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GCL New Energy Holdings Limited

協鑫新能源控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 451)

**DISCLOSEABLE TRANSACTIONS
WITH HUA ZHONG AND FIRST ELECTRIC**

DISCLOSEABLE TRANSACTION ENTERED INTO WITH HUA ZHONG

On 6 January 2015, Shangyi Yuanchen (a 95%-owned subsidiary of the Company) as the principal entered into the Hebei Shangyi EC Agreement with Hua Zhong as the contractor and GCL New Energy Construction (a wholly-owned subsidiary of the Company) as the manager under which Hua Zhong undertakes to provide services including, but not limited to, the design and construction of a photovoltaic power plant with a capability of 50MW in Shangyi city, Hebei province, PRC.

DISCLOSEABLE TRANSACTIONS ENTERED WITH FIRST ELECTRIC

On 6 January 2015, Dongtou Energy (a wholly-owned subsidiary of the Company) as the principal entered into the Shaanxi Yushen PC Agreement with First Electric as the contractor and GCL New Energy Construction (a wholly-owned subsidiary of the Company) as the manager under which First Electric undertakes to provide services including, but not limited to, the procurement and construction of a photovoltaic power plant with a capability of 100MW in Yushen Industrial Zone, Yulin city, Shaanxi province, PRC.

On 6 January 2015, Zhenglanqi State Power (a 98.824%-owned subsidiary of the Company) as the principal entered into the Zhenglanqi EPC Agreement with First Electric as the contractor and GCL New Energy Construction (a wholly-owned subsidiary of the Company) as the manager under which First Electric undertakes to provide services including, but not limited to, the design, procurement and construction of a photovoltaic power plant with a capability of 50MW in Zhenglanqi, Inner Mongolia Autonomous Region, PRC.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios in respect of each of the Hebei Shangyi EC Agreement, the Shaanxi Yushen PC Agreement and the Zhenglanqi EPC Agreement exceeds 5% but less than 25%, the entering into each of the Hebei Shangyi EC Agreement, the Shaanxi Yushen PC Agreement and the Zhenglanqi EPC Agreement constitutes a discloseable transaction of the Company and the Company shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

1. INTRODUCTION

This announcement is made by the Company pursuant to Chapter 14 of the Listing Rules.

2. DISCLOSEABLE TRANSACTION WITH HUA ZHONG

On 6 January 2015, Shangyi Yuanchen (a 95%-owned subsidiary of the Company) as the principal entered into the Hebei Shangyi EC Agreement with Hua Zhong as the contractor and GCL New Energy Construction (a wholly-owned subsidiary of the Company) as the manager under which Hua Zhong undertakes to provide services including, but not limited to, the design and construction of a photovoltaic power plant with a capability of 50MW in Shangyi city, Hebei province, PRC.

A. Principal terms of Hebei Shangyi EC Agreement

Date

6 January 2015

Parties

Principal: Shangyi Yuanchen

Contractor: Hua Zhong

Manager: GCL New Energy Construction

Subject matter

Shangyi Yuanchen agreed to engage Hua Zhong to provide the design and construction services in relation to a 50MW photovoltaic solar power station in Shangyi city, Hebei province, PRC (the “**Hebei Shangyi EC Project**”). Shangyi Yuanchen agreed to delegate to GCL New Energy Construction the power and authority to supervise and monitor the daily performance of Hua Zhong throughout the term of the Hebei Shangyi EC Agreement. Shangyi Yuanchen will enter into a separate project management agreement with GCL New Energy Construction pursuant to which GCL New Energy Construction will charge management fees to Shangyi Yuanchen for project management services provided by it to Shangyi Yuanchen.

Basis of consideration

The consideration for the services under the Hebei Shangyi EC Agreement shall be RMB156,750,000 (equivalent to approximately HK\$195,608,325).

The Hebei Shangyi EC Agreement was negotiated and entered into on an arm's length basis and on normal commercial terms. The consideration under the Hebei Shangyi EC Agreement was determined with reference to (a) the quality standard of the services to be provided under the Hebei Shangyi EC Agreement; (b) the profit margin of the project; and (c) the prevailing market price.

