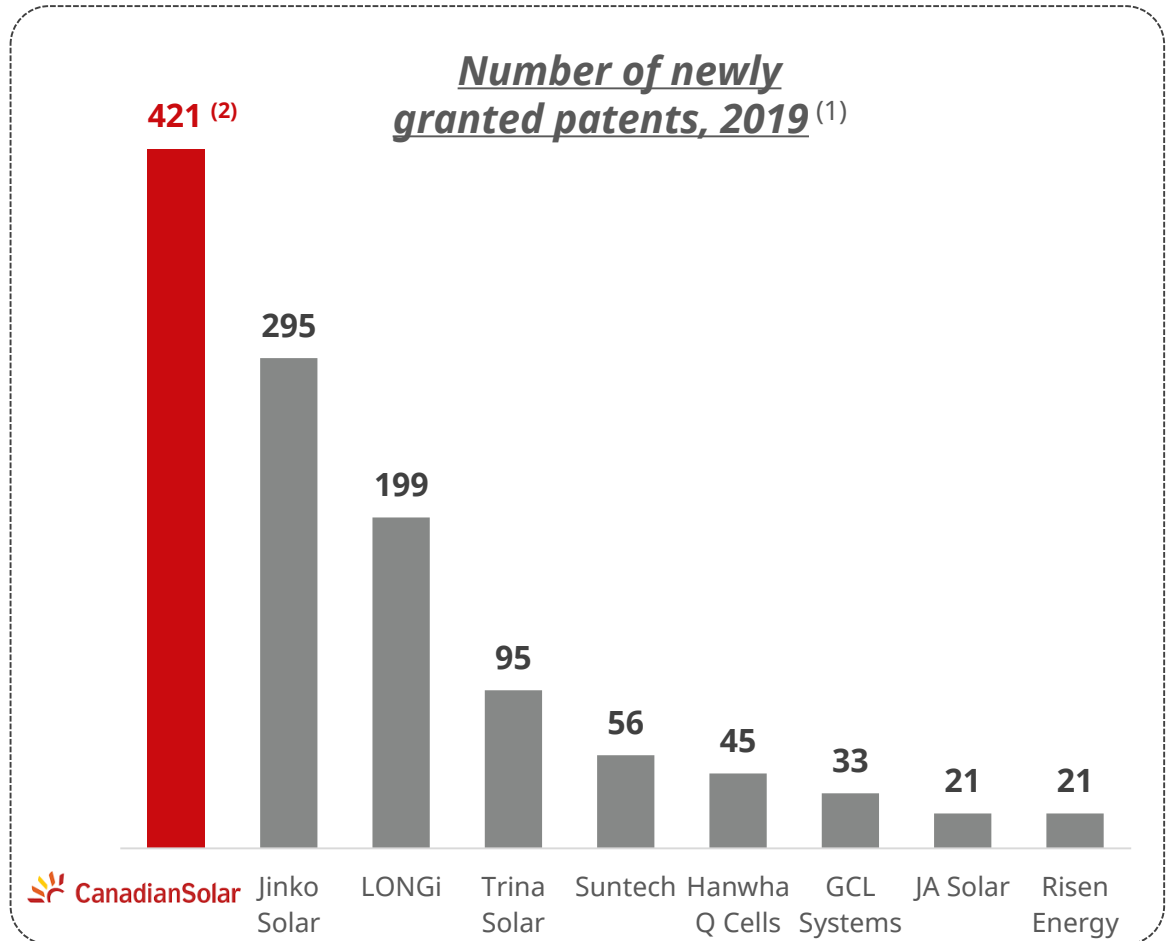
☀️ Canadian Solar received by far the **largest number of patents** in cell and module technologies in 2019

☀️ Among the **first** solar PV manufacturers to **commercialize** and **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



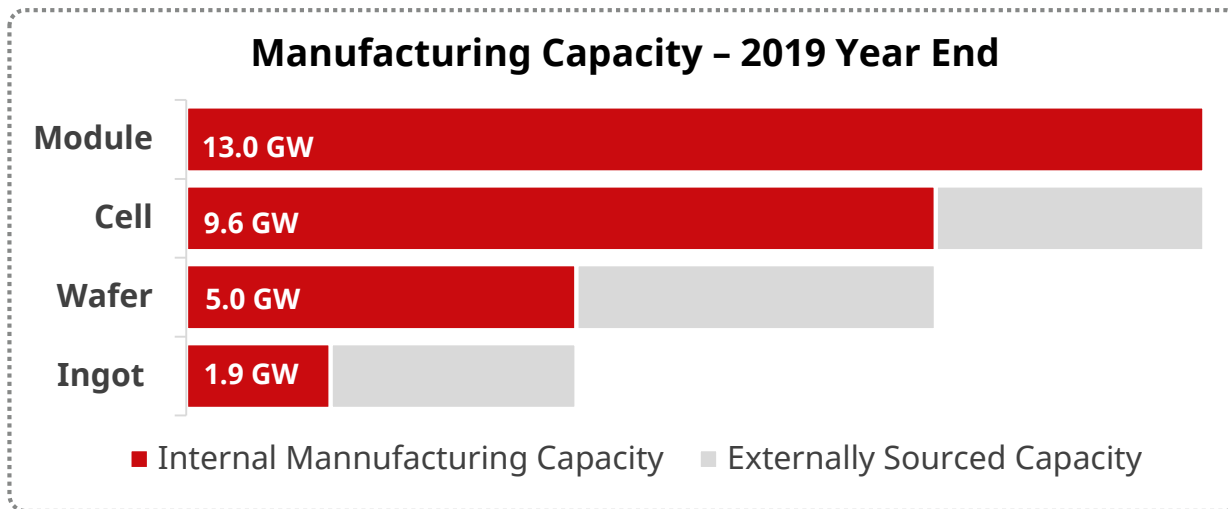
(1) Source: Zhixin Consulting.

(2) By internal statistics, Canadian Solar received 486 new patents in 2019, including 67 patents with affiliated companies.

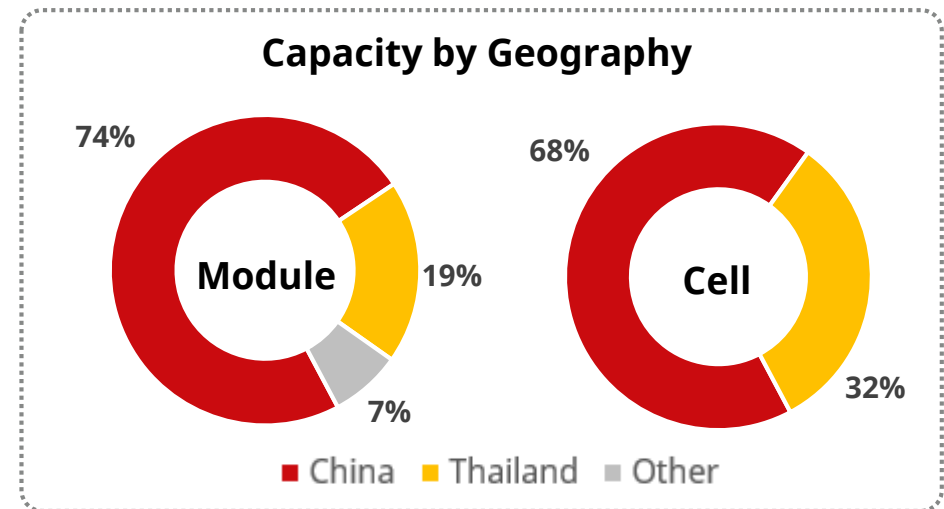
Production strategy optimizing product LCOE, profitability and capital intensity



- Canadian Solar's **manufacturing** presence includes the **ingot, wafer, cell** and **module** processes
- Cell and manufacturing capacity **convertible between poly and mono**⁽¹⁾ modules with minimal additional capex – production of poly or mono products dependent on **relative profitability** and **LCOE**⁽²⁾ of poly vs. mono products
- Inverted pyramid structure to optimize capital intensity** focusing resources on higher-return, downstream businesses



