JinkoSolar Holding Co., Ltd.
Form 424B4
November 05, 2010
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Filed Pursuant to Rule 424(b)(4)
Registration No. 333-170146

3,500,000 American Depositary Shares

JinkoSolar Holding Co., Ltd.

Representing 14,000,000 Ordinary Shares

JinkoSolar Holding Co., Ltd., or JinkoSolar, is offering 2,000,000 American depositary shares, or ADSs, and the selling shareholders identified in this prospectus are offering 1,500,000 ADSs. Each ADS represents four ordinary shares, par value US$0.00002 per share, of JinkoSolar. The ADSs are evidenced by American depositary receipts, or ADRs. JinkoSolar will not receive any proceeds from the sale of ADSs by the selling shareholders.

Our ADSs are listed on the New York Stock Exchange under the symbol JKS. On November 4, 2010, the last trading price for our ADSs as reported on the New York Stock Exchange was US$37.52 per ADS.

Investing in our ADSs involves risks. See Risk Factors beginning on page 16.

	Per ADS	Total
Public offering price	US$ 36.00	US$ 126,000,000
Underwriting discount	US$ 1.71	US$ 5,985,000
Proceeds, before expenses, to us	US$ 34.29	US$ 68,580,000
Proceeds, before expenses, to the selling shareholders	US$ 34.29	US$ 51,435,000

The underwriters have an option to purchase up to an aggregate of 525,000 additional ADSs from certain selling shareholders at the public offering price less the underwriting discount to cover over-allotments.

Neither the Securities and Exchange Commission nor any state securities commission or other regulatory body has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the ADSs evidenced by the ADRs against payment in U.S. dollars in New York, New York on or about November 10, 2010.

Credit Suisse

William Blair & Company **Roth Capital Partners**

Collins Stewart

Rodman & Renshaw, LLC

The date of this prospectus is November 4, 2010

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You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

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PROSPECTUS SUMMARY

The following summary contains basic information about us and the ADSs we are offering. It may not contain all of the information that may be important to you. Before investing in the ADSs, you should read this entire prospectus carefully for a more complete understanding of our business and this offering, including our consolidated financial statements and related notes, and the sections entitled Risk Factors and Management s Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this prospectus.

In this prospectus, all references to we, us, our company and our refer to JinkoSolar Holding Co., Ltd., its current and former subsidiaries for the relevant periods, and, except where the context otherwise requires, the following variable interest entities, or VIEs, which were consolidated for the following relevant periods: (i) Shangrao Yangfan Electronic Materials Co., Ltd., or Yangfan, from June 6, 2006 to September 1, 2008; (ii) Shangrao Tiansheng Semiconductor Materials Co., Ltd., or Tiansheng, from June 6, 2006 to September 30, 2008; (iii) Shanghai Alvagen International Trading Co., Ltd., or Alvagen, from April 29, 2007 to September 1, 2008; and (iv) Shangrao Hexing Enterprise Co., Ltd., or Hexing, from September 3, 2007 to September 30, 2008.

Our Business

We are a fast-growing vertically integrated solar power product manufacturer with low-cost operations based in Jiangxi Province and Zhejiang Province in China. We have built a vertically integrated solar product value chain from recovered silicon materials to solar modules. Our principal products are solar modules, silicon wafers and solar cells. We have been successful in making solar modules our largest revenue contributor. We sell our products in major export markets and in China.

As of September 30, 2010, our solar module production capacity was 450 MW, and we expect to increase our capacity to 600 MW by December 31, 2010. Our solar module production, which consists of both monocrystalline and multicrystalline modules, is supported by our solar cell and silicon wafer operations, which had production capacity of 300 MW and 600 MW, respectively, as of September 30, 2010. We plan to increase solar cell and module production capacity to 600 MW by December 31, 2010, so as to achieve full vertical integration along all segments of the solar value chain.

We sell our modules under our own brand JinkoSolar, as well as to original equipment manufacturers, or OEMs. All of our modules sold in Europe are CE and TÜV certified and all of our modules sold in the United States are UL certified. Our customers for solar modules include distributors, project developers and system integrators. We believe that our product quality is demonstrated by the fact that JinkoSolar modules have also been selected for utility-scale project-financed installations.

We have established subsidiaries in Germany and the United States to conduct sales, marketing and brand development for our products in the European and North American markets, and we intend to establish similar subsidiaries in other major markets to expand our customer base and market penetration. As of June 30, 2010, we had an aggregate of approximately 300 customers for our solar modules, solar cells and silicon wafers from China, Germany, Hong Kong, India, Italy and other countries and regions.

Historically we sold primarily recovered silicon materials, silicon ingots and silicon wafers. Commencing in 2009, we began to sell solar cells and solar modules. During the six months ended June 30, 2010, our product sales primarily consisted of solar modules, silicon wafers and solar cells. As we continue to increase the degree of vertical integration of our operations and expand our module production, we expect that our sales of solar modules will further increase and our sales of wafers and cells will correspondingly decline as we use a greater proportion of these products for our in-house module production.

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We believe that demand for solar power products will continue to grow rapidly as solar power becomes an increasingly important source of renewable energy. To take advantage of the opportunity created by expected industry growth, we plan to increase our annual solar cell and solar module production capacity to approximately 600 MW each by the end of 2010 and we expect to achieve a fully vertically integrated solar module production capacity of 1 GW by the end of 2011.

We capitalize on our vertically integrated platform and low-cost manufacturing capability in China to produce quality products at competitive costs. In addition, the choice of Shangrao and Haining, China for our manufacturing bases provides us with convenient and timely access to key resources and conditions as well as our customer base to support our rapid growth and low-cost manufacturing operations. We also believe that our ability to source large volumes of recoverable silicon materials, treat such materials with our proprietary process technologies and use them in our production process according to formulas developed in-house provides us with a cost advantage over competitors who rely primarily on more expensive virgin polysilicon for their production.

We have achieved sustained and profitable growth since our inception in June 2006, although in 2009, our sales and net income were materially and adversely affected by the global economic crisis and credit market contraction. Our revenues were RMB709.2 million for the year ended December 31, 2007, RMB2,183.6 million for the year ended December 31, 2008, RMB1,567.9 million (US$231.2 million) for the year ended December 31, 2009 and RMB1,449.5 million (US$213.7 million) for the six months ended June 30, 2010, respectively. We had net income of RMB76.0 million, RMB218.7 million, RMB85.4 million (US$12.6 million) and RMB254.1 million (US$37.5 million) respectively, for the years ended December 31, 2007, 2008 and 2009 and the six months ended June 30, 2010.

Our Industry

Solar power has emerged as one of the most rapidly growing renewable energy sources. Through a process known as the photovoltaic, or PV, effect, electricity is generated by solar cells that convert sunlight into electricity. In general, global solar cell production can be categorized by three different types of technologies, namely, monocrystalline silicon, multicrystalline silicon and thin film technologies. Crystalline silicon technology is currently the most commonly used, accounting for 81.8% of solar cell production in 2009, according to Solarbuzz LLC, or Solarbuzz, an independent international solar energy consulting company, compared to 18.2% for thin-film-based solar cells.

Although PV technology has been used for several decades, the solar power market grew significantly only in the past several years. According to Solarbuzz, the world PV market, defined as the total MW of modules delivered to installation sites, grew at an average compound annual growth rate, or CAGR, of 50% from 1,460 MW in 2005 to 7,300 MW in 2009. According to Solarbuzz, under the Balanced Energy forecast scenario, the lowest of three forecast scenarios, the world PV market is expected to reach 8,440 MW in 2010.

Despite the contraction in demand for solar power products during the second half of 2008 and the first half of 2009 resulting from the global economic crisis and credit market contraction, we believe that demand for solar power products has recovered significantly in response to a series of factors, including the recovery of the global economy, incentive policies for renewable energy including solar power, and the increasing availability of financing for solar power projects. Although selling prices for solar power products, including the average selling prices of our products, have generally stabilized in the third quarter of 2010 at levels substantially below pre-crisis prices, there is no assurance that such prices may not decline again. In addition, demand for solar power products is significantly affected by government incentives adopted to make solar power competitive with conventional fossil fuel power. We believe that demand will continue to grow rapidly in the long term as solar power becomes an increasingly important source of renewable energy. We believe the following factors will drive demand in the global solar power industry, including demand for our products:

- advantages of solar power;

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- long-term growth in demand for alternative sources of energy;
- government incentives for solar power; and
- decreasing costs of solar energy.