Payment terms

The consideration for the services under the Hebei Shangyi EC Agreement shall be paid by Shangyi Yuanchen to Hua Zhong in seven instalments in accordance with the following milestones:

1. First instalment: RMB23,512,500 (equivalent to approximately HK\$29,341,249) representing 15% of the consideration shall be paid by Shangyi Yuanchen to Hua Zhong as a pre-payment of the consideration;
2. Second instalment: RMB23,512,500 (equivalent to approximately HK\$29,341,249) representing 15% of the consideration to be paid by Shangyi Yuanchen to Hua Zhong when the installation of the modules is 50% complete and the construction of the utility systems is completed and handed over;
3. Third instalment: RMB31,350,000 (equivalent to approximately HK\$39,121,665) representing 20% of the consideration to be paid by Shangyi Yuanchen to Hua Zhong when the installation of the modules is 80% complete and each part of the utility systems has been inspected and accepted by Shangyi Yuanchen;
4. Fourth instalment: RMB39,187,500 (equivalent to approximately HK\$48,902,081) representing 25% of the consideration to be paid by Shangyi Yuanchen to Hua Zhong when the electricity power administration authority issues the quality inspection report for the Hebei Shangyi EC Project;
5. Fifth instalment: RMB15,675,000 (equivalent to approximately HK\$19,560,833) representing 10% of the consideration to be paid by Shangyi Yuanchen to Hua Zhong when the inspection report for handing over for production is obtained;
6. Sixth instalment: RMB7,837,500 (equivalent to approximately HK\$9,780,416) representing 5% of the consideration to be paid by Shangyi Yuanchen to Hua Zhong when the final inspection and acceptance certificate of the Hebei Shangyi EC Project is obtained and the final accounting of Hebei Shangyi EC Project upon its completion is completed; and
7. Seventh instalment: RMB15,675,000 (equivalent to approximately HK\$19,560,833) representing 10% of the consideration to be paid by Shangyi Yuanchen to Hua Zhong upon the expiration of the one year warranty period of the power station constructed under the Hebei Shangyi EC Agreement provided that by then there are no quality issues with the power station or such issues have been properly resolved.

As of the date of this announcement, Shangyi Yuanchen has paid a total amount of RMB18,532,800 (equivalent to approximately HK\$23,127,081) in cash to Hua Zhong.

B. Listing Rules Implications

As one or more of the applicable percentage ratios in respect of Hebei Shangyi EC Agreement exceeds 5% but less than 25%, the entering into the Hebei Shangyi EC Agreement constitutes a discloseable transaction of the Company and the Company shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable inquiry, Hua Zhong and its ultimate beneficial owner are third parties independent of the Company and are not connected persons of the Company.

3. DISCLOSEABLE TRANSACTIONS WITH FIRST ELECTRIC

On 6 January 2015, Dongtou Energy (a wholly-owned subsidiary of the Company) as the principal entered into the Shaanxi Yushen PC Agreement with First Electric as the contractor and GCL New Energy Construction (a wholly-owned subsidiary of the Company) as the manager under which First Electric undertakes to provide services including, but not limited to, the procurement and construction of a photovoltaic power plant with a capability of 100MW in Yushen Industrial Zone, Yulin city, Shaanxi province, PRC.

On 6 January 2015, Zhenglanqi State Power (a 98.824%-owned subsidiary of the Company) as the principal entered into the Zhenglanqi EPC Agreement with First Electric as the contractor and GCL New Energy Construction (a wholly-owned subsidiary of the Company) as the manager under which First Electric undertakes to provide services including, but not limited to, the design, procurement and construction of a photovoltaic power plant with a capability of 50 MW in Zhenglanqi, Inner Mongolia Autonomous Region, PRC.

A. Principal terms of Shaanxi Yushen PC Agreement

(i) Date

6 January 2015

(ii) Parties

Principal: Dongtou Energy

Contractor: First Electric

Manager: GCL New Energy Construction

(iii) *Subject matter*

Dongtou Energy agreed to engage First Electric to provide the procurement and construction services in relation to a 100MW photovoltaic solar power station in Yushen Industrial Zone, Yulin city, Shaanxi province, PRC. (the “**Shaanxi Yushen PC Project**”). Dongtou Energy agreed to delegate to GCL New Energy Construction the power and authority to supervise and monitor the daily performance of First Electric throughout the term of the Shaanxi Yushen PC Agreement. Dongtou Energy will enter into a separate project management agreement with GCL New Energy Construction pursuant to which GCL New Energy Construction will charge management fees to Dongtou Energy for project management services provided by it to Dongtou Energy.