2020 planned capacity additions: 2 GW module, 400 MW cell



Other include Vietnam, Taiwan, Brazil and Canada

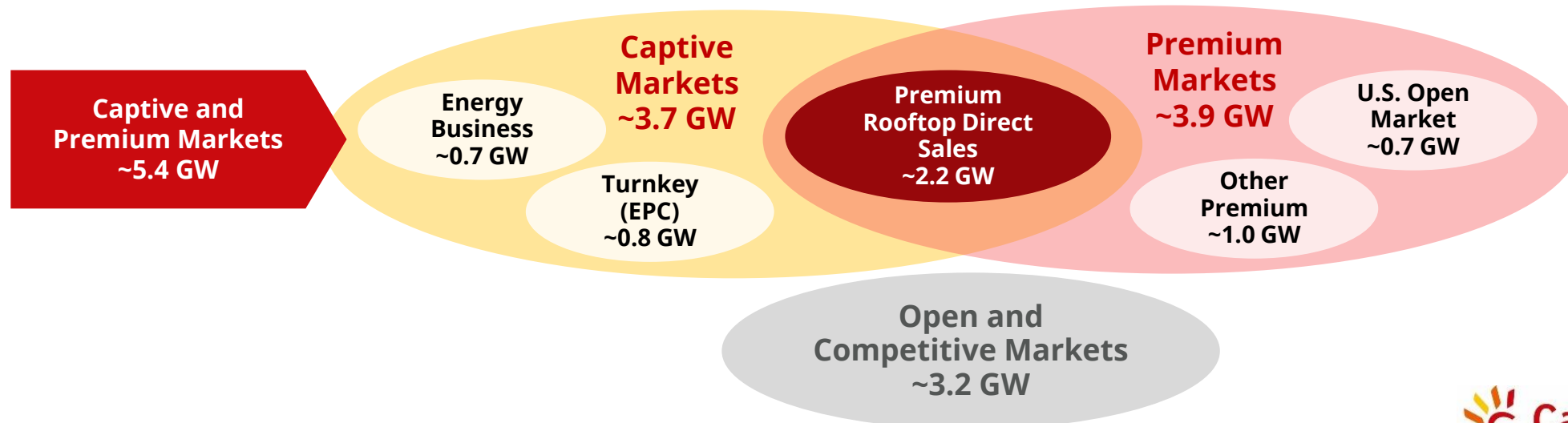
(1) The manufacturing process for poly- and mono-crystalline modules differ mainly at the ingot level.

(2) Levelized cost of electricity.

Strong market positioning and pricing power in premium and captive markets

- ☀️ **High ASP, container-size direct sales to premium rooftop installers**
 - ❖ ~20% market share in target residential and small commercial markets, inc. Japan, U.S., Brazil, Australia, South Africa, E.U.
 - ❖ Dedicated channel management and policies – co-marketing, financial, insurance, warehousing, training and technical support
 - ❖ Customer loyalty and barriers to entry driving stable and predictable demand
- ☀️ **Large and growing captive markets from own Energy business and turnkey solutions/EPC services**
 - ❖ 16.5 GW of pipeline, backlog and projects under construction
 - ❖ Disintermediation and higher margin capture from optimized module plus components solutions (tracker, inverter, storage etc.)
 - ❖ Better risk management due to Canadian Solar end-to-end solution and guarantee
- ☀️ **Strategic priority and strong positioning in other high-priced utility scale markets, including the U.S. and Japan**

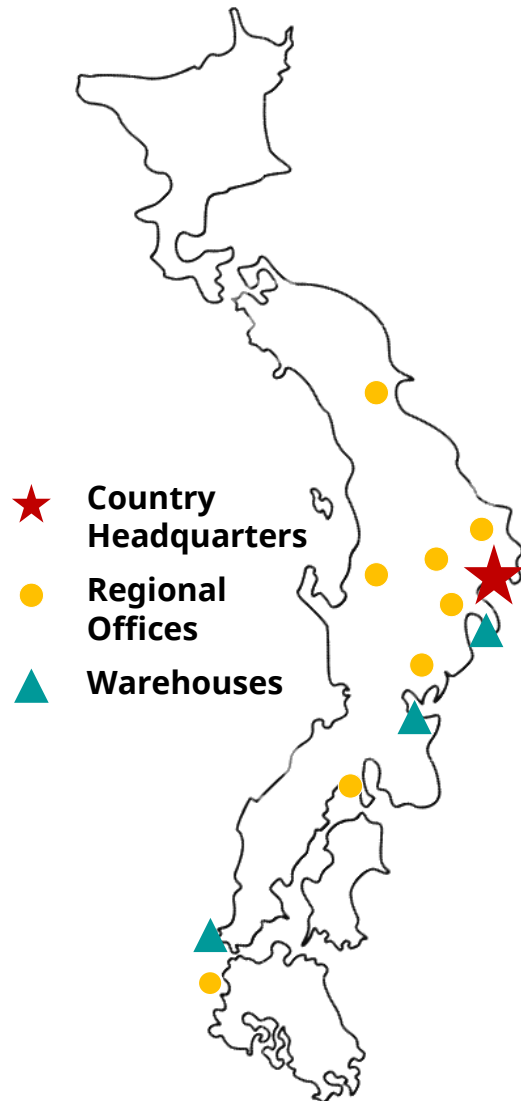
Total shipments in 2019: 8.6 GW



Captive markets = markets with relatively stable and low risk volumes.

Premium markets = markets with relatively higher average selling prices (due to market or Canadian Solar-specific reasons).

Japan: Premium market with 2-3x profitability

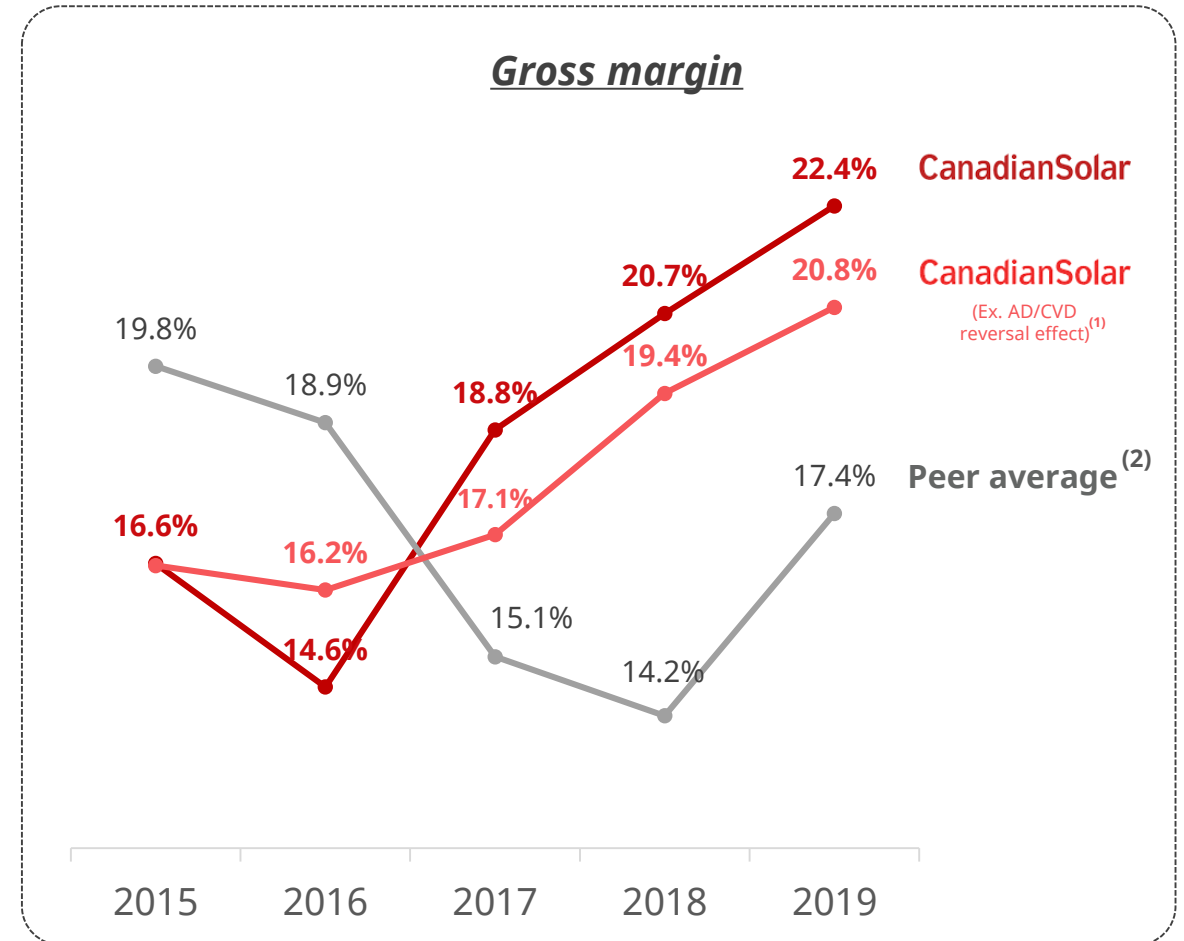


Strong brand name and presence across the solar value chain:

