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## Danen announced June 2018 unaudited revenue report

Danen Technology Corp. (TWSE: 3686) announced unaudited revenue report of June 2018 with NT\$1.80 million, a large decrease when compared to previous month but total sale revenue of 1H 2018 is still increasing with 6.26% when compared to the same period of last year.

(TWD in Millions)	2018	2017	MoM (+%)	YoY (+%)
June	1.80	60.33	-97.33%	-97.02%
Jan.-Jun.	405.04	381.19		6.26%

Due to the new and large scale reducing subsidy policy announced at June First by China government, the predicted installation volume before the end of June at China market disappeared which resulted to the unreasonable price of market sold by the over-producing players who miscalculated the trend. In responding to the situation, the company adjusted the production capacity, material purchasing strategy and reduced the stock cost. The company also took orders with serious selectivity and refused the unreasonable price orders to fight the underselling in short term, which avoided the operating result of "more selling caused larger loss", thus the sales revenue of the company decreased significantly. However, the financial shape and the structure of receivable accounts of the company still maintained with stable status.

The policy without buffer period announced and immediately executed by China government caused the market freezing in short time, but it may help the market order of demand and supply become normal by releasing the industry from vicious circle of subsidy and unlimited expansion of production capacity. The demand of oversea market still worked normally except China and the price of supply chain seems to stop dropping at the end of June. Therefore, the company will continuously pay attention to the conditions of market and adjust the production capacity immediately in response to waiting for the market become stable and the price back to reasonable.

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### About Danen:

Established in 2007, Danen Technology is a specialized multi-crystalline silicon ingots and high-efficiency wafers manufacturer, based in Taoyuan High-Tech Industrial Park, Taiwan, the management team is composed of highly experienced executives and engineers from semiconductor, financial, and related solar industries. The company owns three wafer manufacturing plants, with

330MW capacity currently. Since its establishment, Danen has been highly recognized and earned good reputations from major international cells manufacturers, and continues to be the leading wafer manufacturer of solar value chain in Taiwan by providing superior quality, competitive price, and customized service to our customers.