We believe the following are the key challenges presently facing the solar power industry:

- high cost of solar power compared with other sources of energy;
- continuing reliance on government subsidies and incentives; and
- the need to promote awareness and acceptance of solar power usage.

Our Competitive Strengths

We believe that the following strengths enable us to compete successfully in the solar power industry:

- we have developed a vertically integrated manufacturing platform;
- we have been able to build an increasingly diversified, high-quality customer base;
- our ability to provide high-quality products enables us to increase our sales and enhance our brand recognition;
- we have been able to rapidly grow our production capacity in a cost-efficient manner;
- we meet a significant portion of our silicon material requirements through use of recovered silicon materials, which enables us to reduce our overall silicon raw material costs and improve our product quality and yield rate;
- our efficient, state-of-the-art production equipment and proprietary process technologies enable us to enhance our productivity; and
- we are led by a strong management team with demonstrated execution capabilities and ability to adapt to rapidly changing economic conditions.

Our Strategies

In order to achieve our goal of becoming a leading vertically integrated supplier of solar power products, we intend to pursue the following principal strategies:

further develop our vertically integrated business model and expand our production capacity;

continue to enhance our research and development capability with a focus on improving our manufacturing processes to reduce our average cost and improve the quality and efficiency of our products;

expand our sales and marketing network and enhance our sales and marketing channels both in and outside China;

Establish and strengthen our brand; and

diversify and strengthen our customer relationships while securing silicon raw material supplies at competitive cost.

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Our Challenges

We believe that the following are some of the major challenges, risks and uncertainties that may materially affect us:

- we may be adversely affected by volatile market and industry trends, in particular, the demand for our solar power products may decline, which may reduce our revenues and earnings;
- a significant reduction in or discontinuation of government subsidies and economic incentives for installation of solar energy systems may have a material adverse effect on our results of operations;
- our limited operating history makes it difficult to evaluate our results of operations and prospects;
- our failure to successfully execute our business expansion plans would have a material adverse effect on the growth of our sales and earnings;
- as polysilicon supply increases, the corresponding increase in the global supply of downstream solar power products may cause substantial downward pressure on the prices of our products and reduce our revenues and earnings;
- we may not be able to obtain sufficient silicon raw materials in a timely manner, which could have a material adverse effect on our results of operations and financial condition;
- volatility in the prices of silicon raw materials makes our procurement planning challenging and could have a material adverse effect on our results of operations and financial condition; and
- notwithstanding our continuing efforts to further diversify our customer base, we derive, and expect to continue to derive, a significant portion of our revenues from a limited number of customers. As a result, the loss of, or a significant reduction in orders from, any of these customers would significantly reduce our revenues and harm our results of operations.

Please see Risk Factors beginning on page 16 and other information included in this prospectus for a discussion of these and other risks and uncertainties.

Our Corporate History and Structure

We are a Cayman Islands holding company and conduct substantially all of our business through our operating subsidiaries in China, Jinko Solar Co., Ltd., or Jiangxi Jinko, and Zhejiang Jinko Solar Co., Ltd., or Zhejiang Jinko. We own 100% of the equity interest in Paker Technology Limited, or Paker, a Hong Kong holding company, which owns 100% of the equity interest in Jiangxi Jinko. Paker and Jiangxi Jinko own 25% and 75%, respectively, of the equity interest in Zhejiang Jinko.

We have also established a number of subsidiaries to provide sales and marketing, payment settlement and logistics services to support our overseas expansion. JinkoSolar International Limited, JinkoSolar GmbH and JinkoSolar (U.S.) Inc., which are incorporated in Hong Kong, Germany and the U.S., respectively, are strategically located to increase our visibility and penetration in target market regions. In addition, Jinko Solar Import and Export Co., Ltd., or Jinko Import and Export, and Zhejiang Jinko Trading Co., Ltd., or Zhejiang Jinko Trading, were established to facilitate our import and export activities in the PRC.

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The following diagram illustrates our corporate structure and the place of organization and ownership interest of each of our subsidiaries immediately before this offering:

We commenced our operations in June 2006 through our then consolidated subsidiary Jiangxi Desun Energy Co., Ltd., or Jiangxi Desun. On November 10, 2006, Paker was established in Hong Kong. On December 13, 2006, Paker established Jiangxi Jinko as our wholly-owned operating subsidiary in China. Jiangxi Desun ceased its solar power business in June 2008. In July 2008, we completed a domestic restructuring, or the 2008 Restructuring, pursuant to which Paker disposed of its interest in Jiangxi Desun.

On May 30, 2008, Paker issued an aggregate of 107,503 series A redeemable convertible preferred shares to Flagship Desun Shares Co., Limited, or Flagship, and Everbest International Capital Limited, or Everbest, and 14,629 ordinary shares to Wealth Plan Investments Limited, or Wealth Plan, in consideration for its consultancy services related to the issuance of series A redeemable convertible preferred shares.

On September 18, 2008, Paker issued an aggregate of 148,829 series B redeemable convertible preferred shares to SCGC Capital Holding Company Limited, or SCGC, CIVC Investment Ltd., or CIVC, Pitango Venture Capital Fund V, L.P. and Pitango Venture Capital Principals Fund V, L.P., or Pitango, TDR Investment Holdings Corporation, or TDR, and New Goldensea (Hong Kong) Group Company Limited, or New Goldensea.

On December 16, 2008, we undertook a share exchange pursuant to which all the then existing shareholders of Paker exchanged their respective shares in Paker for our newly issued shares of the same class and Paker became our wholly-owned subsidiary. Consequently, shareholders of Paker immediately before the share exchange became our shareholders, holding the same number of shares and of the same classes in us (without giving effect to the share split on September 15, 2009 discussed below) as in Paker immediately before the share exchange. JinkoSolar was registered as the sole shareholder of Paker on February 9, 2009. Subsequently, our founders and substantial shareholders, Xiande Li, Kangping Chen and Xianhua Li, transferred their shares in us to Brilliant Win Holdings Limited, or Brilliant, Yale Pride Limited, or Yale Pride, and Peaky Investments Limited, or Peaky, on December 16, 2008. Brilliant was owned by Xiande Li, Yale Pride was owned by Kangping Chen and Peaky was owned by Xianhua Li.

On June 26, 2009, Paker acquired 25%, and on June 30, 2009, Jiangxi Jinko acquired 75%, respectively, of the equity interest in Zhejiang Sun Valley Energy Application Technology Co., Ltd., or Sun Valley, a solar cell supplier which was also one of our largest silicon wafer customers by revenue before the acquisition. As a result, Sun Valley became our wholly-owned subsidiary. Subsequently, we changed the name of Sun Valley to Zhejiang Jinko Solar Co., Ltd., or Zhejiang Jinko, on August 10, 2009.

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On September 15, 2009, we effected a share split with the result of each share becoming 50 shares of the same class, or the 2009 Share Split, pursuant to which each of the ordinary shares, series A redeemable convertible preferred shares and series B redeemable convertible preferred shares was subdivided into 50 shares of the relevant class.

On September 15, 2009, our founders and substantial shareholders, Xiande Li, Kangping Chen and Xianhua Li, through Brilliant, Yale Pride and Peaky, respectively, ratably transferred an aggregate of 3,812,900 ordinary shares to the holders of series B redeemable convertible preferred shares and an aggregate of 701,550 ordinary shares to Flagship.

On November 25, 2009, Paker established JinkoSolar International Limited, a trading company incorporated in Hong Kong, to facilitate settlement of payments and our overseas sales and marketing efforts.

On December 24, 2009, Jiangxi Jinko and Xiande Li established Jinko Import and Export, which subsequently became Jiangxi Jinko s wholly-owned subsidiary before Xiande Li made any capital contribution to Jinko Import and Export. In addition to conducting sales, Jinko Import and Export coordinates our sales activities with production at our operating subsidiaries and primarily facilitates our import and export activities of Jiangxi Jinko in the PRC.

On April 1, 2010, Paker established JinkoSolar GmbH, a limited liability company incorporated in Germany, to establish a presence in Europe, expand our sales and marketing network and increase our brand recognition in strategic markets within the region.

On May 14, 2010, each of Brilliant, Yale Pride and Peaky became wholly owned by HSBC International Trustee Limited in its capacity as trustee, with each of Brilliant, Yale Pride and Peaky being held under a separate irrevocable trust constituted under the laws of the Cayman Islands.

On May 19, 2010, we completed our initial public offering, in which we offered and sold 5,835,000 ADSs representing 23,340,000 ordinary shares, raising US$64.2 million in proceeds before expenses to us. Our ADSs are listed on the New York Stock Exchange under the symbol JKS. In addition, all of our series A and series B redeemable convertible preferred shares were converted into ordinary shares upon the completion of our initial public offering.