- ☀️ **No. 1** module supplier with ~10% market share in one of the most highly-priced solar module markets globally
- ☀️ **No. 2** residential solution supplier behind Panasonic but ahead of Toshiba, Sharp and Kyocera. Among the few foreign household brands in Japan
- ☀️ **Top utility project developer**, ~500 MWp grid-connected and projects in backlog, 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) – see slide 21
- ☀️ **Local presence:** 9 offices, ~230 employees, nationwide warehouses, service, logistics centers

Canadian Solar has consistently delivered industry-leading profitability

- ☀️ Strategically focused on delivering profitable growth (as opposed to growth at any cost)
- ☀️ Canadian Solar's gross margins have expanded over **700 bps** since 2016
- ☀️ Gross margins exceeded peer average by approx. **300 bps** in 2019
- ☀️ The Company's gross margins are inherently less volatile than stand-alone manufacturers or project developers due to synergies across the two businesses



(1) Excluding the distortionary effects of anti-dumping and countervailing duty reversals with the U.S. government.


(2) Simple average of annual gross margins of Jinko Solar, LONGi, First Solar and SunPower.

Best-in-class sales operation and working capital 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

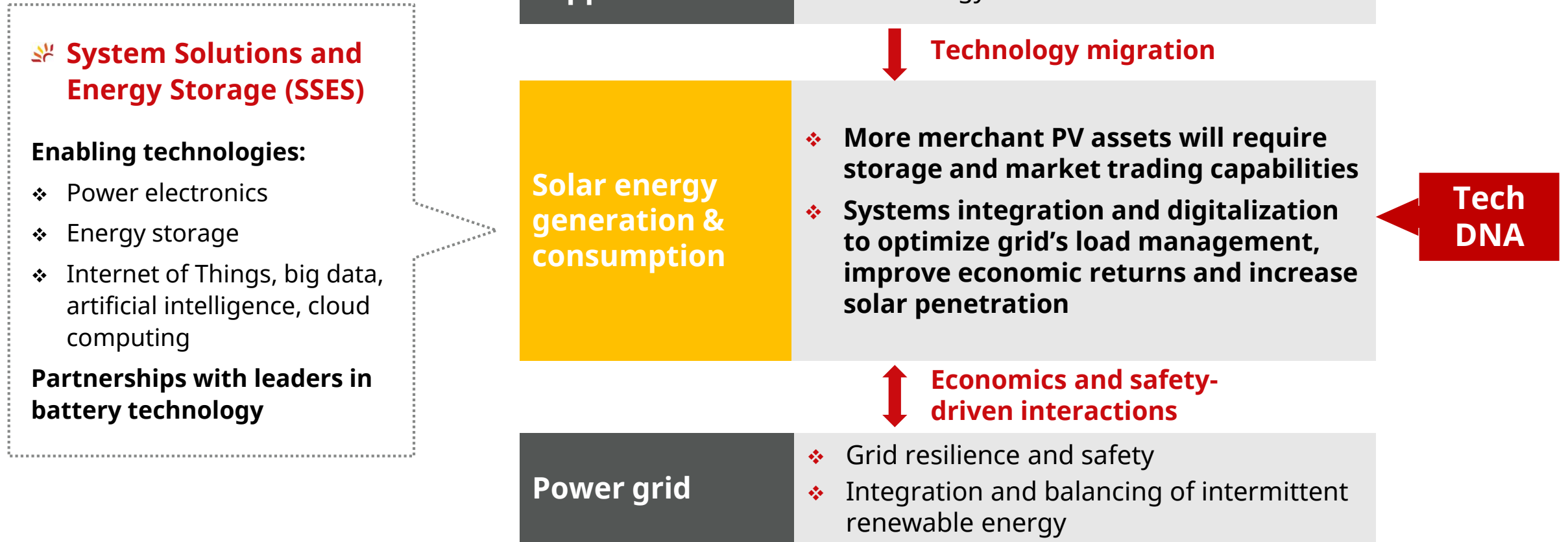
| |  CanadianSolar | | | | |
|------------------------------------|--|-------------|-----------|-------------|-----------|
| 2017-2019 <i>Average</i> | CSIQ⁽¹⁾ | Jinko Solar | LONGi | First Solar | SunPower |
| Inventory Days | 49 | 83 | 90 | 56 | 70 |
| Receivable Days | 51 | 82 | 136 | 74 | 38 |
| Payable Days | 121 | 148 | 200 | 32 | 81 |
| Cash Conversion Cycle | (21) | 17 | 26 | 98 | 27 |

Source: Company filings, Factset data.

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.

Growth opportunities in System Solutions and Energy Storage (SSES)

System Solutions and Energy Storage (SSES): In-house team established in 2019 to develop solar plus storage and integrated system solutions, leveraging Canadian Solar's captive markets and expanding Canadian Solar's technology DNA



SSES to become an important part of Canadian Solar's business

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

100% Addressable Captive Markets

Energy business (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

Module & System Solutions (MSS)

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

Leveraging strengths in captive markets, strong brand & bankability, efficient manufacturing, EPC, O&M capabilities



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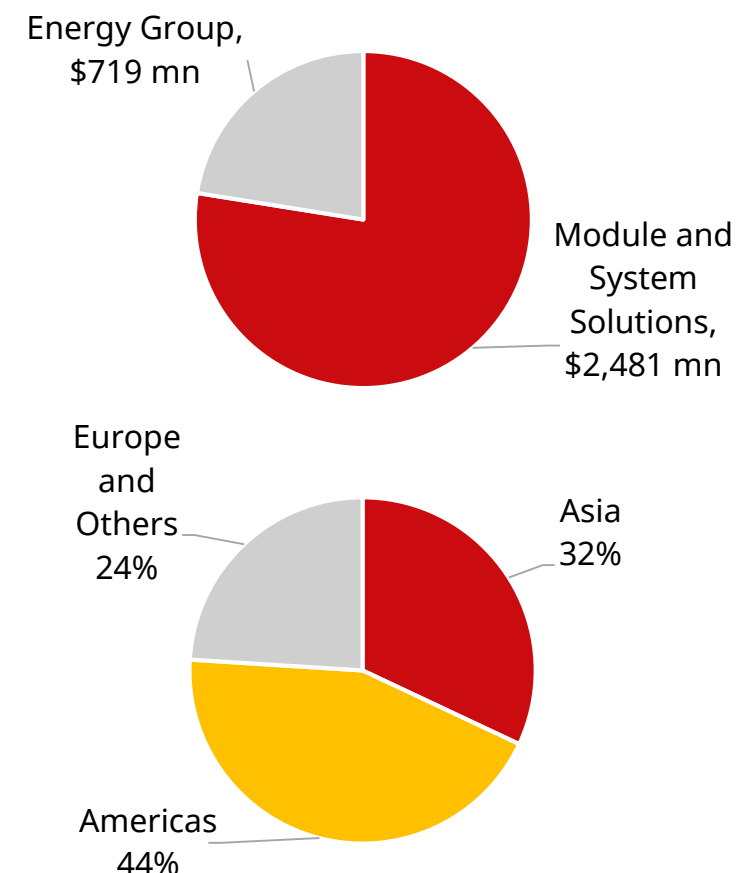
- 1 Company Overview**
- 2 Market Opportunity**
- 3 Module and System Solutions**
- 4 Energy Business**
- 5 Financial Highlights**

