

JA Solar Holdings Co., Ltd.
Form 20-F
April 26, 2017
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 20-F

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (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, 2016

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 001-33290

JA Solar Holdings Co., Ltd.

(Exact name of Registrant as specified in its charter)

The Cayman Islands

(Jurisdiction of Incorporation or Organization)

Building No.8, Noble Center, Automobile Museum East Road

Fengtai, Beijing 100070

The People's Republic of China

(Address of Principal Executive Offices)

Mr. Hexu Zhao

JA Solar Holdings Co., Ltd.

Building No.8, Noble Center, Automobile Museum East Road

Fengtai, Beijing 100070

The People's Republic of China

Tel: +86-10-63611888

Fax: +86-10-63611999

(Name, Telephone, E-mail and/or Facsimile and Address of Company Contact Person)

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

Title of each class	Name of each exchange on which registered
American depositary shares, each representing five ordinary share, par value US\$0.0001 per share	The NASDAQ Stock Market LLC
Ordinary shares, par value US\$0.0001 per share*	

* Not for trading but only in connection with the registration of American depositary shares

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

None
(Title of Class)

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

None
(Title of Class)

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: 237,853,602 ordinary shares, par value US\$0.0001 per share, as of December 31, 2016.

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

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 has submitted electronically and posted on its Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, and emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Emerging growth company

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If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

The term new or revised financial accounting standard refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

US GAAP

International Financial Reporting Standards as issued
by the International Accounting Standards Board

Other

If Other has been checked in response to the previous question, 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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CERTAIN TERMS AND CONVENTIONS

Unless otherwise indicated, in this annual report:

- **ADS** refers to American depositary shares, each representing five ordinary share of JA Solar, par value US\$0.0001 per share;
- **China** and the **PRC** refer to the People's Republic of China, excluding, for the purposes of this annual report only, Taiwan and the special administrative regions of Hong Kong and Macau;
- **conversion efficiency** refers to the ability of solar power products to convert sunlight into electricity; **conversion efficiency rate** is commonly used in the solar power industry to measure the percentage of light energy from the sun that is actually converted into electricity;
- **price per watt** refer to the price of solar power products, respectively, relative to the number of watts of electricity a solar power product generates;
- **Hebei Jinglong** refers to Jinglong Industry and Commerce Group Co., Ltd., which is controlled by the shareholders of Jinglong BVI;
- **JA BVI** refers to JA Development Co., Ltd., our directly wholly-owned subsidiary, a British Virgin Islands company;
- **JA Fengxian** refers to Shanghai JA Solar Technology Co., Ltd., our indirectly wholly-owned subsidiary in Shanghai, China;
- **JA Hebei** refers to JingAo Solar Co., Ltd., our predecessor and indirectly wholly-owned subsidiary in Hebei, China;

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- **JA Hefei Technology** refers to Hefei JA Solar Technology Co., Ltd., our indirectly wholly-owned subsidiary in Hefei, China;
- **JA Lianyungang** refers to Jing Hai Yang Semiconductor Material (Donghai) Co., Ltd., our indirectly wholly-owned subsidiary in Jiangsu, China;
- **JA Solar, we, us, the company, our company and our** refer to JA Solar Holdings Co., Ltd. and, unless otherwise indicated or as the context may otherwise require, its predecessor entities and its consolidated subsidiaries;
- **JA Wafer R&D** refers to Donghai JA Solar Technology Co., Ltd., our indirectly wholly-owned subsidiary in Jiangsu, China;
- **JA Yangzhou** refers to JA Solar Technology Yangzhou Co., Ltd., our indirectly wholly-owned subsidiary in Jiangsu, China;
- **Jinglong BVI** refers to Jinglong Group Co., Ltd., a British Virgin Islands company and our largest shareholder;
- **Jinglong Group** refers to Hebei Jinglong and its consolidated subsidiaries;
- **rated manufacturing capacity** refers to the total amount of solar power products that can be made by a manufacturing line per annum operating at its maximum possible rate and is measured in megawatts, or MW;
- **RMB and Renminbi** refer to the legal currency of the PRC;
- **Solar Silicon Valley** refers to Solar Silicon Valley Electronics Science and Technology Co., Ltd., our indirectly wholly-owned subsidiary in Hebei, China;
- **U.S.** refers to the United States.

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- US\$ and U.S. dollars refer to the legal currency of the U.S.;
- voltage or volts refers to the rating of the amount of electrical pressure that causes electricity to flow in the power line; and
- watts refers to the measurement of total electrical power, where kilowatts or KW means one thousand watts, megawatts or MW means one million watts and gigawatts or GW means one billion watts.

