

Ticker: 688599

Stock Abbreviation: Trina Solar

Trina Solar Co., Ltd.
Abstract of the Interim Report 2020

Section I. Important Statements

1. This is an abstract of the Interim Report 2020. Investors are kindly reminded to read the complete version of the Interim Report 2020 on the Shanghai Stock Exchange's official website, which is designated by the China Securities Regulatory Commission to get complete information about operational results, financial statements, and future plans of the Company. Should there be any discrepancy, the complete Chinese version shall prevail.
2. **Significant Risk Statements**
Please refer to Section III, "Performance Discussion and Analysis," of this report for the various risks to which the Company is exposed to.
3. **The Board of Directors, the Supervisory Committee as well as all the directors, supervisors, and senior management staff of the Company have guaranteed that this report contains no false record, misleading statement, or material omission and shall be jointly and severally liable for the actuality, accuracy and completeness of the information given in this report.**
4. **All directors of the Company attended the board meeting.**
5. **This interim report is unaudited.**
6. **Preliminary plan for dividend distribution and converting capital reserves into share capital considered and approved by the Board**
Applicable Not applicable
7. **Existence of material matters such as special corporate governance arrangements**
Applicable Not applicable

Section II. Company Profile

2.1 Company Information

Company Stock Profile

Applicable Not applicable

Company stock profile				
Type of stock	Stock Exchange and Board	Stock abbreviation	Ticker	Stock abbreviation before change
A-share	Shanghai Sci-Tech Innovation Board	Trina Solar	688599	N/A

Company Depository Receipt Profile

Applicable Not applicable

Contact Us

Contact Us	Board Secretary (domestic representative for information disclosure)	Securities Representative
Name	Wu Qun	Li Zhiyong
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Tel.	0519-81588826	0519-81588826
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2.2 Main Items in Financial Statements

Unit: Yuan Currency: RMB

	30 June 2020	31 December 2019 (restated)	31 December 2019 (original)	Flux (%)
Total assets	42,402,158,180.98	36,283,015,447.44	36,491,234,670.63	16.87
Net assets attributable to shareholders of the Company	14,810,400,561.33	11,956,299,390.66	11,956,299,390.66	23.87
	From 1 January 2020 to 30 June 2020	From 1 January 2019 to 30 June 2019 (restated)	From 1 January 2019 to 30 June 2019 (original)	Flux (%)
Net cash flows from operating activities	660,538,652.50	2,065,891,628.49	2,065,891,628.49	-68.03
Operating revenue	12,545,938,891.04	10,763,638,629.59	10,763,638,629.59	16.56
Net profits attributable to shareholders of the Company	492,967,843.44	142,554,110.60	142,554,110.60	245.81
Net profits attributable to shareholders of the Company before non-recurring gains and losses	444,604,500.88	157,584,637.59	157,584,637.59	182.14
Weighted average return on equity (%)	4.03	1.25	1.25	Up 2.78 percentage points
Basic earnings per share (Yuan /share)	0.28	0.08	0.08	250.00
Diluted earnings per share (RMB Yuan /share)	0.28	0.08	0.08	250.00
R&D investment as a percentage of operating revenue (%)	6.85	4.58	4.58	Up 2.27 percentage points

2.3 Top 10 shareholders

Unit: share

Total number of shareholders at the end of the Reporting Period				83,722			
Total number of preferred shareholders with resumed voting rights at the end of the Reporting Period				0			
Top 10 shareholders							
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Total shares held	Number of restricted shares held	Number of restricted shares including lent shares for refinancing	Pledged or frozen shares	
Gao Jifan	Domestic individual	17.00	351,565,275	351,565,275	351,565,275	N/A	0