(iv) *Basis of consideration*

The consideration for the services under the Shaanxi Yushen PC Agreement shall be RMB685,350,000 (equivalent to approximately HK\$855,248,265).

Shaanxi Yushen PC Agreement was negotiated and entered into on an arm’s length basis and on normal commercial terms. The consideration under the Shaanxi Yushen PC Agreement was determined with reference to (a) the quality standard of the services to be provided under the Shaanxi Yushen PC Agreement; (b) the profit margin of the project; and (c) the prevailing market price.

(v) *Payment terms*

The consideration for the services under the Shaanxi Yushen PC Agreement shall be paid by Dongtou Energy to First Electric in seven instalments in accordance with the following milestones:

1. First instalment: RMB102,802,500 (equivalent to approximately HK\$128,287,240) representing 15% of the consideration shall be paid by Dongtou Energy to First Electric as a pre-payment of the consideration;
2. Second instalment: RMB102,802,500 (equivalent to approximately HK\$128,287,240) representing 15% of the consideration to be paid by Dongtou Energy to First Electric when the installation of the modules is 50% complete and the construction of the utility systems is completed and handed over;
3. Third instalment: RMB137,070,000 (equivalent to approximately HK\$171,049,653) representing 20% of the consideration to be paid by Dongtou Energy to First Electric when the installation of the modules is 80% complete and each part of the utility systems has been inspected and accepted by Dongtou Energy;
4. Fourth instalment: RMB171,337,500 (equivalent to approximately HK\$213,812,066) representing 25% of the consideration to be paid by Dongtou Energy to First Electric when the electricity power administration authority issues the quality inspection report for the Shaanxi Yushen PC Project;

5. Fifth instalment: RMB68,535,000 (equivalent to approximately HK\$85,524,827) representing 10% of the consideration to be paid by Dongtou Energy to First Electric when the inspection report for handing over for production is obtained;
6. Sixth instalment: RMB34,267,500 (equivalent to approximately HK\$42,762,413) representing 5% of the consideration to be paid by Dongtou Energy to First Electric when the final inspection and acceptance certificate of the Shaanxi Yushen PC Project is obtained and the final accounting of the Shaanxi Yushen PC Project upon its completion is completed; and
7. Seventh instalment: RMB68,535,000 (equivalent to approximately HK\$85,524,827) representing 10% of the consideration to be paid by Dongtou Energy to First Electric upon the expiration of the one year warranty period of the power station constructed under the Shaanxi Yushen PC Agreement provided that by then there are no quality issues with the power station or such issues have been properly resolved.

As of the date of this announcement, Dongtou Energy has paid a total amount of RMB10,800,000 (equivalent to approximately HK\$13,477,320) in cash to First Electric.

B. Principal Terms of Zhenglanqi EPC Agreement

(i) Date

6 January 2015

(ii) Parties

Principal:	Zhenglanqi State Power
Contractor:	First Electric
Manager:	GCL New Energy Construction

(iii) Subject matter

Zhenglanqi State Power agreed to engage First Electric to provide the engineering, procurement and construction services in relation to a 50MW photovoltaic solar power station in Zhenglanqi, Inner Mongolia Autonomous Region, PRC (the “**Zhenglanqi EPC Project**”). Zhenglanqi State Power agreed to delegate to GCL New Energy Construction the power and authority to supervise and monitor the daily performance of First Electric throughout the term of the Zhenglanqi EPC Agreement. Zhenglanqi State Power will enter into a separate project management agreement with GCL New Energy Construction pursuant to which GCL New Energy Construction will charge management fees to Zhenglanqi State Power for project management services provided by it to Zhenglanqi State Power.

(iv) Basis of consideration

The consideration for the services under the Zhenglanqi EPC Agreement shall be RMB353,155,000 (equivalent to approximately HK\$440,702,125).

Zhenglanqi EPC Agreement was negotiated and entered into on an arm's length basis and on normal commercial terms. The consideration under the Zhenglanqi EPC Agreement was determined with reference to (a) the quality standard of the services to be provided under the Zhenglanqi EPC Agreement; (b) the profit margin of the project; and (c) the prevailing market price.