Consolidated Income Statement Summary

| <i>USD millions except per share data</i> | 1Q20 | vs. 4Q19 | vs. 1Q19 | FY19 | vs. FY18 |
|---|--------------|--------------|---------------|--------------|---------------|
| Net revenues | 826 | -10% | 70% | 3,201 | -15% |
| Cost of revenues | 602 | -13% | 60% | 2,482 | -16% |
| Gross profit | 223 | -3% | 108% | 719 | -7% |
| Operating expenses | 110 | -7% | 9% | 460 | 12% |
| Operating income | 113 | 2% | 1617% | 258.9 | -29% |
| Other (expenses)/income | -15 | NM | NM | 19 | NM |
| Depreciation and amortization | 45 | 0% | 20% | 159 | 23% |
| EBITDA (non-GAAP)⁽¹⁾ | 143 | -7% | 336% | 437 | -17% |
| Net income attributable to Canadian Solar Inc. | 111 | 63% | -745% | 172 | -28% |
| Diluted EPS | 1.84 | 64% | -735% | 2.83 | -27% |
| <i>Gross margin</i> | <i>27.0%</i> | <i>21 bp</i> | <i>49 bp</i> | <i>22.4%</i> | <i>17 bp</i> |
| <i>EBITDA* margin</i> | <i>17.4%</i> | <i>5 bp</i> | <i>106 bp</i> | <i>13.7%</i> | <i>-5 bp</i> |
| <i>Net margin</i> | <i>13.4%</i> | <i>60 bp</i> | <i>169 bp</i> | <i>5.4%</i> | <i>-10 bp</i> |
| <i>Return on equity (TTM)</i> | <i>20.6%</i> | <i>83 bp</i> | <i>63 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 51.

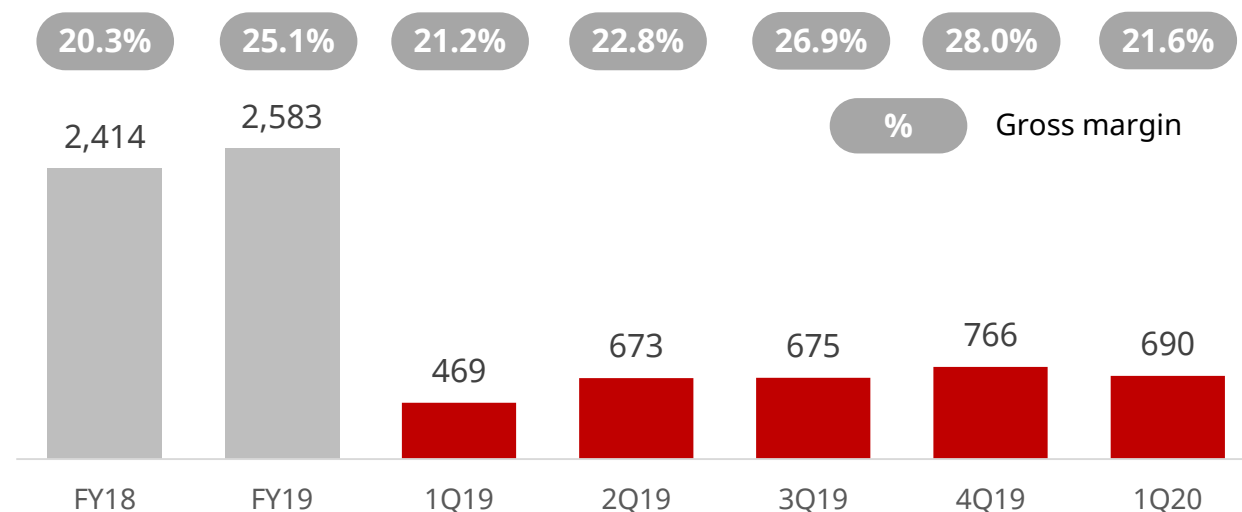
FY19 Revenue Split



Modules and System Solutions Summary Financials

| USD millions except shipment data | 1Q20 | vs. 4Q19 | vs. 1Q19 | FY19 | vs. FY18 |
|---------------------------------------|-------|----------|----------|-------|----------|
| Total shipments (MW) | 2,214 | -11% | 41% | 8,579 | 30% |
| Revenues ⁽¹⁾ | 690 | -10% | 47% | 2,583 | 7% |
| Gross profit ⁽¹⁾ | 149 | -30% | 50% | 649 | 32% |
| Income from operations ⁽¹⁾ | 61 | -46% | 197% | 280 | 97% |

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



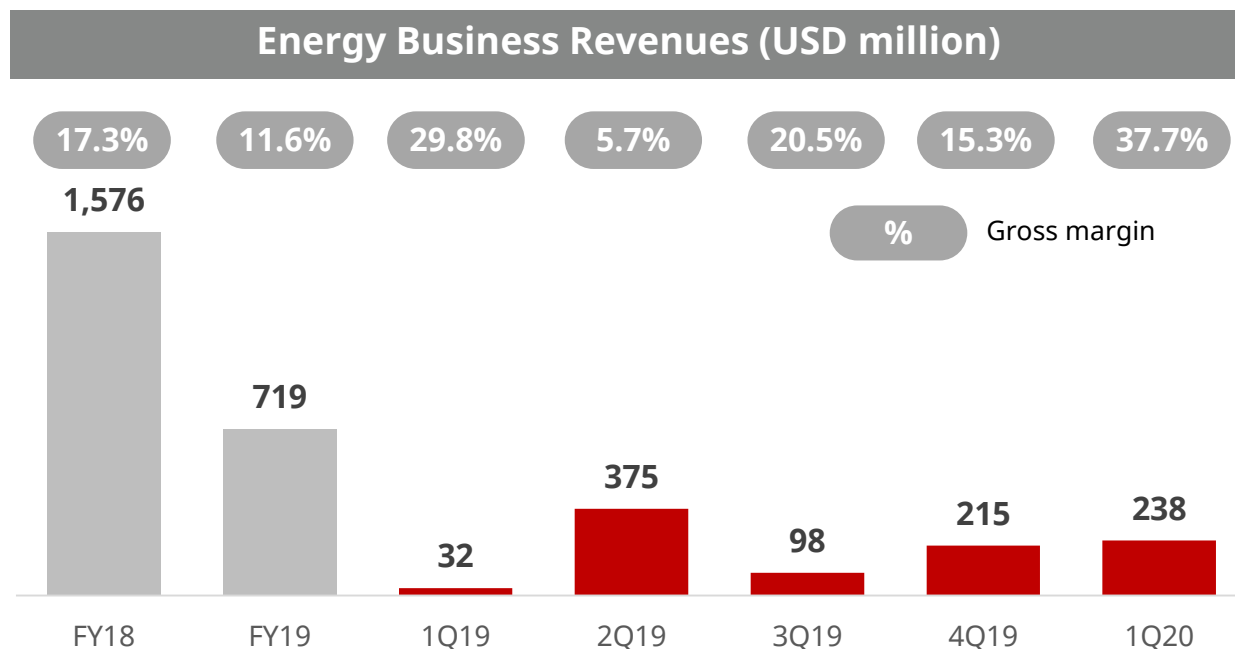
(1) Includes effects of both sales to third party customers and to the Company's Energy Business to reflect the real underlying performance. Please refer to the financial tables in the quarterly press release for the intercompany transaction elimination information. Income from operation amounts reflect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

Highlights

- Total module shipments grew 41% yoy but declined 11% qoq. Q1 is typically a soft quarter due to seasonal effects.
- Q1 2020 shipments were also partially affected by certain COVID-related manufacturing closures.
- Average selling prices (ASPs) declined around 5% qoq due to market expectations of softer demand for solar equipment in 2020. Likewise, costs increased marginally qoq due to higher logistical costs and lower capacity utilization. Both impacts on ASP and costs were mainly driven by disruptions from COVID-19.

