

Jetion looks to shine on AIM(6th July 2007)

Chinese solar cells maker Jetion Holdings started trading on London's AIM Friday having successfully raised £30.5m of new money via a placing at 151p per share.

The float values the Shanghai-based firm, whose solar cells and solar modules are made from processed solar-grade silicon wafers and convert sunlight directly into electricity, at just over £112m.

"The company is delighted at the response of the institutions," said chairman Dipesh Shah.

"The demand for solar power, particularly in the European markets, in addition to the growing domestic demand in China, underpins the rapid growth anticipated by the management."

Over the last five years, annual industry growth has averaged 42% and Jetion says substantial growth is projected in the future and demand is expected to continue to outstrip supply.

The solar industry has been unable to fully meet global demand for solar products due to the limited availability of solar-grade silicon, the main raw material in the production process.

The placing proceeds will primarily be used to fund the expansion of the company's existing production facilities from two to four production lines totalling 100MW of annual production capacity.

Funds will also help cover additional working capital requirements that arise from the expansion of production.