(v) Payment terms

The consideration for the services under the Zhenglanqi EPC Agreement shall be paid by Zhenglanqi State Power to First Electric in seven instalments in accordance with the following milestones:

1. First instalment: RMB52,973,250 (equivalent to approximately HK\$66,105,319) representing 15% of the consideration shall be paid by Zhenglanqi State Power to First Electric as a pre-payment of the consideration;
2. Second instalment: RMB52,973,250 (equivalent to approximately HK\$66,105,319) representing 15% of the consideration to be paid by Zhenglanqi State Power to First Electric when the installation of the modules is 50% complete and the construction of the utility systems is completed and handed over;
3. Third instalment: RMB70,631,000 (equivalent to approximately HK\$88,140,425) representing 20% of the consideration to be paid by Zhenglanqi State Power to First Electric when the installation of the modules is 80% complete and each part of the utility systems has been inspected and accepted by Zhenglanqi State Power;
4. Fourth instalment: RMB88,288,750 (equivalent to approximately HK\$110,175,531) representing 25% of the consideration to be paid by Zhenglanqi State Power to First Electric when the electricity power administration authority issues the quality inspection report for the Zhenglanqi EPC Project;
5. Fifth instalment: RMB35,315,500 (equivalent to approximately HK\$44,070,212) representing 10% of the consideration to be paid by Zhenglanqi State Power to First Electric when the inspection report for handing over for production is obtained;
6. Sixth instalment: RMB17,657,750 (equivalent to approximately HK\$22,035,106) representing 5% of the consideration to be paid by Zhenglanqi State Power to First Electric when the final inspection and acceptance certificate of the Zhenglanqi EPC Project is obtained and the final accounting of the Zhenglanqi EPC Project upon its completion is completed; and

7. Seventh instalment: RMB35,315,500 (equivalent to approximately HK\$44,070,212) representing 10% of the consideration to be paid by Zhenglanqi State Power to First Electric upon the expiration of the one year warranty period of the power station constructed under the Zhenglanqi EPC Agreement provided that by then there are no quality issues with the power station or such issues have been properly resolved.

As of the date of this announcement, Zhenglanqi State Power has paid a total amount of RMB20,318,616 (equivalent to approximately HK\$25,355,601) in cash to First Electric.

C. Listing Rules Implications

As one or more of the applicable percentage ratios in respect of each of the Shaanxi Yushen PC Agreement and the Zhenglanqi EPC Agreement exceeds 5% but less than 25%, the entering into each of the Shaanxi Yushen PC Agreement and the Zhenglanqi EPC Agreement constitutes a discloseable transaction of the Company and the Company shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable inquiry, First Electric and its ultimate beneficial owner are third parties independent of the Company and are not connected persons of the Company.

4. REASONS AND BENEFITS OF THE DISCLOSEABLE TRANSACTIONS

Since May 2014, the Company has announced various renewable energy projects and acquisitions showing the new nature and scope of the business of Group, including the Company's announcements dated 21 May 2014, 26 August 2014, 28 August 2014, 6 October 2014, 10 November 2014, 28 November 2014, 4 December 2014 and 30 December 2014.

As a developer of greenfield projects, the Group has to engage contractors to provide engineering, procurement and constructions services to construct its solar power generation projects. Each of Hua Zhong and First Electric are well-known EPC contractors and has extensive local resources. The Group believes that each of them can deliver service at a quality standard which meets the expectations of the Group.

Based on the above reasons, the Directors believe and consider that the terms of the Hebei Shangyi EC Agreement, the Shaanxi Yushen PC Agreement and the Zhenglanqi EPC Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

5. INFORMATION ON THE PARTIES TO THE DISCLOSEABLE TRANSACTIONS

First Electric

First Electric is principally engaged in (i) first class general contracting for construction of electrical projects, third class general contracting for construction of housing and building projects; (ii) first class professional contracting for tall structure projects; (iii) second class professional contracting for steel structure projects; (iv) third class professional contracting for environmental protection projects; (v) maintenance and repairing of industrial equipment, sales of construction materials, lease of mechanical equipment,

installation of lifting equipment; (vi) maintenance and repairing of power plants and technological modification; (vii) talent training; (viii) electrical technology service and consultancy of technologies; (ix) special service of non-destructive testing; (x) road transportation; (xi) contracting for overseas thermal power projects and international bidding projects in the PRC; (xii) export of equipment and materials required for the above overseas projects; (xiii) dispatching of workers required for the above overseas projects; (xiv) accommodation; and (xv) dining (for specified branches only), provided that businesses requiring approvals according to the PRC laws may only be conducted after obtaining approvals from the relevant authorities.