Energy Business Summary Financials

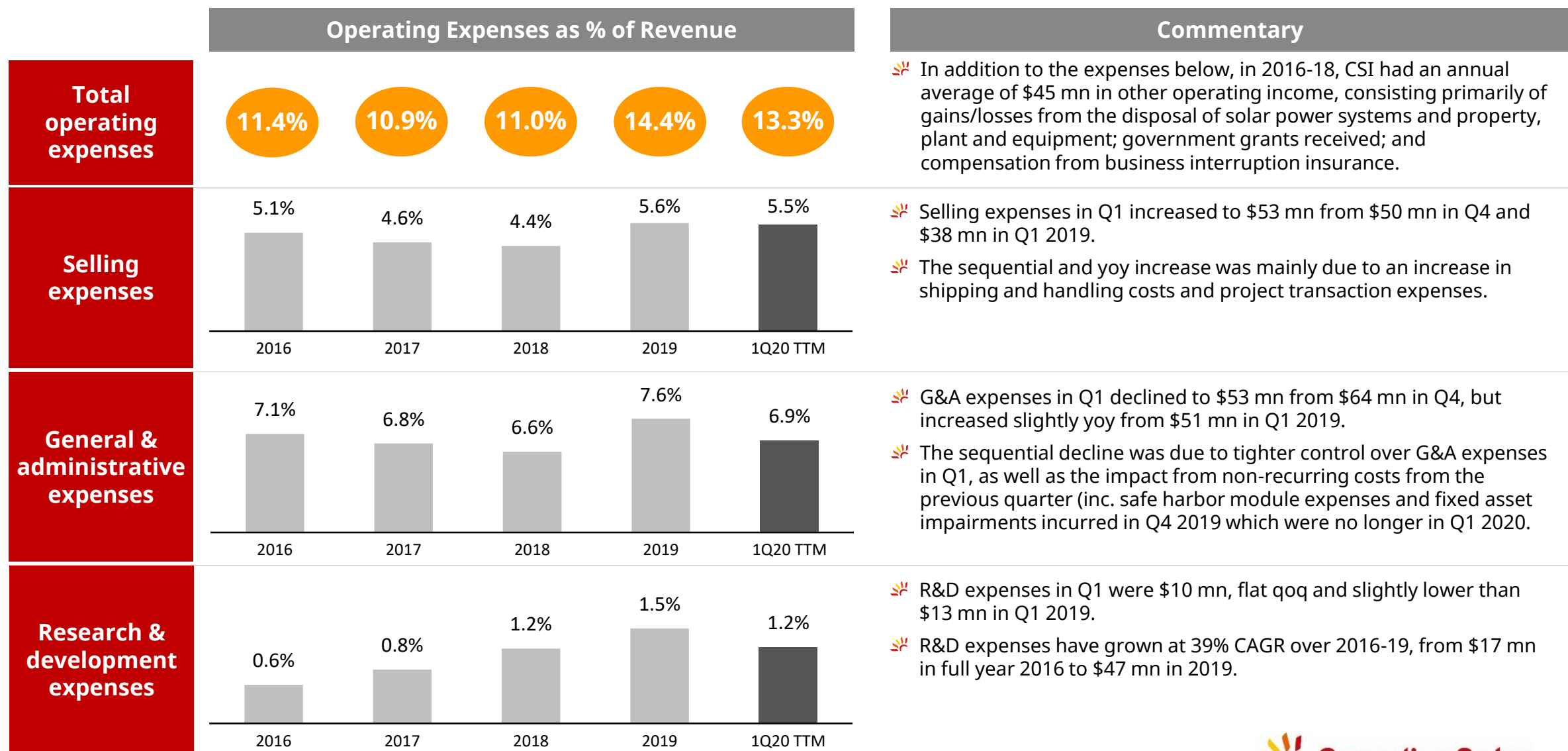
| USD millions | 1Q20 | vs. 4Q19 | vs. 1Q19 | FY19 | vs. FY18 |
|------------------------|------|----------|----------|------|----------|
| Revenues | 238 | 11% | 654% | 719 | -54% |
| Gross profit | 90 | 172% | 853% | 84 | -69% |
| Income from operations | 67 | 343% | NM | -7 | NA |



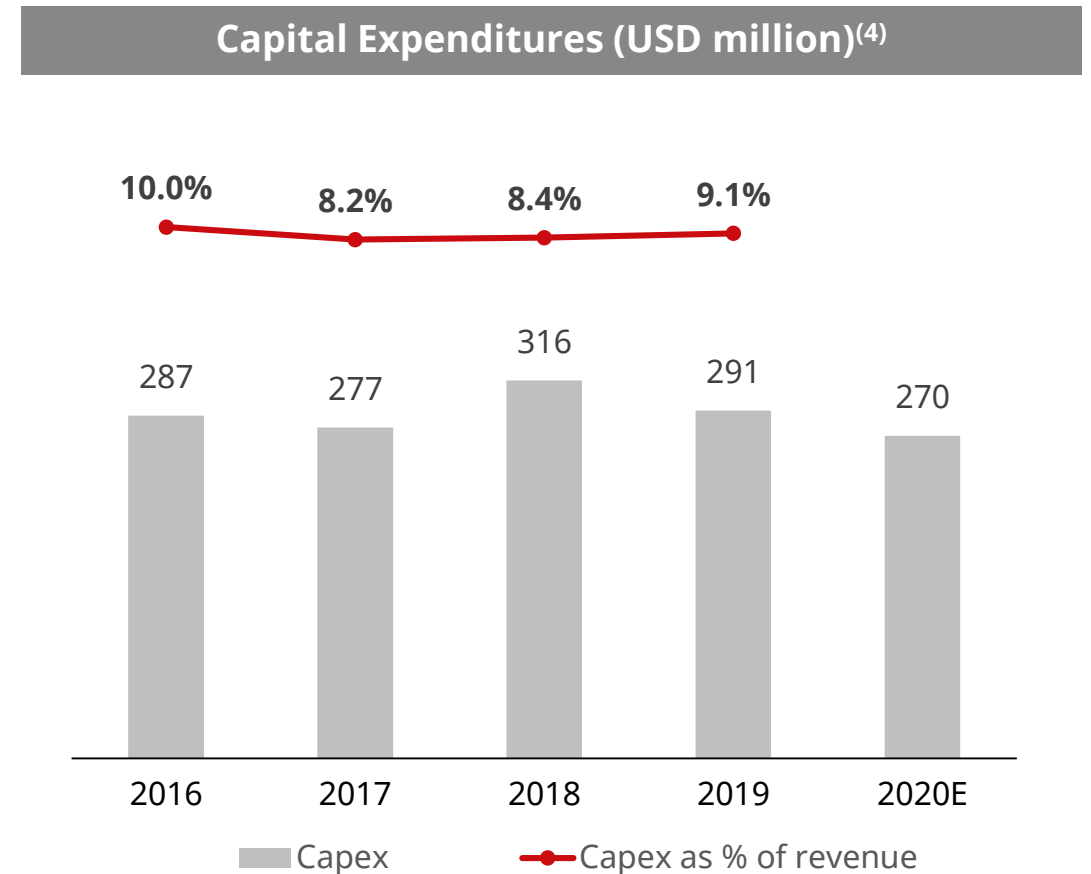
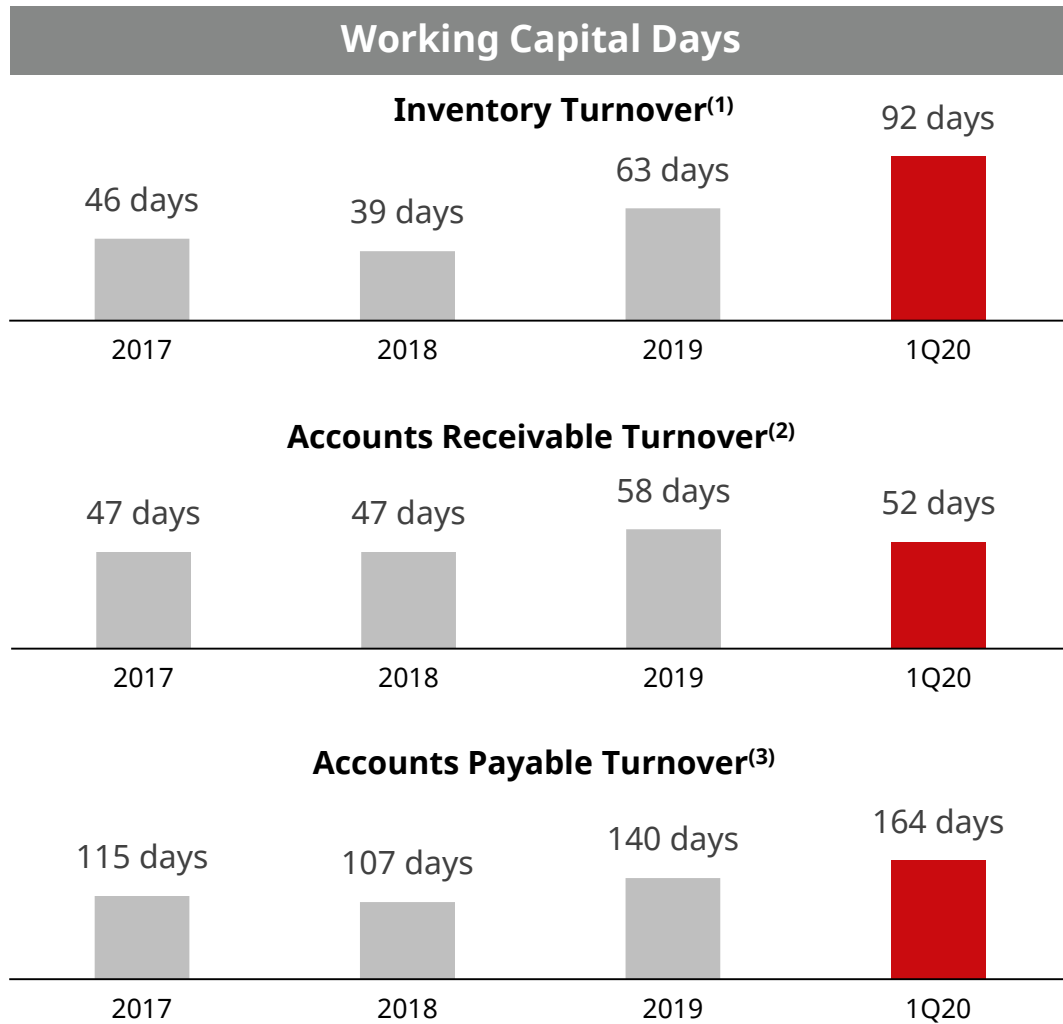
Highlights

