

Dear shareholders!

You hold an interest in the only listed solar EPC operating worldwide. The abbreviation stands for „Engineering, Procurement and Construction“ – in other words, the turnkey planning and delivery of high-performing utility-scale photovoltaic systems.

We are again on track to sustainable profitable growth and pleased you are accompanying us on this path. Dialog with shareholders in our company is important to us in this context.

For this reason, we would encourage you to use your shareholding to also become actively involved.

Please enable us to structure closer contact with you, contact you more frequently and perhaps be able to welcome you personally to our next Shareholders' General Meeting.

If you are ready to accept this you are invited to register on our website using this link:  
<http://tinyurl.com/h97aqku>.

All shareholders submitting a full response form by post or digitally will receive a small thank-you. We will also raffle off three Apple iPads worth around € 400 each to all shareholders who participate in person at the Shareholders' General Meeting or are represented there by proxy.

Some information about the position and prospects for our company can be found in the accompanying brief portrait or on our website at [www.phoenixsolar-group.com](http://www.phoenixsolar-group.com).

We would like to thank you warmly for your commitment and involvement.

A handwritten signature in blue ink, appearing to read "Tim P. Ryan".

Tim P. Ryan (Chief Executive Officer)

A handwritten signature in blue ink, appearing to read "Manfred Hochleitner".

Manfred Hochleitner (Chief Financial Officer)

# „On the path to profitable growth“

Worldwide, solar power is being increasingly harnessed to generate clean energy. The global solar energy sector continues to chart a highly dynamic course. Since the inception of our company we have built systems delivering more than 800 MWp of nominal output, daily renewing our contribution to the battle against climate change.

We are active on international photovoltaic markets that are growing rapidly and will continue to report upbeat growth for many years to come - as our technology is competitive and becoming increasingly independent of policy factors. Demand for our services continues to rise.

**32,1 MWp**  
**Duke Energy (Fayetteville, USA)**



**250 kWp**  
**Changi Airport (Singapore)**

Customers and partners ascribe us an excellent reputation– we deliver photovoltaic power plants on time and on budget, offering superior performance and returns for investors and operators. This alone secures further good business prospects for us – but these are just the foundations on which we continue to build.

In our USA, Middle East and Asia-Pacific sales regions, we will expand into new national markets on a targeted and measured basis. And we aim to gradually add further steps of the value chain to our core business, especially in the project development area.

**9,1 MWp**  
**Solentegre (Elazığ, Turkey)**



  
**65 MWp**  
**Invenergy (Luning, USA)**

We have done a lot in 2016 to improve efficiency for our projects – in particular, we have realigned purchasing and supply processes, creating further competitive advantages for ourselves. Our highly professional estimating and bidding team also secures us additional profitability.

Higher gross profit margins and further operating result improvements show we are progressing well. It is only for the current 2017 full financial year, however, that we are aiming to generate a net profit. New refinancing steps will further accelerate this turnaround.

To sum up – Phoenix Solar AG is on track to profitable growth.

Use your  
shareholding to  
also participate  
actively!

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