On June 13, 2010, Zhejiang Jinko established Zhejiang Jinko Trading to primarily facilitate our import and export activities of Zhejiang Jinko in the PRC.

On August 19, 2010, Paker established JinkoSolar (U.S.) Inc., a limited liability company incorporated in the United States to establish a presence in North America, expand our sales and marketing network and increase our brand recognition in strategic markets within the region.

Corporate Information

Our principal executive office is located at 1 Jingke Road, Shangrao Economic Development Zone, Jiangxi Province, 334100, People s Republic of China. Our telephone number at this address is (86-793) 846-9699 and our fax number is (86-793) 846-1152. Our registered office in the Cayman Islands is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

Investor inquiries should be directed to us at the address and telephone number of our principal executive office set forth above. Our website is *www.jinkosolar.com*. The information contained on our website is not part of this prospectus. Our agent for service of process in the United States is CT Corporation System, located at 111 Eighth Avenue, New York, New York 10011.

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Conventions That Apply to This Prospectus

Except where the context otherwise requires and for purposes of this prospectus only:

Euro or refers to the legal currency of the European Union;

founder selling shareholders refers to Brilliant Win Holdings Limited, of which Xiande Li is the sole director, Yale Pride Limited, of which Kangping Chen is the sole director, and Peaky Investments Limited, of which Xianhua Li is the sole director;

HK$ or Hong Kong dollar refers to the legal currency of Hong Kong;

Jiangxi Desun refers to Jiangxi Desun Energy Co., Ltd., an entity in which our founders and substantial shareholders, Xiande Li, Kangping Chen and Xianhua Li, each holds more than 10%, and collectively hold 73%, of the equity interest; Jiangxi Desun s financial results were consolidated into our financial statements from June 6, 2006 to July 28, 2008;

Jiangxi Jinko refers to Jinko Solar Co., Ltd., our wholly-owned operating subsidiary incorporated in the PRC;

June 2009 Modification refers to (i) the agreement our founders and holders of series B redeemable convertible preferred reached on June 22, 2009 to amend the commitment letter executed and delivered by our founders to the holders of series B redeemable convertible preferred shares on December 16, 2008 in connection with the investment by the holders of our series B redeemable convertible preferred shares in us and (ii) the agreement among our founders and Flagship on July 22, 2009, both as described in Description of Share Capital History of Share Issuances and Other Financings June 2009 Modification ;

June 6, 2006 refers to the inception of our business;

long-term supply contracts refers to our polysilicon supply contracts with terms of one year or above;

Photon Consulting Silicon Price Index or PCSPI is an index of virgin polysilicon prices compiled and published by Photon Consulting LLC., an independent consulting firm. PCSPI is a weighted index in which silicon prices reported by each survey participant are weighted to reflect the nuances found in the length of reported silicon contracts, prepayments and price digression. The PCSPI relies on data gathered from survey participants with exposure to silicon contract and spot prices. The current organizational composition of the index includes both privately held and publicly traded buyers (consumers), sellers (producers) and trading companies located in North America, Asia and Europe;

PRC or China refers to the People s Republic of China, excluding, for purposes of this prospectus, Taiwan, Hong Kong and Macau;

Qualified IPO refers to a fully underwritten initial public offering of our shares or ADSs with a listing on the New York Stock Exchange, or the NYSE. Our initial public offering was a Qualified IPO;

RMB or Renminbi refers to the legal currency of China;

September 2009 Modification refers to the modifications to certain terms of the investment by the holders of series A and series B redeemable convertible preferred shares in us, as described in Description of Share Capital History of Share Issuances and Other Financings September 2009 Modification;

series A redeemable convertible preferred shares refers to our series A redeemable convertible preferred shares, par value US$0.00002 per share, which were converted into ordinary shares upon completion of our initial public offering;

series B redeemable convertible preferred shares refers to our series B redeemable convertible preferred shares, par value US$0.00002 per share, which were converted into ordinary shares upon completion of our initial public offering;

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US$, dollars or U.S. dollars refers to the legal currency of the United States;

watt or W refers to the measurement of total electrical power, where kilowatt or kW means one thousand watts, megawatts or MW means one million watts and gigawatt or GW means one billion watts;

Wp refers to watt-peak, a measurement of power output, most often used in relation to photovoltaic solar energy devices;

Xinwei refers to Shangrao Xinwei Industry Co., Ltd., our PRC subsidiary from July 16, 2007 to December 28, 2007; and

Zhejiang Jinko refers to Zhejiang Jinko Solar Co., Ltd., formerly Zhejiang Sun Valley Energy Application Technology Co., Ltd., a solar cell supplier incorporated in the PRC which has been our wholly-owned subsidiary since June 30, 2009.

Unless we indicate otherwise or in Our Corporate History and Structure Offshore Reorganization, all references to numbers of shares, price per share, earnings per share and par value per share of JinkoSolar have been adjusted to give effect to the 2009 Share Split, which resulted in each share becoming 50 shares of the same class.

Unless we indicate otherwise, all information in this prospectus assumes that the underwriters do not exercise their option to purchase additional ADSs.

This prospectus contains translations of certain Renminbi amounts into U.S. dollars at the rate of RMB6.7815 to US$1.00, the noon buying rate on June 30, 2010, as set forth in the H.10 statistical release of the Federal Reserve Board. We make no representation that the Renminbi or U.S. dollar amounts referred to in this prospectus 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. On October 29, 2010, the exchange rate was RMB6.6705 to US$1.00.

Consistent with industry practice, we measure our silicon wafer, solar cell and solar module production capacity and production output in MW, representing 1,000,000 watts of power-generating capacity. We believe MW is a more appropriate unit to measure our silicon wafer, solar cell and solar module production capacity and production output compared to number of silicon wafers, solar cells and solar modules, as our silicon wafers, solar cells and solar modules are or will be of different sizes. Furthermore, we manufacture both monocrystalline wafers and multicrystalline wafers, which have different conversion efficiencies. In addition, since the conversion efficiencies of our products have been continuously improving, we believe it is appropriate to assume different conversion efficiency rates of our products for different periods for the purpose of this prospectus.

For the period between the completion of our initial public offering until present, we assume an average conversion efficiency rate of 18.0% for solar cells using our monocrystalline wafers. This conversion efficiency is based on the mono-reference cells calibrated by the Fraunhofer Institute for Solar Energy Systems (FhG-ISE) in Freiburg, Germany. Based on this conversion efficiency, we assume that each 125 millimeter, or mm, by 125 mm monocrystalline wafer we produce can generate approximately 2.79 W of power, and that each 156 mm by 156 mm monocrystalline wafer we produce can generate approximately 4.30 W of power.

For the period between the completion of our initial public offering until present, we also assume an average conversion efficiency rate of 16.8% for solar cells using our multicrystalline wafers. This conversion efficiency is estimated based on the multi-reference cells calibrated by FhG-ISE. Based on this conversion efficiency, we assume that each 156 mm by 156 mm multi-crystalline wafer that we produce can generate approximately 4.08 W of power.

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For the period between our inception and the completion of our initial public offering, we assume an average conversion efficiency rate of 16.5% for solar cells using our monocrystalline wafers. This conversion efficiency is estimated based on our 2008 revenues for monocrystalline wafer sales and on the data provided by our top three customers for monocrystalline wafers, which is highly dependent on the solar cell and solar module production processes of these customers. Based on this conversion efficiency, we assume that each 125 millimeter, or mm, by 125 mm monocrystalline wafer we produce can generate approximately 2.45 W of power, and that each 156 mm by 156 mm monocrystalline wafer we produce can generate approximately 4.02 W of power. We also assume an average conversion efficiency rate of 15.0% for solar cells using our multicrystalline wafers. This conversion efficiency is estimated based on the data provided by our top three customers for multicrystalline wafers based on our 2008 revenues for multicrystalline wafer sales and is highly dependent on the solar cell and module production processes of these customers. Based on this conversion efficiency, we assume that each 156 mm by 156 mm multicrystalline wafer that we produce can generate approximately 3.65 W of power.

