

Trina Solar LTD  
Form 20-F  
June 12, 2007  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 20-F**

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(Mark One)

**REGISTRATION STATEMENT PURSUANT TO SECTION 12(B) OR 12(G) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2006.

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

**SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report \_\_\_\_\_

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number: 001-33195

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**TRINA SOLAR LIMITED**

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(Exact name of Registrant as specified in its charter)

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N/A

(Translation of Registrant's name into English)

Cayman Islands

(Jurisdiction of incorporation or organization)

No. 2 Xin Yuan Yi Road

Electronics Park, New District

Changzhou, Jiangsu 213031

People's Republic of China

(Address of principal executive offices)

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Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Name of exchange on which each class is to be registered
American Depositary Shares, each representing 100 ordinary shares, par value \$0.00001 per share	New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None

(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

(Title of Class)

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Indicate the number of outstanding shares of each of the Issuer's classes of capital or common stock as of the close of the period covered by the annual report.

**2,121,534,728 ordinary shares, par value \$0.00001 per share, as of December 31, 2006.**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes  No

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Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer  Non-accelerated filer

Indicate by check mark which financial statement item the registrant has elected to follow. Item 17  Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes  No

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**INTRODUCTION**

Unless the context otherwise requires, in this annual report on Form 20-F,

we, us, our, and our company refer to Trina Solar Limited, its predecessor entities and its subsidiaries;

Trina refers to Trina Solar Limited;

shares or ordinary shares refers to our ordinary shares, par value \$0.00001 per share;

ADSs refers to our American depository shares, each of which represents 100 ordinary shares;

China or PRC refers to the People's Republic of China, excluding Taiwan, Hong Kong and Macau; and

RMB or Renminbi refers to the legal currency of China, \$ or U.S. dollars refers to the legal currency of the United States, and Euro refers to the legal currency of the European Union.

Discrepancies in any table between the amounts identified as total amounts and the sum of the amounts listed therein are due to rounding.

This annual report on Form 20-F includes our audited consolidated financial statements for the years ended December 31, 2004, 2005 and 2006.

This annual report contains translations of certain Renminbi amounts into U.S. dollars at the rate of RMB7.8041 to \$1.00, the noon buying rate in effect on December 29, 2006 in New York City for cable transfers of Renminbi as certified for customs purposes by the Federal Reserve Bank of New York. We make no representation that the Renminbi or U.S. dollar amounts referred to in this annual report could have been or could be converted into U.S. dollars or Renminbi, as the case may be, at any particular rate or at all. See Item 3. Key Information D. Risk Factors Risks Related to Doing Business in China Fluctuation in the value of the Renminbi may have a material adverse effect on your investment. On June 8, 2007, the noon buying rate was RMB7.6666 to \$1.00.

We completed the initial public offering of 5,300,000 ADSs on December 22, 2006. On December 19, 2006, we listed our ADSs on the New York Stock Exchange under the symbol TSL. In January 2007, the underwriters exercised their over-allotment option for the purchase of an additional 510,300 ADSs. On June 6, 2007, we completed a follow-on public offering of 5,406,280 ADSs sold by us and certain selling shareholders.

**PART I**

**Item 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS**

Not Applicable.

**Table of Contents****Item 2. OFFER STATISTICS AND EXPECTED TIMETABLE**

Not Applicable.

**Item 3. KEY INFORMATION****A. Selected Financial Data**

The following selected consolidated statement of operations data for the years ended December 31, 2004, 2005 and 2006 and the selected consolidated balance sheet data as of December 31, 2004, 2005 and 2006 have been derived from our audited financial statements included elsewhere in this annual report. The selected consolidated financial data should be read in conjunction with those financial statements and the accompanying notes and Item 5. Operating and Financial Review and Prospects below. Our consolidated financial statements are prepared and presented in accordance with U.S. GAAP. Our historical results do not necessarily indicate our results expected for any future periods.