Jiangsu Panji Investment Co., Ltd.	Domestic non-state-owned corporation	15.30	316,408,747	316,408,747	316,408,747	N/A	0
Xingyin Growth Capital Management Co., Ltd.	State-owned corporation	15.04	310,959,486	310,959,486	310,959,486	N/A	0
Hangzhou Hongyu Investment Management Co., Ltd.	Domestic non-state-owned corporation	5.10	105,469,583	105,469,583	105,469,583	N/A	0
Xinyu Rongqi Investment Management Co., Ltd.	Domestic non-state-owned corporation	4.34	89,649,145	89,649,145	89,649,145	N/A	0
Luan Xinshi Asset Management Co., Ltd.-Dangtu Xinshi Emerging Industry Fund (Limited Partnership)	Domestic non-state-owned corporation	4.25	87,891,319	87,891,319	87,891,319	N/A	0
Ningbo Meishan Bonded Port Area Jingmin Investment Co., Ltd.	Domestic non-state-owned corporation	4.07	84,199,883	84,199,883	84,199,883	N/A	0
Zhuhai Qisheng Investment Management Co., Ltd.	Domestic non-state-owned corporation	2.89	59,766,097	59,766,097	59,766,097	N/A	0
Trinagroup Investment Co., Ltd.	Domestic non-state-owned corporation	2.19	45,340,012	45,340,012	45,340,012	N/A	0
Shanghai Xingjing Investment Management Co., Ltd.	State-owned corporation	1.96	40,430,007	40,430,007	40,430,007	N/A	0
Related or acting-in-concert parties among shareholders above	In the top 10 shareholders of the Company, Jiangsu Panji Investment Co., Ltd., Trinagroup Investment Co., Ltd., and Mr. Gao Jifan, the controlling shareholder and the Company's actual controller are acting-in-concert parties.						
Total number of preferred shareholders and their shares with resumed voting rights	N/A						

2.4 Table of the top 10 domestic depository receipts holders

Applicable Not applicable

2.5 Total number of preferred shareholders and top 10 preferred shareholders and their shareholdings

Applicable Not applicable

2.6 Change of controlling shareholder or actual controller

Applicable Not applicable

2.7 Outstanding and overdue company bonds

Applicable Not applicable

Section III. Performance Discussion and Analysis

3.1 Performance Discussion and Analysis

In the first half of 2020, affected by the COVID-19 pandemic, the PV industry's global market demand declined compared to original expectations, however the Chinese PV industry as a whole maintained relatively stable development. Thanks to its long-accumulated risk prevention and control mechanism and efficient operation, the Company maintained continuous production and overcame many difficulties in production and operation to grow against the adversities. During the reporting period, the Company achieved an operating income of RMB 12,545.9389 million, up 16.56% year-on-year. Net profit attributable to shareholders of the listed Company amounted to RMB 492.9678 million Yuan, up 245.81% year on year, of which net profit attributable to shareholders of the listed Company before non-recurring gains and losses amounted to RMB 444.6045 million Yuan, up 182.14% year on year. On 10 June 2020, the Company issued its first A-Shares on Shanghai Sci-Tech Innovation Board as the first PV product, PV system, and smart energy company listed on it. IPO net proceeds reached RMB 2.31 billion. The Company's high-quality, innovative development entered a new stage. Key financial results in the first half of 2020 are as follows,

A. Business Development and Sales Operations

1) PV Module Business

In 2020, the chain capacity clustering of the crystalline silicon industry is trending, with large silicon wafer becoming the mainstream. Under such background, the Company actively responded to market changes, conducted forward-looking technology research and development and demonstrations, actively engaged in research and development with equipment manufacturers, primary and secondary material manufacturers, logistics suppliers, etc., and launched ultra-high power Vertex modules to lead and accelerate industry development.

On the module manufacturing side, the Company took the lead and rapidly deployed 210mm silicon wafer large-size cell and module production capacity in Suqian, Yiwu, and Yancheng manufacturing bases in China. The Yiwu manufacturing base became the world's first large-scale production base for ultra-high power modules with 210mm cell technology. As of the date of the Chinese version of this report's disclosure, the Company has signed another 6GW high-efficiency

210mm large-size module investment project agreement in Suqian and 10GW high-efficiency 210mm large-size solar cell investment project agreement in Yancheng. The Company plans to reach a total cell production capacity of about 26GW by the end of 2021, of which the production capacity of 210mm large size cell will account for about 70% by the end of 2021. It will further enhance the overall manufacturing capabilities, optimize product mix, increase core competitiveness, and achieve low-cost, high-quality production capacity expansion.