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THE OFFERING

Price per ADS	US$36.00
ADSs offered by us	2,000,000 ADSs
ADSs offered by the selling shareholders	1,500,000 ADS (including 300,000 ADSs offered by three founder selling shareholders, of which 150,000 ADSs are offered by Brilliant Win Holdings Limited, 90,000 ADSs are offered by Yale Pride Limited, and 60,000 ADSs are offered by Peaky Investments Limited)
ADSs outstanding immediately after this offering	9,335,000 ADS
Ordinary shares outstanding immediately after this offering	94,927,850 ordinary shares

The number of ordinary shares outstanding immediately after the offering:

- excludes 4,272,130 ordinary shares as of the date of this prospectus issuable upon the exercise of outstanding options granted under our long-term incentive plan; and
- excludes a further 3,052,992 ordinary shares reserved for issuance under our long-term incentive plan.

The ADSs	Each ADS represents four ordinary shares, par value US$0.00002 per share. The ADSs will be evidenced by a global ADR. The depositary will be the holder of the ordinary shares underlying the ADSs and you will have the rights of an ADS holder as provided in the deposit agreement among us, the depositary and owners and beneficial owners of ADSs from time to time. You may surrender your ADSs to the depositary to withdraw the ordinary shares underlying your ADSs. The depositary will charge you a fee for such an exchange. We may amend or terminate the deposit agreement for any reason without your consent. If an amendment becomes effective, you will be bound by the deposit agreement as amended if you continue to hold your ADSs.

To better understand the terms of the ADSs, you should carefully read the section in this prospectus entitled Description of American Depositary Shares. We also encourage you to read the deposit agreement, which is an exhibit to the registration statement that includes this prospectus.

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Option to purchase additional ADSs	Our founder selling shareholders have granted the underwriters an option, exercisable within 30 days from the date of this prospectus, to purchase up to an aggregate of 525,000 additional ADSs. We will not receive any of the proceeds from the sale of the additional ADSs.
Use of proceeds	We estimate that we will receive net proceeds from this offering of approximately US$67.6 million after deducting underwriting discounts and commissions and estimated aggregate offering expenses payable by us. We intend to use the net proceeds we receive from this offering primarily for the following purposes: approximately US$50.0 million to expand our production capacity, including procuring new equipment and expanding or constructing manufacturing facilities; and the balance of the net proceeds we receive from this offering to be used as working capital and other general corporate purposes. See Use of Proceeds for additional information. We will not receive any of the proceeds from the sale of ADSs by the selling shareholders.
Risk factors	See Risk Factors and other information included in this prospectus for a discussion of the risks you should carefully consider before deciding to invest in our ADSs.
NYSE trading symbol	JKS
Depositary	JPMorgan Chase Bank, N.A.
Lock-up	We have agreed for a period until 90 days after the date of this prospectus not to sell, transfer or otherwise dispose of any of our ordinary shares, all of our existing ADSs or similar securities. Furthermore, each of (i) the selling shareholders, (ii) the former holders of our series A and series B redeemable convertible preferred shares except TDR Investment Holdings Corporation, which will sell in this offering substantially all of our ordinary shares it currently holds, and (iii) certain directors and executive officers, has agreed to a similar 90-day lock-up. This lock-up will not apply to the exercise of share options granted as of the date of this prospectus, of which options to purchase 1,084,922 ordinary shares (equivalent to 271,230 ADSs) have vested or are expected to vest by November 30, 2010. See Underwriting.
Payment and settlement	The ADSs are expected to be delivered through the book-entry transfer facilities of the Depository Trust Company, or DTC, in New York, New York on or about November 10, 2010.

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SUMMARY CONSOLIDATED FINANCIAL AND OPERATING DATA

The following summary consolidated statements of operations data and other consolidated financial and operating data for the period from June 6, 2006 to December 31, 2006 and consolidated balance sheet data as of December 31, 2006 and 2007 have been derived from our audited consolidated financial statements not included in this prospectus. The following summary consolidated statements of operations data and other consolidated financial and operating data for the years ended December 31, 2007, 2008 and 2009 and the consolidated balance sheet data as of December 31, 2008 and 2009 have been derived from our audited consolidated financial statements, which are included elsewhere in this prospectus. Our audited consolidated financial statements have been prepared and presented in accordance with accounting principles generally accepted in the United States, or U.S. GAAP, and have been audited by PricewaterhouseCoopers Zhong Tian CPAs Limited Company, an independent registered public accounting firm. The following summary consolidated statements of operations data and other consolidated financial and operating data for the six months ended June 30, 2009 and 2010 and the consolidated balance sheet data as of June 30, 2010 have been derived from our unaudited condensed consolidated financial statements, which are included elsewhere in this prospectus. We have prepared the unaudited condensed consolidated financial statements on the same basis as our audited consolidated financial statements. The unaudited condensed consolidated financial statements include all adjustments, consisting only of normal and recurring adjustments, which we consider necessary for a fair presentation of our financial position and operating results for the periods presented.

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You should read the summary consolidated financial and operating data in conjunction with our consolidated financial statements and related notes, Selected Consolidated Financial and Operating Data and Management s Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this prospectus. Our historical results do not necessarily indicate our expected results for any future periods. We have determined that we were no longer the primary beneficiary of Yangfan and Alvagen as of September 1, 2008 and Tiansheng and Hexing were no longer VIEs as of September 30, 2008. As a result, we were no longer required to consolidate their financial results with ours as of September 1, 2008 and September 30, 2008, respectively.

	For the Period from June 6, 2006 to December 31, 2006 (RMB)	For the Year Ended December 31, 2007 (RMB)	2008 (RMB)	2009 (RMB)	2009 (US$)	2009 (RMB)	For the Six Months Ended June 30, 2010 (RMB)	2010 (US$)
	(in thousands, except share and per share data)							
Consolidated Statements of Operations Data:								
Revenues	116,234.2	709,152.9	2,183,614.1	1,567,859.6	231,196.6	481,097.6	1,449,483.1	213,740.8
Cost of revenues	(115,770.9)	(621,024.0)	(1,872,088.6)	(1,337,647.5)	(197,249.5)	(425,722.0)	(1,077,494.0)	(158,887.3)
Gross profit	463.3	88,128.9	311,525.5	230,212.1	33,947.1	55,375.6	371,989.1	54,853.5
Total operating expenses	(1,872.5)	(12,540.3)	(40,271.7)	(107,739.5)	(15,887.3)	(28,750.4)	(124,197.5)	(18,314.2)
(Loss)/Income from operations	(1,409.2)	75,588.6	271,253.8	122,472.6	18,059.8	26,625.2	247,791.6	36,539.3
Interest income/(expenses), net	7.0	(321.9)	(6,323.9)	(29,936.8)	(4,414.5)	(9,364.4)	(25,361.1)	(3,739.7)
Subsidy income		546.8	637.3	8,569.1	1,263.6	5,227.0	4,985.8	735.2
Investment (loss)/gain			(10,165.5)	82.1	12.1			
Exchange loss	(1.1)	(68.0)	(4,979.8)	(2,181.5)	(321.7)	1,168.4	(812.4)	(119.8)
Other income/(expenses), net	33.4	300.0	(490.1)	(1,338.6)	(197.3)	(287.6)	(5,233.2)	(771.7)
Change in fair value of forward contracts							74,605.7	11,001.4
Change in fair value of embedded derivatives			(29,812.7)	(13,599.3)	(2,005.4)	(35,539.5)	54.9	8.1
(Loss)/Income before income taxes	(1,369.9)	76,045.5	220,119.1	84,067.6	12,396.6	(12,170.9)	296,031.3	43,652.8
Income taxes			(822.3)	1,342.0	197.9		(41,974.7)	(6,189.6)
Net (loss)/income	(1,369.9)	76,045.5	219,296.8	85,409.6	12,594.5	(12,170.9)	254,056.6	37,463.2
Less: Net income attributable to the non-controlling interests			(576.8)					
Net (loss)/income attributable to JinkoSolar Holding Co., Ltd.	(1,369.9)	76,045.5	218,720.0	85,409.6	12,594.5	(12,170.9)	254,056.6	37,463.2
Net (loss)/income attributable to JinkoSolar Holding Co., Ltd s ordinary shareholders per share								
Basic	(0.11)	2.19	3.52	(0.73)	(0.11)	(1.49)	3.46	0.51
Diluted	(0.11)	2.19	3.52	(0.73)	(0.11)	(1.49)	3.45	0.51
Net (loss)/income attributable to JinkoSolar Holding Co., Ltd. s ordinary shareholders per ADS(1)								
Basic	(0.44)	8.77	14.10	(2.93)	(0.43)	(5.98)	13.84	2.04
Diluted	(0.44)	8.77	14.10	(2.93)	(0.43)	(5.98)	13.81	2.04
Weighted average ordinary shares outstanding								
Basic	12,500,000	34,691,800	50,429,700	50,731,450	50,731,450	50,731,450	60,130,515	60,130,515
Diluted	12,500,000	34,691,800	50,429,700	50,731,450	50,731,450	50,731,450	60,257,649	60,257,649