Our selected consolidated statement of operations data for the year ended December 31, 2003 and our consolidated balance sheet as of December 31, 2003 have been derived from our audited consolidated financial statements, which are not included in this annual report.

Our selected consolidated statement of operations data for the year ended December 31, 2002 and our consolidated balance sheet as of December 31, 2002 have been derived from our unaudited consolidated financial statements, which are not included in this annual report. Our unaudited consolidated financial statements have been prepared on the same basis as our audited consolidated financial statements.

	Year Ended December 31,				
	2002	2003	2004	2005	2006
	(in thousands, except for operating data and percentages)				
<b>Consolidated Statement of Operations Data</b>					
Net revenues	\$ 6,451	\$ 2,712	\$ 414	\$ 27,275	\$ 114,500
Cost of revenues	4,312	1,771	373	20,986	84,450
Gross profit	2,139	942	41	6,289	30,050
Operating expenses:					
Selling expenses			66	521	2,571
General and administrative Expenses	238	295	40	1,375	8,656
Research and development Expenses	59	50	262	122	1,903
Total operating expenses	297	345	368	2,018	13,130
Income (loss) from continuing operations	1,842	597	(327)	4,271	16,920
Interest expenses	75	7	73	470	2,137
Interest income		1	4	16	261
Other income (expenses)		(36)	(35)	(27)	(82)
Income (loss) before income taxes	1,767	554	(431)	3,790	14,962

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	Year Ended December 31,				
	2002	2003	2004	2005	2006
	(in thousands, except for operating data and percentages)				
Income tax expenses (benefits)	133	35	(52)	570	1,788
Minority interest		5	13		
Net income (loss) from continuing operations	1,634	524	(366)	3,220	13,174
Net Income (loss) from discontinued operations	153	(396)	354	91	(753)
Net income (loss)	\$ 1,787	\$ 128	\$ (12)	\$ 3,311	\$ 12,421
Earnings per ordinary share from continuing operations					
Basic	0.002	0.001		0.003	0.010
Diluted	0.002	0.001		0.003	0.010
Earnings per ADS from continuing operations					
Basic	0.163	0.052	(0.037)	0.322	0.978
Diluted	0.163	0.052	(0.037)	0.322	0.959
Earnings per ordinary share					
Basic	0.002			0.003	0.009
Diluted	0.002			0.003	0.009
Earnings per ADS					
Basic	0.179	0.013	(0.001)	0.331	0.922
Diluted	0.179	0.013	(0.001)	0.331	0.904
Weighted average ordinary shares outstanding					
Basic	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,038,316,484
Diluted	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000	1,058,483,593
Weighted average ADS outstanding					
Basic	10,000,000	10,000,000	10,000,000	10,000,000	10,383,165
Diluted	10,000,000	10,000,000	10,000,000	10,000,000	10,584,836
<b>Consolidated Financial Data</b>					
Gross margin	33.2%	34.7%	9.8%	23.1%	26.2%
Net margin of continuing operations	25.3%	19.3%	(88.6)%	11.8%	11.5%
<b>Consolidated Operating Data</b>					
Solar modules shipped (in MW)			0.12	6.79	27.39
Average selling price (\$/W)			\$ 3.45	\$ 4.02	\$ 3.98

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	2002	2003	As of December 31,		2006
			2004	2005	
			(in thousands)		
<b>Consolidated Balance Sheet Data</b>					
Cash and cash equivalents	\$ 2,193	\$ 776	\$ 3,395	\$ 1,224	\$ 93,380
Inventories	376		541	6,696	32,230
Accounts receivable, net		807	81	4,924	29,353
Other receivables	52	98	238	817	1,228
Property, plant and equipment, net	74	63	758	9,630	51,419
Total assets	6,835	5,035	11,192	32,298	251,745
Short-term borrowings	336	63	3,656	6,628	71,409
Accounts payable	2,028	711	1,390	3,845	9,147
Total current liabilities	4,564	2,604	6,178	12,715	88,068
Accrued warranty costs			4	272	1,400
Long-term borrowings					