- ☀️ Q1 revenues and profits were up significantly both qoq and yoy.
- ☀️ Projects sold during the quarter include the 56 MWp project in Yamaguchi Japan and the 18 MWp portfolio of projects in Italy.
- ☀️ The high gross margin in Q1 was mainly driven by the project sale in Japan, where the revenue and profitability per watt is several times that of projects from other regions.

Operating expenses



Disciplined working capital management, disciplined and balanced capex

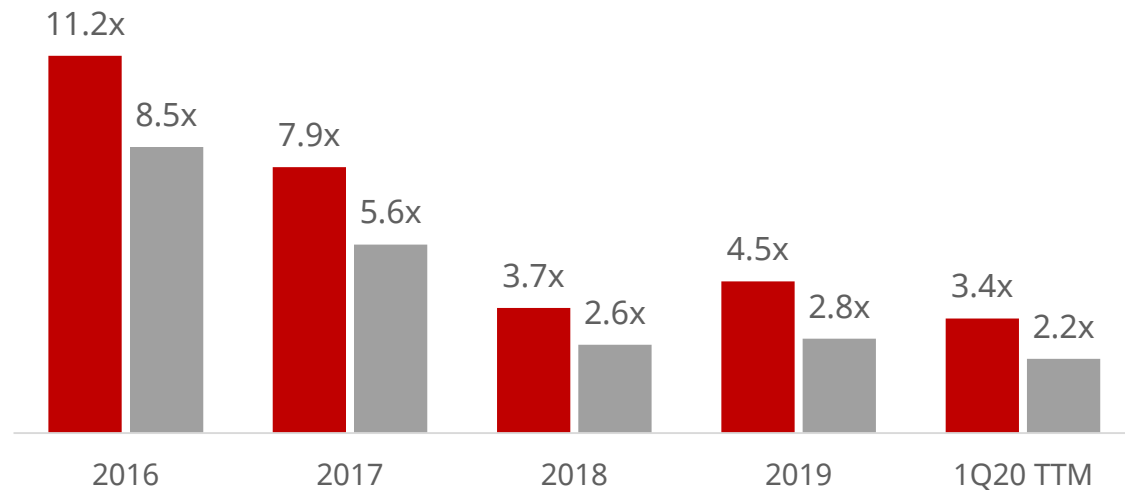


- 1) Inventory turnover days calculated as average gross inventory (adding back provisions) divided by cost of revenues x365
- 2) Account receivables days calculated as average gross accounts receivable (adding back bad debt allowance) divided by total revenues x365.
- 3) Accounts payable days calculated 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

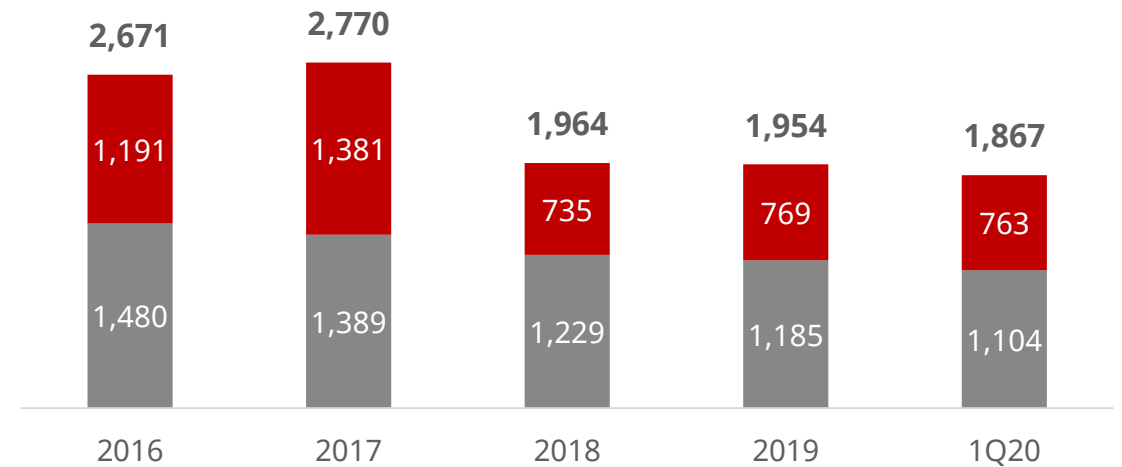
- ☀️ Total and net debt to EBITDA are now at 3.4x and 2.2x respectively
- ☀️ The ratios would be approximately 0.5x lower excluding project level non-recourse debt
- ☀️ Deleverage mainly driven by growth in EBITDA and reduction in project debt associated with project sales

Total and Net Debt to EBITDA



■ Total debt to EBITDA ■ Net debt to EBITDA*

Total Debt, USD mn



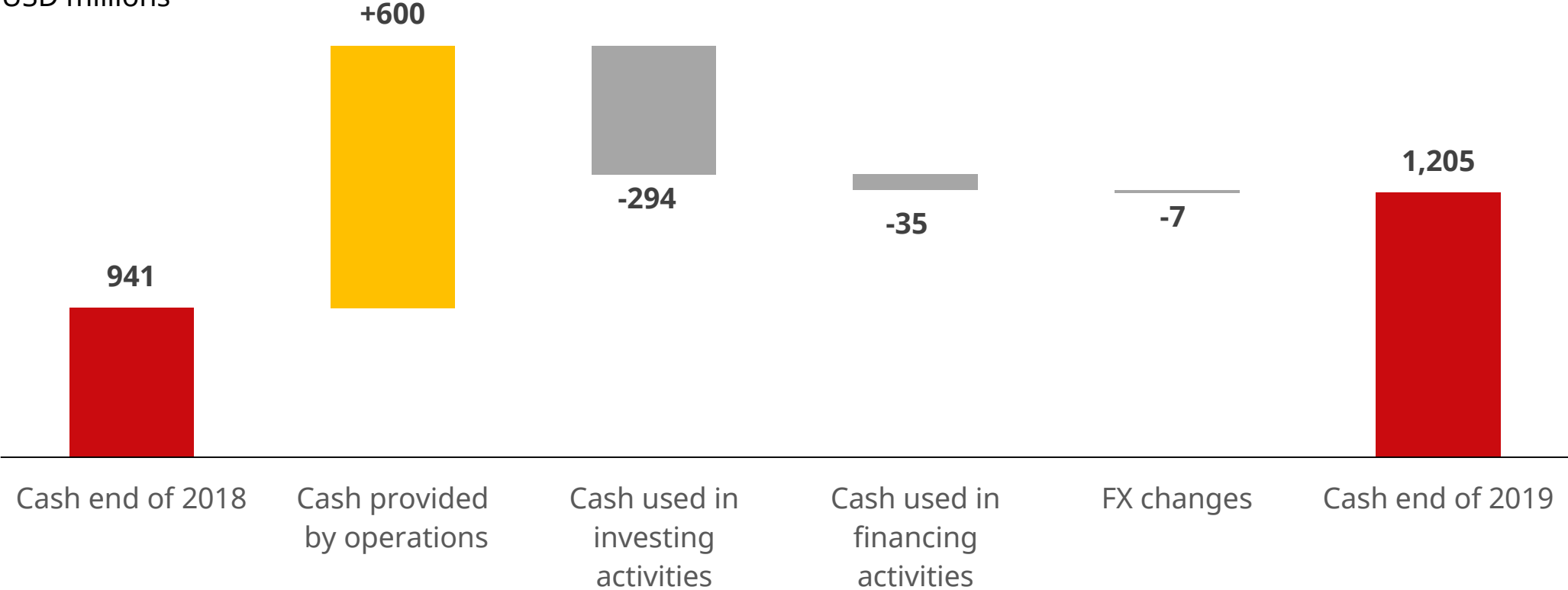
■ Borrowings for solar projects ■ Borrowings for corporate/manufacturing