FORWARD-LOOKING STATEMENTS

This annual report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this annual report that address activities, events or developments which we expect or anticipate will or may occur in the future are hereby identified as forward-looking statements for the purpose of the safe harbor provided by Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934.

Forward-looking statements typically are identified by words or phrases such as may, will, expect, anticipate, aim, estimate, intend, believe, potential, continue, is/are likely to or other similar expressions or the negative of these words or expressions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, statements relating to:

- our expectations regarding the worldwide demand for electricity and the market for solar energy;
- our beliefs regarding the inability of traditional fossil fuel-based generation technologies to meet the demand for electricity;
- our beliefs regarding the importance of environmentally friendly electricity generation;
- our expectations regarding governmental incentives for the deployment of solar energy;

- our beliefs regarding the solar power industry revenue growth;
- our expectations with respect to advancements in our technologies;
- our beliefs regarding the low-cost advantage of solar power product production in China;
- our beliefs regarding the competitiveness of our solar power products;
- our expectations regarding the scaling of our solar power capacity;
- our expectations with respect to increased revenue growth and our ability to achieve profitability resulting from increases in our production volumes;
- our expectations with respect to our ability to secure raw materials in the future;
- our expectations regarding the price trends of solar power products;
- our expectations with respect to our ability to develop relationships with customers in our target markets;
- our expectations with respect to our ability to secure sufficient funds to meet our cash needs for our operations and to service our indebtedness;
- PRC government policies regarding foreign investments;
- our ability to maintain and strengthen our position as a low-cost vertically-integrated manufacturer of photovoltaic, or PV products;
- our future business development, results of operations and financial condition; and

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- competition from other manufacturers of solar power products and conventional energy suppliers.

The forward-looking statements made in this annual report on Form 20-F relate only to events or information as of the date on which the statements are made in this annual report on Form 20-F. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. You should read this annual report on Form 20-F completely and with the understanding that our actual future results may be materially different from what we expect.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. SELECTED FINANCIAL DATA

The selected consolidated statements of operations data presented below for the years ended December 31, 2014, 2015 and 2016 and our balance sheet data as of December 31, 2015 and 2016 are derived from our audited consolidated financial statements which are included in this annual report beginning on page F-1. Our consolidated financial statements are prepared and presented in accordance with U.S. generally accepted accounting principles (U.S. GAAP). Our selected consolidated statements of operations data for the years ended December 31, 2012 and 2013 and selected consolidated balance sheet data as of December 31, 2012, 2013 and 2014 have been derived from our audited consolidated financial statements that are not included in this annual report on Form 20-F. Historical results are not necessarily indicative of results to be expected in any future period.

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	2012	2013	Year ended December 31,		2016	US\$
	RMB	RMB	2014	2015	RMB	
	(in millions, except for share and per share data)					
	RMB	RMB	RMB	RMB	RMB	US\$
Consolidated Statements of Operations and Comprehensive Income/(Loss) Data:						
Revenues						
Solar modules	4,044	4,388	9,292	12,689	14,781	2,129
Solar cells and other products	2,493	2,414	1,848	762	800	115
Electricity generation				64	156	23
Solar products processing	182	381	156	10		
Total revenues	6,719	7,183	11,296	13,525	15,737	2,267
Cost of revenues						
Solar modules	(4,029)	(3,861)	(7,844)	(10,521)	(12,612)	(1,817)
Solar cells and other products	(2,561)	(2,270)	(1,602)	(675)	(743)	(107)
Electricity generation				(30)	(88)	(13)
Solar products processing	(183)	(290)	(93)	(7)		
Total cost of revenues	(6,773)	(6,421)	(9,539)	(11,233)	(13,443)	(1,937)
Gross (loss)/profit	(54)	762	1,757	2,292	2,294	330
Operating expenses						
Selling, general and administrative expenses	(902)	(765)	(954)	(1,245)	(1,058)	(152)
Research and development expenses	(86)	(88)	(140)	(149)	(176)	(25)
Loss from purchase commitments and contract termination costs					(149)	(22)
Impairment loss on property, plant and equipment	(398)					
Impairment loss on project assets				(33)	(8)	(1)
Total operating expenses	(1,386)	(853)	(1,094)	(1,427)	(1,391)	(200)
(Loss)/income from operations	(1,440)	(91)	663	865	903	130
Change in fair value of derivatives						
Convertible notes buy back loss	(8)	(52)	84	44	49	7
Interest expense	(489)	(285)	(230)	(249)	(285)	(41)
Interest income	36	17	28	26	19	3
Foreign exchange (loss)/gain	(25)	(44)	(62)	32	81	12
(Loss)/income from equity method investment	(43)	(2)	3	6	10	1
Other income, net	399	16	34	48	66	10