On the module sales side, the Company has achieved industry-leading levels in both module shipments and product leadership. Aiming high, the Company's module shipments reached 5,840MW during the reporting period, increasing 37% over the same period in 2019. Module sales in overseas markets have enjoyed a higher gross margin and contributed significantly to net profit growth, with 1071 MW module shipment in North America, up 238% year-on-year, 1720MW module shipment in Europe, up 60% year-on-year and 508MW module shipment in Latin America, up 162% year-on-year. During the reporting period, the 500W+ Vertex Modules achieved a market breakthrough upon its global debut in February. The 600W+ Vertex Module was launched shortly after in July, leading the industry into the 600W era. As of the date of the Chinese version of this report, the order book for the Vertex Modules has approached 1GW.

2) PV System Business

In 2018, the Company launched TrinaPro, a one-stop smart PV solution for the global large-scale power plant market. Relying on system design and software algorithms, the solution innovatively integrates three core hardware elements, including high-efficiency bifacial modules, intelligent tracking systems, and reliable inverters. It provides integrated services and intelligent O&M management platforms to reduce 8% to 15% of BOS costs and increase system power generation by 3% to 8%. During the reporting period, the TrinaPro business achieved rapid and steady growth, delivering orders of 882MW globally, an increase of over 100% compared to the same period last year. In terms of product development, in June, the Company released the TrinaPro Mega solution, which was the first in the industry to be equipped with 500W+ ultra-high power modules. Based on a lower cost per kWh, it can further increase power plant projects' profitability from higher component adaptability, lower system costs, and more intelligent services.

The PV power plant business has also made significant breakthroughs and continues to develop new business models. During the reporting period, the Company signed project contracts with Rise Fund, a subsidiary of TPG Group, which was one of the world's largest alternative asset management companies. The total transaction value of the contracts was approximately US\$700 million and a scale of nearly 1 GW, including 35 overseas PV power plant projects located in Europe and Latin America. The Company will provide total solutions for these projects, including project development, design, procurement, and construction management services. The domestic power plant systems business developed steadily and up more than 25% year-on-year with around 1GW of PV bidding and parity projects during the reporting period.

During the pandemic, the Company adjusted its domestic distribution in time, just one month after the outbreak. The Company's household PV brand TrinaHome took the lead to digitalize business operations. Through online live sellings from the factory, the Company was able to continue its business development. Digitalized business operations will also be treated as a regular long-term mechanism going forward.

3) Smart Energy Business

The energy cloud-platform business continued to advance steadily with a forward-looking layout, with a number of practical application scenarios and projects in industrial IoT, commercial IoT, and energy IoT segments, and has entered the small-scale batch application phase.

B. Continuous innovation and technology development

1) Establishment of the 600W+ photovoltaic open Innovation ecological alliance

In order to accelerate the PV industry into a new era and adopt technological innovation to drive the transformation of product and to create customer value based on system value, under the active promotion and participation of the Company, the 600W+ Photovoltaic Open Innovation Ecological Alliance was officially established by 39 companies from upper stream and lower stream of the industry value chain, including silicon wafers, cells, modules, trackers, inverters, materials and equipment manufacturers. The alliance aims to create a collaborative and innovative ecosystem through open collaboration, synergizing the main resources of the industry chain, and integrating core processes such as R&D, manufacturing, and applications. Member companies will work together to build products, systems, and standards for a next-generation technology platform, committing to maximizing the

customer values of 600W+ ultra-high power modules and other related solutions at the application end to create value and boost development together and achieve a win-win situation.

2) Technology R & D and Scientific Projects

During the reporting period, the Company invested RMB 860 million Yuan in research and development, with 43 new patent applications, including 29 invention patents.

The Company continued to make breakthroughs in module product innovation technology. On 4 March 2020, the State Key Laboratory of PV Science and Technology prepared PERC cells with a conversion efficiency of 23.39% using standard industrialized equipment. This is the highest efficiency industrialized PERC cell with international ISO/IEC 17025 certification.