(1) Each ADS represents four ordinary shares

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	As of December 31,					As of June 30, 2010	
	2006 (RMB)	2007 (RMB)	2008 (RMB)	2009 (RMB)	2009 (US$)	(RMB)	(US$)
				(in thousands)			
Consolidated Balance Sheets Data:							
Cash and cash equivalent	8,508.0	27,242.2	27,323.6	152,479.6	22,434.6	369,015.5	54,415
Restricted cash			9,622.0	72,827.2	10,739.1	184,035.4	27,137.9
Accounts receivable a related party			69,062.1	100.4	14.8	100.4	14.8
Accounts receivable third parties		228.4	8,039.5	236,796.6	34,918.0	267,191.2	39,400
Advances to suppliers	39,776.5	151,455.7	110,638.3	93,324.1	13,761.6	213,621.6	31,500.6
Inventories	11,376.3	172,134.9	272,030.5	245,192.4	36,156.1	470,777.9	69,420.9
Total current assets	66,174.1	398,470.1	528,980.4	970,650.4	143,132.1	1,754,223.1	258,677.7
Property, plant and equipment, net	9,778.1	57,479.4	352,929.5	741,481.4	109,338.8	1,048,495.8	154,611.2
Land use rights, net	1,810.9	6,962.0	165,509.6	228,377.5	33,676.5	226,503.2	33,400.2
Advances to suppliers to be utilized beyond one year			187,270.6	230,899.5	34,048.4	223,312.6	32,929.7
Total assets	77,763.1	559,279.8	1,278,020.4	2,242,649.3	330,701.1	3,408,251.5	502,580.8
Accounts payable	844.9	8,721.3	23,985.3	99,932.8	14,736.1	222,537.7	32,815.4
Notes payable				81,643.2	12,039.1	155,048.3	22,863.4
Advance from a related party	49,810.6	92,433.3					
Advance from third party customers		162,001.8	184,749.0	36,777.8	5,423.3	88,900.2	13,109.2
Derivative liabilities			30,017.4	54.9	8.1		
Short-term borrowings from third parties	1,000.0	22,990.0	150,000.0	576,084.0	84,949.3	756,472.2	111,549.4
Total current liabilities	66,115.5	310,922.2	481,330.6	946,782.3	139,612.5	1,472,601.9	217,149.9
Long-term borrowings				348,750.0	51,426.7	349,000.0	51,463.5
Total liabilities	66,115.5	372,585.9	485,043.7	1,299,811.8	191,670.2	1,825,904.1	269,247.8
Series A redeemable convertible preferred shares			157,224.9	189,057.9	27,878.5		
Series B redeemable convertible preferred shares			245,402.2	287,703.8	42,424.8		
Total JinkoSolar Holding Co., Ltd. shareholders equity	5,707.6	175,753.9	390,349.6	466,075.8	68,727.5	1,582,347.5	233,333.0
Non-controlling interests	5,940.1	10,940.1					
Total liabilities and equity	77,763.1	559,279.8	1,278,020.4	2,242,649.3	330,701.1	3,408,251.5	502,580.8

The following tables set forth certain other financial and operating data of our company for the periods since we commenced operations on June 6, 2006. Gross margin, operating margin and net margin represent the gross profit, (loss)/income from operations and net (loss)/income as a percentage of our revenues, respectively.

	For the Period from June 6, 2006 to December 31, 2006	For the Year Ended December 31,			For the Six Months Ended June 30,	
		2007	2008	2009	2009	2010
		(RMB in thousands, except percentages)				
Other Financial Data:						
Gross margin	0.4%	12.4%	14.3%	14.7%	11.5%	25.7%
Operating margin	(1.2%)	10.7%	12.4%	8.0%	5.5%	17.1%
Net margin	(1.2%)	10.7%	10.0%	5.6%	(2.5%)	17.5%
Total revenues:						
Sales of recovered silicon materials	116,234.2	536,755.2	902,249.0	28,039.4	28,035.5	
Sales of silicon ingots		170,007.2	483,544.9	98.9	82.6	0.9
Sales of silicon wafers			794,860.1	1,102,232.8	409,452.1	479,801.6
Sales of solar cells				225,866.3	18,750.9	276,539.1
Sales of solar modules				182,015.1	4,043.1	665,378.8
Processing service fees		2,390.5	2,960.1	29,607.1	20,733.4	27,762.7

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	For the Period from June 6, 2006 to December 31, 2006	For the Year Ended December 31, 2007	2008	2009	For the Six Months Ended June 30, 2009	2010
Operating Data:						
Sales volume:						
Recovered silicon materials (metric tons)	128.3	349.1	397.9	11.7	11.7	
Silicon ingots (MW)		12.6	33.1	0.01	0.01	0.1
Silicon wafers (MW)			51.4	180.4	58.1	86.2
Solar cells (MW)				27.3	2.0	34.7
Solar modules (MW)				14.4	0.25	57.6
Average selling price (RMB):						
Recovered silicon materials (per kilogram)	906.0	1,537.5	2,267.5	2,397.1[(1)]	2,398.8[(1)]	
Silicon ingot (per watt)		13.5	14.6	6.8	6.2	12.1
Silicon wafer (per watt)			15.5	6.1	7.4	5.6
Solar cells (per watt)				8.3	9.5	8.0
Solar modules (per watt)				12.7	16.4	11.6

(1) Sales were contracted in 2008 prior to the significant decrease in selling price and made in the first quarter of 2009.

RECENT DEVELOPMENTS

Selected Results for the Third Quarter of 2010

Our revenues for the third quarter of 2010 were RMB1,438.3 million, representing an increase of 260.5% from the third quarter of 2009 and an increase of 59.7% from the second quarter of 2010. During the third quarter, we shipped 134.8 MW of solar products, compared to 64.0 MW in the third quarter of 2009 and 99.9 MW in the second quarter of 2010. In particular, we shipped 92.5 MW of solar modules during the third quarter of 2010, compared to less than 1 MW in the third quarter of 2009 and 54.3 MW in the second quarter of 2010. Our gross profit margin increased from 15.8% in the third quarter of 2009 to 26.9% in the second quarter of 2010 and further to 33.5% in the third quarter of 2010, primarily attributable to the increased degree of vertical integration and a decrease in average non-silicon cost. Our operating margin increased from 6.1% in the third quarter of 2009 to 16.7% in the second quarter of 2010 and further to 26.4% in the third quarter of 2010.

Primarily as a result of the foregoing, our net income attributable to JinkoSolar Holding Co., Ltd. reached RMB259.5 million for the third quarter of 2010, representing a net margin of 18.0%, compared to 3.5% in the third quarter of 2009 and 20.1% in the second quarter of 2010. Our net income attributable to JinkoSolar Holding Co., Ltd. s ordinary shareholders reached RMB259.5 million for the third quarter of 2010, representing a net margin of 18.0%, compared to negative 3.8% in the third quarter of 2009 and 18.3% in the second quarter of 2010. Diluted net income attributable to JinkoSolar Holding Co., Ltd s ordinary shareholders per ADS was RMB11.7 for the third quarter of 2010, compared to diluted net loss of RMB1.20 per ADS in the third quarter of 2009 and diluted net income of RMB9.42 per ADS in the second quarter of 2010.

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RISK FACTORS

An investment in our ADSs involves significant risks. You should carefully consider the risks described below and the other information in this prospectus, including our consolidated financial statements and related notes included elsewhere in this prospectus, before you decide to buy our ADSs. If any of the following risks actually occurs, our business, prospects, financial condition and results of operations could be materially harmed, the trading price of our ADSs could decline and you could lose all or part of your investment.

Risks Related to Our Business and Our Industry

We may be adversely affected by volatile market and industry trends, in particular, the demand for our solar power products may decline, which may reduce our revenues and earnings.

We are affected by solar power market and industry trends. In the fourth quarter of 2008 and the first half of 2009, the global solar power industry experienced a significant decline in demand due to decreases in expenditures on solar power systems and the availability of financing for buyers of solar power products as a result of the global economic crisis. Meanwhile, the manufacturing capacity of solar power products increased during the same period. As a result, the prices of solar power products declined significantly. The prices of solar power products further declined for the remainder of 2009 primarily due to decreased prices of silicon materials and increased manufacturing capacity. During the same period, however, lowered costs of raw materials reduced the cost of producing solar power products. As the effect of the global economic crisis on the solar power market subsided through 2009, the combination of increased availability of financing for solar power projects and decreased average selling prices of solar power products contributed to an overall increase in demand during the second half of 2009 compared to the first half of 2009. While prices of solar products have stabilized in the first nine months of 2010, if demand for solar power products declines again and the supply of solar power products continues to grow, the average selling price of our products will be materially and adversely affected.