*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% |

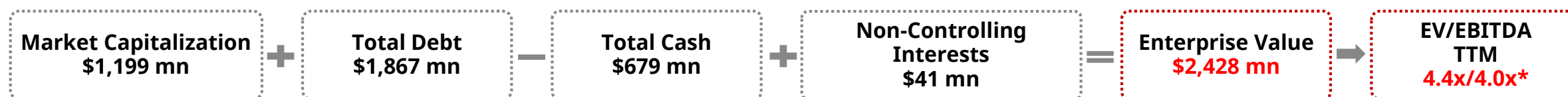
*6-year cumulative.

Attractive valuation supported by resilient financial performance

| Total Debt and Cash Breakdown | | | | |
|--|--------------|--------------|--------------|--------------|
| | 2Q19 | 3Q19 | 4Q19 | 1Q20 |
| Short-term borrowings | 1,080 | 1,056 | 933 | 910 |
| Long-term borrowings on project assets - current | 177 | 262 | 286 | 183 |
| Capital leases - current | 39 | 31 | 25 | 20 |
| Long-term borrowings | 463 | 526 | 619 | 666 |
| Financing liabilities - non-current | 78 | 76 | 77 | 75 |
| Capital leases - non-current | 22 | 18 | 14 | 12 |
| Total debt | 1,859 | 1,968 | 1,955 | 1,867 |
| Cash and equivalents | 438 | 526 | 669 | 619 |
| Restricted cash - current: | 526 | 515 | 527 | 494 |
| Of which to secure debt: | 75 | 82 | 69 | 61 |
| Total cash (for EV calculation) | 513 | 608 | 738 | 679 |
| Net debt | 1,345 | 1,360 | 1,217 | 1,187 |

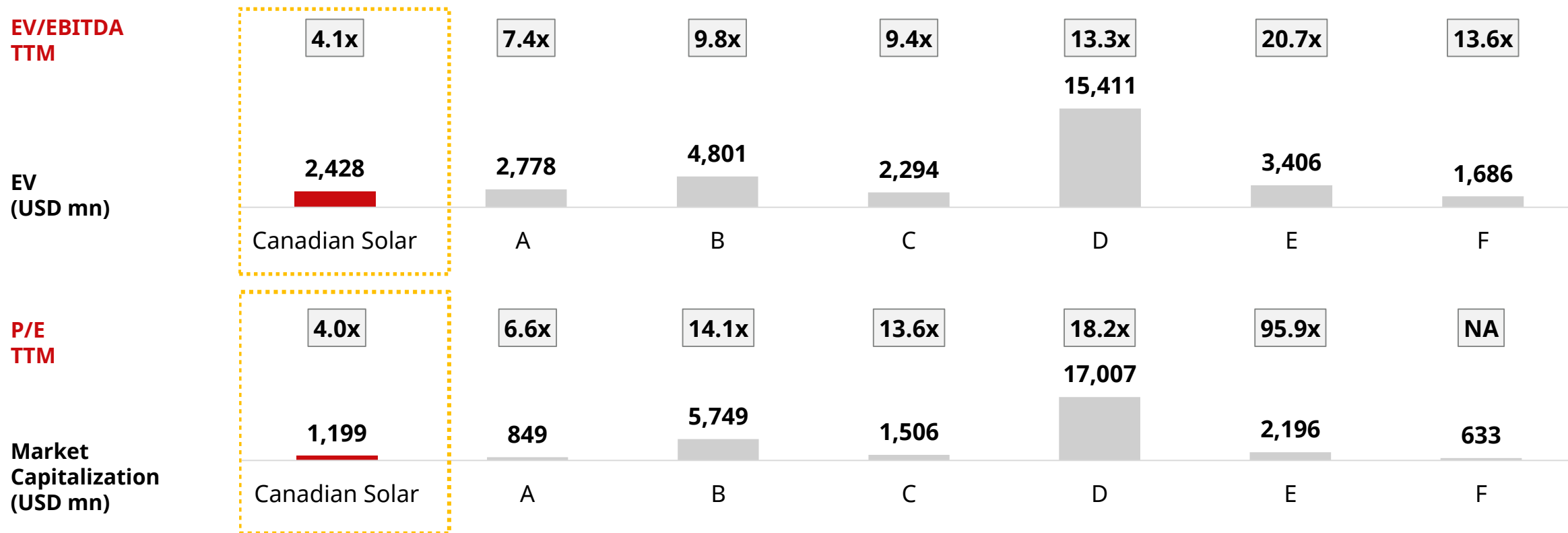
| EBITDA Calculation | | | | | |
|------------------------------------|------------|------------|------------|------------|------------|
| | 2Q19 | 3Q19 | 4Q19 | 1Q20 | TTM |
| Total revenue | 1,036 | 760 | 920 | 826 | 3,541 |
| - COGS | -854 | -561 | -690 | -602 | -2,707 |
| Gross profit | 183 | 199 | 230 | 223 | 834 |
| - Operating expenses | -122 | -119 | -118 | -110 | -469 |
| Operating profit | 61 | 80 | 111 | 113 | 366 |
| -/+ Other expenses/income | 30 | 2 | -2 | -15 | 15 |
| + Depreciation & amortization | 40 | 37 | 45 | 45 | 167 |
| EBITDA (non-GAAP) | 130 | 119 | 155 | 143 | 548 |
| Impairments | 14 | 14 | 14 | 14 | 56 |
| Adjusted EBITDA (non-GAAP)* | 144 | 133 | 169 | 157 | 604 |

*EBITDA including impairments



1. Source: Factset, company filings.
2. Prices as at market close of June 8, 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 51.

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 45. 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 June 8, 2020 market close.
3. Company A and F has not been updated for calendar Q1 2020 results due to lack of availability. Company B's earnings were adjusted to remove the costs of a litigation loss.

Guidance as of May 28, 2020

| | Q1 2020 | Q2 2020E | FY2019 | FY2020E | YoY Δ% |
|-----------------------------------|----------|----------------------|----------|-------------------|------------|
| Module Shipments | 2,214 MW | 2.5 GW to 2.7 GW | 8,579 MW | 10 GW to 12 GW | 17% to 40% |
| Revenue⁽¹⁾ | \$826 mn | \$630 mn to \$680 mn | \$3.2 bn | NA ⁽²⁾ | NA |
| Gross Margin⁽¹⁾ | 27.0% | 18.5% to 20.5% | 22.4% | NA | NA |

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

(2) The Company withdrew its 2020 annual financial guidance due to uncertainty in business conditions in the second half of 2020 caused by COVID-19.