The 600W+ Vertex Series adopts innovative layout design, Multi-BusBar technology, non-destructive cutting, high-density packaging, and other advanced technologies to maximize the value of 600W+ ultra-high power modules and solutions in applications. The Vertex modules have been awarded the "New Standard Foundation Certification" and "PV Pioneer Frontier Technology Certification" by CGC.

By its strong innovation and R & D capability, leading core technology capability, and trending-up business operation, the Company was selected as one of the top 20 innovative enterprises and one of the top 10 enterprises in the STAR MARKET as the only PV enterprise which made the list. The Company was also selected as the second place of the top 100 innovative enterprises in Jiangsu Province in 2019, as one of the top three enterprises four years in a row.

C. Corporate governance and organizational optimization

1) Good risk prevention and control and emergency response mechanisms help "fight pandemic and maintain production."

Early this year upon the COVID-19 outbreak, the Company quickly responded and set up pandemic prevention and emergency working group. Under the government's guidance, the Company continued to improve pandemic prevention and control. With strict management of the manufacturing bases, the Company maintained regular production while fighting the pandemic. In addition to guaranteeing the internal supply of pandemic prevention materials, the emergency working group actively cooperated with important strategic partners to maintain regular production and operation of the Company.

- 2) The "100-Day Plan", which is based on the principle of operational excellence, has led to a number of operational improvements and significant advances in product technology.

During the reporting period, the Module Manufacturing and Sales Business Unit of the Company launched a 100-day plan themed in "Achieving Customer Orientation, Competitive Leadership, and Value Creation." It has set and achieved five significant goals, including achieving the annual target of business performance, competitive leadership in product technology quality and delivery, the successful introduction of 166/210mm new products, optimization of performance incentives, and lean management talent development.

The Company used management excellence thinking and lean management methodology to accomplish more than 20 crucial tasks and improvement projects to achieve the goals.

- 3) Strengthen talents, motivation, and training, and striving for excellence.

In terms of talent training, the existing campus recruitment program and other programs including "Beginners," "Leapers," and "Climbers" are aimed at training talents at all levels, with continuous implementation of the concept of "Co-creation of value, co-sharing of responsibilities, co-development and win-win." The Company has also further enhanced employees' competency level in key positions, allowed opportunities for young people to rapidly gain work experience, attracted and retained core leading talents with incentives that can share the responsibilities, create and share value, and focused on building a team full of strivers.

3.2 Statements of Any Changes in Accounting Policies, Accounting Estimates, and Accounting Methods Compared to the Prior Year.

Applicable Not applicable

Significant accounting policy changes in 2020

On 5 July 2017, the Ministry of Finance issued *Corporate Accounting Standards No. 14 - Revenue (2017 Revision) (Finance Accounting Standards [2017] No. 22)* (hereinafter referred to as the "New Revenue Standards"). Domestically listed companies are required to implement the *New Revenue Standards* from 1 January 2020. The Company implemented the *New Revenue Standards* on 1 January 2020, and adjusted the relevant elements of the accounting policy.

The *New Revenue Standards* require the cumulative effect of the first-time implementation of the standard to adjust the amounts of retained earnings and other related items in the financial statements at the beginning of the year in which it is first implemented (i.e., 1 January 2020), without adjusting the information for comparable periods. In implementing the *New Revenue Standards*, the Company only adjusted the cumulative impact of contracts that were not completed at the date of the first implementation.

On 10 May 2017, the Ministry of Finance issued *Accounting Standard No. 16 - Government Grants*

(Revised), which is effective from 12 June 2017. During the current year, the Company changed its accounting policy for government grants to the net method of accounting for government grants that qualify for the net method of accounting, and adjusted the related content of the accounting policy.

3.3 Statements about the retrospective restatement, the amount of corrections and the cause and impact of major accounting errors in the reporting period

Applicable Not applicable

Legal representative (signature): Gao Jifan

Trina Solar Co., Ltd.

26 August 2020