The demand for solar power products is also influenced by macroeconomic factors such as the global economic crisis, the supply and prices of other energy products, such as oil, coal and natural gas, as well as government regulations and policies concerning the electric utility industry. A decrease in oil prices, for example, may reduce demand for investment in alternative energy. If such negative market and industry trends recur in the future, the prices of our solar power products could decrease and our business and results of operations may be materially and adversely affected.

A significant reduction in or discontinuation of government subsidies and economic incentives for installation of solar energy systems may have a material adverse effect on our results of operations.

Demand for our products substantially depends on government incentives aimed to promote greater use of solar power, such as feed-in-tariffs, rebates, tax credits and other incentives to distributors, system integrators and manufacturers of solar power products. Countries that provide significant incentives for solar power include Germany, Spain, Japan, the United States, Italy, the Czech Republic, Belgium and China, among others. In many countries that constitute major markets, solar power systems, particularly those for on-grid applications, would not be commercially viable without government incentives because the cost of generating electricity from solar power currently exceeds the cost of generating electricity from conventional or non-renewable energy sources. For example, end users in China receive limited government subsidies and economic incentives, such as capital-based subsidies for building integrated photovoltaic systems under the Solar Rooftop Program and for other qualifying photovoltaic systems under the Golden Sun Demonstration Program.

The scope of government incentives for solar power depends, to a large extent, on political and policy developments in target markets that relate to environmental, economic, energy security and other concerns. Accordingly, a shift in policy consensus could lead to a significant reduction in or discontinuation of support for

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renewable energy. In addition, the effects of the global economic crisis may continue to affect the fiscal ability of governments to offer incentives for solar power. Examples of recent reductions in incentives for solar power include:

- In September 2008, the government of Spain set a cap of 500 MW for feed-in tariffs for solar power generation in 2009;
- In 2010, the government of Spain announced further significant reductions in feed-in tariffs, including a possible retroactive application of the feed-in-tariff reductions;
- In January 2009, the government of Germany reduced solar feed-in tariffs by 9%;
- In July 2010, the government of Germany reduced feed-in tariffs for rooftop installations, ground-mounted installations on commercial land and ground-mounted installations on converted land by 13%, 12% and 8%, respectively. Beginning October 2010, each category of feed-in tariff will be reduced by a further 3%. Installations on agricultural land are ineligible for incentives; and
- In June 2010, the government of Italy introduced a bill that would gradually reduce feed-in tariffs beginning in 2011 by a total of 18% by the end of 2011.

Any significant reduction in the scope, or discontinuation of, government incentive programs, especially those provided in our target markets or markets where our major customers are located, could cause demand for our products and our revenue to decline and have a material adverse effect on our business, financial condition, results of operations and prospects. In addition, the announcement of a significant reduction in incentives in any major market may have an adverse effect on the trading price of the ADSs.

Our limited operating history makes it difficult to evaluate our results of operations and prospects.

We have only been in existence since June 2006 and have limited operating history with respect to our silicon wafer, solar cell and solar module products. We commenced processing recoverable silicon materials in June 2006, and manufacturing silicon ingots and wafers in 2007 and 2008, respectively. We commenced producing solar cells in July 2009 following our acquisition of Zhejiang Jinko, which has manufactured solar cells since June 2007, and we commenced producing solar modules in August 2009.

Although we have experienced revenue growth in periods before and since the global economic crisis, we cannot assure you that our revenues will increase at previous rates or at all, or that we will be able to operate profitably in future periods. Our limited operating history makes the prediction of future results of operations difficult, and therefore, past revenue growth experienced by us should not be taken as indicative of the rate of revenue growth, if any, that can be expected in the future. We believe that period to period comparisons of our operating results are not meaningful and that the results for any period should not be relied upon as an indication of future performance. You should consider our business and prospects in light of the risks, uncertainties, expenses and challenges that we will face as an early-stage company seeking to manufacture and sell new products in a volatile and challenging market.

Our failure to successfully execute our business expansion plans would have a material adverse effect on the growth of our sales and earnings.

Our future success depends, to a large extent, on our ability to increase our vertical integration and expand our production capacity. We plan to increase our annual solar cell and solar module production capacity to approximately 600 MW each by the end of 2010 and we expect to achieve a fully vertically integrated solar module production capacity of 1 GW by the end of 2011. If we are unable to do so, or if we fail to achieve satisfactory manufacturing yields at higher production volumes, we will not be able to achieve our goal of becoming a leading vertically integrated solar product supplier, attain the desired level of economies of scale in our operations or cut the marginal production cost to the level necessary to effectively maintain our pricing and

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other competitive advantages. Our expansion has required and will continue to require substantial capital expenditures, significant engineering efforts, timely delivery of manufacturing equipment and dedicated management attention, and is subject to significant risks and uncertainties, including:

- in order to finance our production capacity expansion, we may need to continue to significantly increase capital contribution to our operating subsidiaries through bank borrowings or issuance of equity or debt securities, which may not be available on reasonable terms or at all, and which could be dilutive to our existing shareholders. Such capital contributions would also require PRC regulatory approvals in order for the proceeds from such issuances to be remitted to our PRC operating subsidiaries, which approvals may not be granted in a timely manner or at all;

- we will be required to obtain government approvals, permits or documents of similar nature with respect to any acquisitions or new expansion projects, and we cannot assure you that such approvals, permits or documents will be obtained in a timely manner or at all;

- we may experience cost overruns, construction delays, equipment problems, including delays in manufacturing equipment deliveries or deliveries of equipment that do not meet our specifications, and other operating difficulties;

- we are using new equipment and technology for our solar cell and solar module production and to lower our unit capital and operating costs, but we cannot assure you that such new equipment and technology will perform as we anticipate;

- we must attract, retain and motivate sufficient numbers of qualified personnel; and

- we may not have sufficient management resources to properly oversee our capacity expansion as currently planned.

Any of these or similar difficulties could significantly delay or otherwise constrain our ability to undertake our capacity expansion as currently planned, which in turn would limit our ability to increase sales, reduce marginal manufacturing costs or otherwise improve our prospects and profitability.

In addition, we may have limited access to financing to fund capital expenditure or working capital requirements, or may have to adjust the terms of our contracts with our suppliers or customers to accommodate changing market conditions, or our suppliers and customers may be unable to perform their obligations under our existing contracts with them. Furthermore, we may be unable to secure new sales contracts, raw materials and equipment required for our production. The occurrence of any of these events would affect our ability to achieve economies of scale and cut our marginal production cost, which may in turn hinder our ability to increase our vertical integration and expand our production capacity as planned.

As polysilicon supply increases, the corresponding increase in the global supply of downstream solar power products may cause substantial downward pressure on the prices of our products and reduce our revenues and earnings.

Polysilicon is an essential raw material used in the production of solar cells and modules. Prior to the second half of 2008, there was an industry-wide shortage of polysilicon, primarily as a result of the growing demand for solar power products. According to Solarbuzz, spot prices for solar grade polysilicon rose to a peak of US$450-US$475 per kilogram by mid-2008. Due to the historical scarcity of polysilicon, supply chain management and financial strength were the key barriers to entry. However, beginning in late 2008 and continuing through June 30, 2010, newly available polysilicon capacity has resulted in an increased supply of polysilicon, which has created downward pressure on the price of polysilicon. According to PCSPI, in the fourth quarter of 2009 the reference price for fixed-price long term polysilicon supply contracts entered into during that period was $54/kg-$55/kg, with a range of approximately $50/kg-$65/kg. In the second quarter of 2010, the reference price for fixed-price long term polysilicon supply contracts entered into during that period had fallen slightly to $52/kg-$53/kg, with a range of approximately $50/kg-$60/kg, and spot solar grade polysilicon prices had fallen to approximately the same level of long term contract prices. In the third quarter of 2010, the reference price for

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spot solar grade polysilicon prices price had risen to $64/kg with a range of approximately $50/kg-$70/kg.** However, spot prices for solar grade polysilicon increased rapidly to US$55 to US$64 during the third quarter of 2010. As the shortage of polysilicon has eased, industry barriers to entry have become less significant and the production of downstream solar power products including our products has increased globally. A decrease in polysilicon prices and an increase in the production of downstream solar power products may result in substantial downward pressure on the prices of those products, including our products. Such price reductions could have a negative impact on our revenues and earnings, and materially and adversely affect our business and results of operations.