Strategically-minded and prudent management team with excellent track record



Dr. Shawn Qu
Chairman
Chief Executive Officer

- ❖ 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
President
Chief Operating 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
Senior VP
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
Senior VP
Chief Manufacturing 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
Corporate VP
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
Senior VP
Chief Compliance Officer

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

Consolidated Income Statement

| <i>USD millions except per share data</i> | 2017 | 2018 | 2019 | '19 yoy | 1Q19 | 2Q19 | 3Q19 | 4Q19 | 1Q20 | 1Q qoq | 1Q yoy |
|--|--------------|--------------|--------------|-------------|--------------|--------------|-------------|-------------|-------------|-------------|--------------|
| Net Revenue | 3,390 | 3,745 | 3,201 | -15% | 485 | 1,036 | 760 | 920 | 826 | -10% | 70% |
| Cost of revenues | -2,753 | -2,970 | -2,482 | -16% | -377 | -854 | -561 | -690 | -602 | -13% | 60% |
| Gross profit | 637 | 775 | 719 | -7% | 107 | 183 | 199 | 230 | 223 | -3% | 108% |
| Selling expenses | -156 | -165 | -180 | 9% | -38 | -45 | -47 | -50 | -53 | 5% | 39% |
| General and administrative expenses | -231 | -247 | -244 | -1% | -51 | -66 | -61 | -64 | -53 | -17% | 3% |
| Research and development expenses | -29 | -44 | -47 | 6% | -13 | -12 | -12 | -10 | -10 | -1% | -24% |
| Other operating income, net | 48 | 45 | 11 | | 2 | 1 | 1 | 6 | 6 | | |
| Total operating expenses, net | -368 | -411 | -460 | 12% | -101 | -122 | -119 | -118 | -110 | -7% | 9% |
| Income from operations | 269 | 364 | 259 | -29% | 7 | 61 | 80 | 111 | 113 | 2% | 1617% |
| Net interest expense | -107 | -95 | -69 | | -20 | -16 | -17 | -17 | -16 | | |
| Gain (loss) on change in fair value of derivatives | 0 | -19 | -22 | | -1 | -12 | -2 | -6 | 33 | | |
| Foreign exchange gain (loss) | -23 | 7 | 10 | | -13 | 16 | 3 | 4 | -34 | | |
| Investment income (loss) | -4 | 41 | 2 | | 1 | 2 | -1 | 0 | -14 | | |
| Income tax benefit (expense) | -41 | -62 | -42 | | 8 | -14 | -10 | -25 | 29 | | |
| Equity in earnings (loss) of unconsolidated investees | 9 | 6 | 29 | | 2 | 24 | 2 | 1 | 0 | | |
| Net income | 103 | 242 | 167 | | -17 | 60 | 55 | 68 | 111 | | |
| Less: net income attributable to non-controlling interests | 3 | 5 | -5 | | 0 | -3 | -3 | 0 | 1 | | |
| Net income attributable to Canadian Solar Inc. | 100 | 237 | 172 | -28% | -17 | 63 | 58 | 68 | 111 | 63% | NM |
| Earnings per share - basis | 1.71 | 4.02 | 2.88 | | -0.29 | 1.05 | 0.97 | 1.13 | 1.86 | | |
| Earnings per share - diluted | 1.69 | 3.88 | 2.83 | -27% | -0.29 | 1.04 | 0.96 | 1.12 | 1.84 | 64% | NM |

Summary Balance Sheet

| <i>USD millions</i> | 4Q17 | 1Q18 | 2Q18 | 3Q18 | 4Q18 | 1Q19 | 2Q19 | 3Q19 | 4Q19 | 1Q20 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Cash and cash equivalents | 562 | 567 | 452 | 520 | 444 | 370 | 438 | 526 | 669 | 619 |
| Restricted cash - current | 618 | 613 | 536 | 460 | 481 | 516 | 526 | 515 | 527 | 494 |
| Accounts receivable | 358 | 354 | 370 | 323 | 498 | 389 | 455 | 449 | 437 | 385 |
| Inventories | 346 | 414 | 336 | 322 | 262 | 385 | 338 | 413 | 554 | 632 |
| Project assets - current | 1,523 | 959 | 1,191 | 1,187 | 934 | 920 | 690 | 910 | 604 | 583 |
| Other current assets | 678 | 506 | 511 | 525 | 455 | 510 | 448 | 532 | 462 | 600 |
| Total current assets | 4,085 | 3,413 | 3,396 | 3,337 | 3,074 | 3,090 | 2,895 | 3,345 | 3,253 | 3,313 |
| Restricted cash - non-current | 11 | 11 | 3 | 16 | 16 | 26 | 17 | 7 | 10 | 10 |
| Property, plant and equipment | 747 | 791 | 797 | 863 | 885 | 933 | 958 | 996 | 1,046 | 977 |
| Net intangible assets and goodwill | 17 | 15 | 16 | 16 | 16 | 20 | 19 | 24 | 23 | 22 |
| Project assets - non-current | 148 | 166 | 92 | 117 | 352 | 393 | 404 | 238 | 483 | 442 |
| Solar power systems | 64 | 63 | 59 | 56 | 55 | 60 | 57 | 53 | 53 | 51 |
| Investments in affiliates | 414 | 415 | 411 | 403 | 126 | 128 | 153 | 150 | 153 | 68 |
| Other non-current assets | 403 | 426 | 419 | 396 | 369 | 423 | 536 | 495 | 446 | 433 |
| Total non-current assets | 1,804 | 1,887 | 1,797 | 1,867 | 1,819 | 1,983 | 2,144 | 1,963 | 2,214 | 2,003 |
| TOTAL ASSETS | 5,890 | 5,300 | 5,193 | 5,204 | 4,893 | 5,073 | 5,039 | 5,308 | 5,467 | 5,316 |
| Short-term borrowings | 1,958 | 1,858 | 2,000 | 1,878 | 1,028 | 1,071 | 1,080 | 1,056 | 933 | 910 |
| Long-term borrowings on project assets-current | 0 | 0 | 0 | 0 | 266 | 280 | 177 | 262 | 286 | 183 |
| Accounts and notes payable | 976 | 914 | 815 | 857 | 749 | 934 | 926 | 1,006 | 1,131 | 1,048 |
| Other payables | 315 | 295 | 303 | 322 | 408 | 380 | 440 | 453 | 446 | 410 |
| Tax equity liabilities | 408 | 155 | 154 | 164 | 158 | 158 | 50 | 53 | 0 | 0 |
| Other current liabilities | 451 | 398 | 391 | 424 | 339 | 241 | 258 | 250 | 296 | 282 |
| Total current liabilities | 4,108 | 3,620 | 3,663 | 3,645 | 2,948 | 3,064 | 2,931 | 3,080 | 3,092 | 2,833 |
| Long-term borrowings | 404 | 328 | 221 | 120 | 394 | 434 | 463 | 526 | 619 | 666 |
| Convertible notes | 126 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Other non-current liabilities | 192 | 208 | 206 | 237 | 278 | 302 | 323 | 336 | 331 | 324 |
| Total non-current liabilities | 722 | 536 | 427 | 357 | 672 | 736 | 786 | 862 | 950 | 989 |
| TOTAL LIABILITIES | 4,830 | 4,156 | 4,090 | 4,002 | 3,620 | 3,800 | 3,717 | 3,942 | 4,042 | 3,823 |
| Common shares | 702 | 702 | 703 | 703 | 703 | 704 | 703 | 704 | 704 | 686 |
| Retained earnings | 384 | 428 | 444 | 510 | 622 | 605 | 668 | 726 | 794 | 904 |
| Other equity | -54 | -26 | -82 | -52 | -100 | -79 | -91 | -103 | -105 | -138 |
| Total Canadian Solar Inc. shareholders' equity | 1,032 | 1,104 | 1,065 | 1,161 | 1,226 | 1,230 | 1,280 | 1,327 | 1,393 | 1,452 |
| Non-controlling interests | 28 | 39 | 38 | 41 | 47 | 43 | 42 | 38 | 32 | 41 |
| TOTAL EQUITY | 1,060 | 1,144 | 1,103 | 1,202 | 1,273 | 1,273 | 1,322 | 1,366 | 1,425 | 1,493 |

GAAP to Non-GAAP Reconciliation

| <i>In USD millions</i> | FY18 | FY19 | 4Q19 | 1Q20 |
|---------------------------------|------------|------------|------------|------------|
| GAAP net income | 242 | 167 | 68 | 111 |
| <i>Add back:</i> | | | | |
| Income tax benefit (expense) | 62 | 42 | 25 | -29 |
| Net interest expense | 95 | 69 | 17 | 16 |
| Non-GAAP EBIT | 399 | 278 | 110 | 98 |
| <i>Add back:</i> | | | | |
| Depreciation & amortization | 129 | 159 | 45 | 45 |
| Non-GAAP EBITDA | 528 | 437 | 155 | 143 |
| <i>Add back:</i> | | | | |
| Impairments | 46 | 42 | 14 | 14 |
| Non-GAAP adjusted EBITDA | 574 | 479 | 169 | 157 |

☀ 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