

Tongwei Dominates the Polysilicon Industry

Bernreuter Research: Oversupply inevitable with China's unabated expansion

Würzburg (Germany), May 16, 2023 – Chinese polysilicon manufacturer Tongwei has extended its position as world market leader. In 2022 the company produced 1.6 times as much polysilicon for solar cells as the second largest manufacturer, GCL Technology, and even twice as much as the third biggest, Daqo New Energy, reports Bernreuter Research. The polysilicon market expert has published its latest ranking of the top ten producers on its website today: <https://www.bernreuter.com/polysilicon/manufacturers/#the-top-ten-ranking-of-the-world-s-largest-polysilicon-manufacturers>

“How quickly Tongwei increases its process efficiency and upgrades existing equipment is remarkable,” comments Johannes Bernreuter, head of Bernreuter Research. In view of an output of almost 160,000 metric tons (MT) in the second half of 2022 alone, the analyst estimates that Tongwei reached an effective production capacity of approx. 345,000 MT by the end of 2022, far above the 260,000 MT officially stated by the company.

While the top three positions in the ranking have remained unchanged compared to the previous year, Xinte Energy has relegated Germany-based Wacker Chemie from the fourth to the fifth place. Thus, all top four manufacturers are now located in China; they produced more than 100,000 MT each in 2022.

Another China-based manufacturer was also among the winners last year: Thanks to a smooth ramp-up from a capacity of 22,000 MT to 92,000 MT, Asia Silicon climbed from the eighth to the sixth rank. Like Wacker, the company benefitted from the weak performance of East Hope, which had to shut down part of its factory in the northwestern Chinese region of Xinjiang for several months after a fire broke out in June. Consequently, East Hope slipped from the sixth to the seventh place.

China achieved a share of 89% in the global output of solar-grade polysilicon in 2022, and expansion continues unabated. The six largest Chinese manufacturers alone have additional capacities of roughly 1.5 million MT in the pipeline for 2023 and 2024. On top of that, more than a dozen new entrants are building or ramping up new polysilicon plants in China. Domestic media have already reported about “long-term” plans for a total production capacity of nearly 7 million MT, which would be equivalent to an annual solar module capacity of approx. 3,500 gigawatts.

“Even though the potential for growth of global photovoltaic installations is enormous, it will not absorb such huge polysilicon volumes,” says Bernreuter. “Oversupply will be the inevitable consequence. It looks like Chinese investors once again have to learn this the hard way given the fact that they are still announcing new polysilicon projects in 2023.”

To help the market better understand all the latest developments in supply, demand and prices, Bernreuter Research will publish a new in-depth market report. If you want to be alerted when the report comes out, sign up for the company's free newsletter: <https://www.bernreuter.com/newsletter/>



Bernreuter Research has released its new ranking of the top ten polysilicon producers in the world.

Logo: Bernreuter Research

- 2 -



China-based manufacturer Tongwei extended its leading position in the polysilicon industry by a wide margin in 2022. Image: Tongwei

About Bernreuter Research

Bernreuter Research was founded in 2008 by Johannes Bernreuter, one of the most reputable photovoltaic journalists in Germany, to publish global polysilicon market reports. As early as 2001, Bernreuter authored his first analysis of an upcoming polysilicon bottleneck and new production processes. Since publishing its first report in 2010, Bernreuter Research has gained a reputation for providing the most comprehensive and accurate polysilicon reports on the market.

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