According to PCSPI, spot prices of virgin polysilicon rose during the third quarter of 2010. We cannot assure you that the price of polysilicon will not continue to increase, especially if the global solar power market continues its growth momentum. In the past, increases in the price of polysilicon have increased our production costs, and any significant increase in polysilicon prices in the future may adversely impact our business and results of operations.

We may not be able to obtain sufficient silicon raw materials in a timely manner, which could have a material adverse effect on our results of operations and financial condition.

We procure silicon raw materials through a combination of long-term supply contracts and spot market purchases. Currently, we have one long-term virgin polysilicon supply contract with each of Zhongcai Technological Co., Ltd., or Zhongcai Technological, and Hoku Materials, Inc., together with its parent company, Hoku Corporation (formerly known as Hoku Scientific, Inc.), or Hoku, under which we have agreed to procure an aggregate of 5,350 metric tons of virgin polysilicon from 2010 to 2019. In 2008, 2009 and the six months ended June 30, 2010, our five largest suppliers (which for the year 2008 included the VIEs) supplied in the aggregate approximately 81.2%, 54.1% and 58.9%, respectively, of our total silicon purchases by value. Although newly available virgin polysilicon manufacturing capacity has resulted in increased supply of polysilicon, we may experience interruption to our supply of silicon raw materials or late delivery in the future for the following reasons, among others:

- suppliers under our silicon material supply contracts may delay deliveries for a significant period of time without incurring penalties;
- as we only began our business operations in June 2006, we generally do not have a long history with our virgin polysilicon suppliers and there can be no assurance that they will be able to meet our production needs consistently or on a timely basis;
- compared to us, many of our competitors who also purchase virgin polysilicon from our suppliers have had longer and stronger relationships with and have greater buying power and bargaining leverage over some of our key suppliers; and
- our supply of silicon raw materials is subject to the business risk of our suppliers, some of whom have limited operating history and limited financial resources, and one or more of which could go out of business for reasons beyond our control in the current economic environment. See Hoku may not be able to complete its plant construction in a timely manner or may cease to continue as a going concern, which may have a material adverse effect on our results of operations and financial condition.

Our failure to obtain the required amounts of silicon raw materials in a timely manner and on commercially reasonable terms would increase our manufacturing costs and/or substantially limit our ability to meet our contractual obligations to deliver products to our customers. Any failure by us to meet such obligations could have a material adverse effect on our reputation, ability to retain customers, market share, business and results of

** The reference spot price is based on average spot price offered and signed from September 2009 through September 2010. The reference contract price reports the average levelized price of the contracts signed and offered from September 2009 through September 2010 and with deliveries commencing in 2011 and 2012. Reference prices represent aggregated price information from numerous sources. Price ranges are approximations. Reference price and price ranges are as close to accurate as possible without revealing source-specific information.

operations and may subject us to claims from our customers and other disputes. Furthermore, our failure to obtain sufficient silicon raw materials would result in under-utilization of our production facilities and an increase in our marginal production costs. Any of the above events could have a material adverse effect on our growth, profitability and results of operations.

Volatility in the prices of silicon raw materials makes our procurement planning challenging and could have a material adverse effect on our results of operations and financial condition.

The annual prices under our long-term supply contract with Hoku are fixed with declining annual prices over the contract s nine-year term, and the contract is subject to a prepayment arrangement. If the price of virgin polysilicon continues to decrease, this fixed-price, prepaid arrangement may cause our cost of silicon raw materials to be greater than that of our competitors who source their supply of silicon raw materials based on floating-price arrangements or spot market purchases unless we are able to renegotiate or otherwise adjust the purchase prices or volumes. Due to the volatility in the prices of virgin polysilicon, we cannot assure you that the prices under our long-term supply contract with Hoku will be below the spot market price. To the extent we may not be able to fully pass increased costs and expenses on to our customers, our profit margins, results of operations and financial condition may be materially and adversely affected.

In addition, we expect that the prices of virgin polysilicon feedstock may continue to be subject to volatility, making our procurement planning challenging. For example, if we refrain from entering into more fixed-price, long-term supply contracts, we may miss opportunities to secure long-term supplies of virgin polysilicon at favorable prices if the price of virgin polysilicon increases significantly in the future. On the other hand, if we enter into more fixed-price, long-term supply contracts, we may not be able to renegotiate or otherwise adjust the purchase prices under such long-term supply contracts if the price declines. In each case, our business, financial condition and results of operations may be materially and adversely affected.

Notwithstanding our continuing efforts to further diversify our customer base, we derive, and expect to continue to derive, a significant portion of our revenues from a limited number of customers. As a result, the loss of, or a significant reduction in orders from, any of these customers would significantly reduce our revenues and harm our results of operations.

We expect that our results of operations will, for the foreseeable future, continue to depend on the sale of our products to a relatively small number of customers. For the years ended December 31, 2007 and 2008, sales to customers that individually exceeded 10% of our revenues accounted for approximately 53.8% and 47.1%, respectively, of our revenues, while for the year ended December 31, 2009 and the six months ended June 30, 2010, no customer generated sales that individually exceeded 10% of our revenues. Our relationships with our key customers were developed over a short period of time and are generally in their early stages. Our key customers include customers for solar modules as well as buyers of silicon wafers and solar cells. We plan to use an increasing proportion of our silicon wafers and solar cells for our own solar module production as we expand production capacity. As a result, our silicon wafers and solar cells available for sale to key customers may decrease over time or we may eventually cease selling our silicon wafers and solar cells to such customers. We cannot assure you that these customers will continue to generate significant revenues for us or that we will be able to maintain these customer relationships. Likewise, we cannot assure you that we will be able to establish and maintain long-term relationships with customers for our solar modules. In addition, our business is affected by competition in the market for products that many of our major customers sell, and any decline in the businesses of our customers could reduce the purchase of our products by these customers. The loss of sales to our major customers could also have a material adverse effect on our business, prospects and results of operations.

In addition, although as of the date of this prospectus, we have major sales contracts with 11 customers for the sale of more than 600 MW of solar modules from 2010 to 2011, we may allow our customers flexibility in relation to the volume, timing and pricing of their orders under these contracts on a case-by-case basis. Therefore, the volumes of solar modules actually purchased by customers under these contracts in any given

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period and the timing and amount of revenues we recognize in such period may not correspond to the terms of these contracts. As a result, the revenues we recognize from sales under these contracts from period to period may vary, and such variance could have a material adverse effect on our results of operations.

We have grown our business through acquisition and may continue to undertake acquisitions, investments, joint ventures or other strategic alliances, and such undertakings may be unsuccessful.

As part of our strategy, our growth is also driven by acquisition. For example, we expanded our product lines into solar cells through our acquisition of Zhejiang Jinko in June 2009, and we may in the future continue to grow our operations through acquisitions, participation in joint ventures or other strategic alliances with suppliers or other companies in China and overseas along the solar power industry value chain. Such acquisitions, participation in joint ventures and strategic alliances may expose us to new operational, regulatory, market and geographical risks as well as risks associated with additional capital requirements and diversion of management resources.

In particular, our acquisitions may expose us to various risks:

- There may be unforeseen risks relating to the target s business and operations or liabilities of the target that were not discovered by us through our legal and business due diligence prior to such acquisition. Such undetected risks and liabilities could have a material adverse effect on our business and results of operations in the future.

- There is no assurance that we will be able to maintain customer relationships with previous customers of the target, or develop new customer relationships in the future. Loss of our existing customers or failure to establish relationships with new customers could have a material adverse effect on our business and results of operations.

- Acquisitions will generally divert a significant portion of our management and financial resources from our existing business and the integration of the target s operations with our existing operations has required, and will continue to require, significant management and financial resources, potentially straining our ability to finance and manage our existing operations.

- There is no assurance that the expected synergies from any acquisition will actually materialize. If we are not successful in the integration of a target s operations, we may not be able to generate sufficient revenue from its operations to recover costs and expenses of the acquisition.

The materialization of any of these risks could have a material adverse effect on our business, financial condition and results of operations.

If we are unable to remedy the material weaknesses and the significant deficiency in our internal control over financial reporting, we may be unable to timely and accurately record, process and report financial data or comply with disclosure and other reporting obligations.

We are a public company in the United States and subject to reporting obligations under the U.S. securities laws. Section 404 of the Sarbanes-Oxley Act of 2002, or SOX 404, requires that we include a management report that assesses the effectiveness of our internal control over financial reporting in our annual report on Form 20-F beginning with our annual report for the fiscal year ending December 31, 2011. In addition, our independent registered public accounting firm will be required to attest to and report on the effectiveness of our internal control over financial reporting in accordance with SOX 404. Our management may conclude that our internal control over financial reporting is not effective. Moreover, even if our management concludes that our internal control over financial reporting is effective, our independent registered public accounting firm may still issue a report that is qualified if it is not satisfied with our internal controls or the level at which our controls are documented, designed, operated or reviewed. Our reporting obligations as a public company will place a significant strain on our management, operational and financial resources and systems for the foreseeable future.

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Prior to the completion of our initial public offering on May 19, 2010, we were a private company with a short operating history and limited accounting personnel and other resources with which to address our internal control over financial reporting. In the course of the preparation and external audit of our consolidated financial statements for the years ended December 31, 2007, 2008 and 2009, and the external review of the financial information for the six months ended June 30, 2010, we and our independent registered public accounting firm identified a number of control deficiencies in our internal control over financial reporting, including two material weaknesses and a significant deficiency, as defined in the standards established by the U.S. Public Company Accounting Oversight Board.

The material weaknesses identified were: (1) the lack of resources with appropriate accounting knowledge and experience to prepare and review financial statements and related disclosures in accordance with U.S. GAAP, which was evidenced by (i) the lack of sufficient resources with adequate U.S. GAAP knowledge and experience to identify, evaluate and conclude on certain accounting matters independently, and (ii) the lack of effective controls designed and in place to ensure the completeness and accuracy of the consolidated financial statements and disclosures in accordance with U.S. GAAP, including inappropriate presentation of statement of cash flows for the year ended December 31, 2009 and (2) inadequate review procedures, including appropriate levels of review in the design of period end reporting process that are consistently applied across our entities, to identify inappropriate accounting treatment of transactions, which was evidenced by audit adjustments for corrections of (i) revenue and inventory balance in relation to deliveries to a customer pending the customer s formal acceptance as of December 31, 2008, (ii) preferred share accretion and earnings per share for the year ended December 31, 2008, (iii) deferred taxation accounting for the year ended December 31, 2009 and inappropriate presentation of intangible assets in the consolidated balance sheet as of December 31, 2009 and (iv) revenue cut-off errors and inappropriate classification of shipping cost for the quarter ended June 30, 2010.

The significant deficiency was the lack of formally documented corporate accounting policies in relation to the preparation of financial statements in accordance with U.S. GAAP.

Material weaknesses and significant deficiencies in our internal control over financial reporting could result in a material misstatement of our financial statements that will not be prevented or detected. Following the identification of these material weaknesses and control deficiencies, we have begun taking and/or plan to take actions and measures to significantly improve our internal control over financial reporting in order to obtain reasonable assurance regarding the reliability of our financial statements. See Management s Discussion and Analysis of Financial Condition and Results of Operations Internal Control Over Financial Reporting. However, the implementation of these actions and measures may not be sufficient to address the material weaknesses and significant deficiency in our internal control over financial reporting to provide reasonable assurance that our internal control over financial reporting is effective, and we cannot yet conclude that such control deficiencies have been fully remedied. In addition, we cannot assure you if or when we will be able to remedy these control deficiencies or that our independent registered public accounting firm will agree with our assessment. Our failure to remedy these control deficiencies, identify and address any other material weaknesses or significant deficiencies, and implement new or improved controls successfully in a timely manner could result in inaccuracies in our financial statements and could impair our ability to comply with applicable financial reporting requirements and related regulatory filings on a timely basis. As a result, our business, financial condition, results of operations and prospects, as well as the trading price of our ADSs, may be materially and adversely affected.

We plan to continue to address and remedy these control deficiencies in time to meet the deadline for compliance with the requirements of SOX 404. Effective internal control over financial reporting is necessary for us to produce reliable financial reports and are important to help prevent fraud. Our failure to timely achieve and maintain the adequacy of our internal control could result in a loss of investor confidence in the reliability of our reporting processes, which could negatively impact the market price of our ADSs. Moreover, we anticipate that we will incur considerable costs and devote significant management time and other resources to comply with SOX 404 and other requirements of the Sarbanes-Oxley Act.

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We manufacture our products in two locations in China, which exposes us to various risks relating to long-distance transportation of our silicon wafers and solar cells in the manufacturing process.

Our manufacturing facilities for the production of silicon ingots, wafers and solar modules are, and will continue to be, located in Shangrao, Jiangxi Province while our manufacturing facilities for the production of solar cells are located in Haining, Zhejiang Province. As a result, we transport a substantial volume of our silicon wafers from Shangrao to Haining to be processed into solar cells. Our principal manufacturing base for our solar modules is located in Shangrao, and as a result, we need to transport a substantial volume of our solar cells from Haining to Shangrao to be processed into solar modules. The geographical separation of our manufacturing facilities necessitates constant long-distance transportation of substantial volumes of our silicon wafers and solar cells between Shangrao and Haining. The distance between Shangrao and Haining is approximately 410 kilometers and the two cities are connected by roads and railway. The constant long-distance transportation of a large volume of our silicon wafers and solar cells may expose us to various risks, including (i) increase in transportation costs, (ii) loss of our silicon wafers and/or solar cells as a result of any accidents that may occur in the transportation process; (iii) delays in the transportation of our silicon wafers or solar cells as a result of any severe weather conditions, natural disasters or other conditions adversely affecting road traffic between Haining and Shangrao; and (iv) disruptions to our production of solar cells and solar modules as a result of delays in the transportation of our silicon wafers and solar cells. Any of these risks could have a material adverse effect on our business and results of operations.

Prepayment arrangements to suppliers for the procurement of silicon raw materials and solar cells expose us to the credit risks of such suppliers and may also significantly increase our costs and expenses, which could in turn have a material adverse effect on our financial condition, results of operations and liquidity.

Our supply contracts generally include prepayment obligations for the procurement of silicon raw materials and solar cells. As of June 30, 2010, we had approximately RMB213.6 million (US$31.5 million) of advances to suppliers, and RMB223.3 million (US$32.9 million) of advances to suppliers to be utilized beyond one year, which consist primarily of prepayments under our long-term virgin polysilicon supply contracts. We do not receive collateral to secure such payments for some of these contracts. Our prepayments, secured or unsecured, expose us to the credit risks of our suppliers, and reduce our chances of obtaining the return of such prepayments in the event that our suppliers become insolvent or bankrupt. Moreover, we may have difficulty recovering such prepayments if any of our suppliers fails to fulfill its contractual delivery obligations to us. Accordingly, a default by our suppliers to whom we have made substantial prepayment may have a material adverse effect on our financial condition, results of operations and liquidity. See Hoku may not be able to complete its plant construction in a timely manner or may cease to continue as a going concern, which may have a material adverse effect on our results of operations and financial condition. In addition, if the market price of silicon raw materials declines, we may not be able to adjust any historical payment insofar as it relates to a future delivery at a fixed price. To the extent that we are unable to pass these increased costs and expenses to our customers, our business, financial condition and results of operations may be materially and adversely affected.

Hoku may not be able to complete its plant construction in a timely manner or may cease to continue as a going concern, which may have a material adverse effect on our results of operations and financial condition.

We have entered into a long-term supply contract with Hoku, a virgin polysilicon supplier, pursuant to which we have made total prepayments of US$20.0 million. Hoku is currently in the process of constructing the facility that will produce the virgin polysilicon to be provided to us under this supply contract. While our prepayment is secured by a lien on Hoku s assets according to the terms of our supply contract with Hoku, such lien is deeply subordinated and shared with all other customers and other senior lenders of Hoku. On December 22, 2009, Hoku issued shares and warrants representing a majority of its shares to Tianwei New Energy Holdings Co., Ltd., or Tianwei, a PRC company engaged in the manufacturing of silicon wafers, solar cells and modules. In addition, pursuant to the arrangement between Hoku and Tianwei, Tianwei has the right to appoint a majority of the directors of Hoku Scientific, thus giving Tianwei control of Hoku. In exchange, Tianwei cancelled US$50

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million of indebtedness that Hoku would be obligated to repay to Tianwei under certain polysilicon supply agreements and Tianwei agreed to arrange additional loan financing for Hoku. As disclosed in Hoku s Form 10-Q filed on August 11, 2010, Hoku woul