Hua Zhong

Hua Zhong is principally engaged in (i) new energy power generation (for branches only); (ii) general contracting for construction of electrical projects; (iii) general contracting for construction of electromechanical installation projects; (iv) general contracting for construction of hydraulic and hydro-power projects; (v) general contracting for construction of municipal and public facility projects; (vi) construction of urban and road lighting projects; (vii) contracting of antiseptic and heat preservation projects (subject to valid qualifications for the above construction projects); (viii) installation of thermal power equipment; (ix) consultancy of electrical technologies; (x) consultancy of project management; and (xi) sales of complete set of electrical equipment.

The Group

The Group is principally engaged in development, construction, investment, operation and management of photovoltaic power station projects as well as providing energy storage, energy efficiency, intelligent micro-grid and energy distribution solutions to its customers and joint venture partners. The Group is also engaged in manufacturing and selling of printed circuit boards.

6. DEFINITIONS

Unless the context otherwise requires, the following expressions have the following meanings in this announcement:

“Board”	the board of the Directors
“Company”	GCL New Energy Holdings Limited 協鑫新能源控股有限公司, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange, with stock code 451
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Discloseable Transactions”	all the transactions entered into pursuant to the Hebei Shangyi EC Agreement, Shaanxi Yushen PC Agreement and Zhenglanqi EPC Agreement

“Dongtou Energy”	Yulin City Yushen Industrial Zone Dongtou Energy Company Limited* (榆林市榆神工業區東投能源有限公司) a company with limited liability incorporated in the PRC which is a wholly-owned subsidiary of the Company
“First Electric”	First Electric Power Engineering Company of China Energy Engineering Group Co., Ltd. * (中國能源建設集團江蘇省電力建設第一工程公司), an enterprise owned by the whole people established in the PRC
“GCL New Energy Construction”	Nanjing GCL New Energy Construction Management Company Limited* (南京協鑫新能源建設管理有限公司), a company incorporated in the PRC and is a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hebei Shangyi EC Agreement”	the agreement dated 6 January 2015 entered into between Shangyi Yuanchen as the principal, Hua Zhong as the contractor and GCL New Energy Construction as the manager under which Hua Zhong undertakes to provide the design and construction services in relation to the Hebei Shangyi EC Project
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hua Zhong”	Hua Zhong State Power Group Company Limited* (華中國電電力集團有限公司), a company with limited liability incorporated in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shaanxi Yushen PC Agreement”	the agreement dated 6 January 2015 entered into between Dongtou Energy as the principal, First Electric as the contractor and GCL New Energy Construction as the manager under which First Electric undertakes to provide the procurement and construction services in relation to the Shaanxi Yushen PC Project
“Shangyi Yuanchen”	Shangyi Yuanchen New Energy Development Company Limited* (尚義元辰新能源開發有限公司) a company with limited liability incorporated in the PRC which is a 95%-owned subsidiary of the Company

“Share(s)”	ordinary shares of one-two-hundred-fortieth (1/240) of a Hong Kong dollar each (equivalent to HK\$0.00416) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“Zhenglanqi EPC Agreement”	the agreement dated 6 January 2015 entered into between Zhenglanqi State Power as the principal, First Electric as the contractor and GCL New Energy Construction as the manager under which First Electric undertakes to provide the engineering, procurement and construction services in relation to the Zhenglanqi EPC Project
“Zhenglanqi State Power”	Zhenglanqi State Power PV Company Limited* (正藍旗國電光伏發電有限公司), a company with limited liability incorporated in the PRC which is a 98.824%-owned subsidiary of the Company
“%”	per cent.

* For identification purpose only

This announcement contains translations between Renminbi and Hong Kong dollar amounts at RMB1 = HK\$1.2479, being the exchange rate prevailing on 6 January 2015. The translations should not be taken as a representation that the Renminbi could actually be converted into Hong Kong dollars at that rate or at all.

As at the date of this announcement, the Board comprises Mr. Zhu Gongshan, Mr. Tang Cheng, Mr. Zhang Guoxin, Mr. Gu Xin, Ms. Hu Xiaoyan and Mr. Yip Sum Yin as executive directors; Ms. Sun Wei and Mr. Yu Baodong as non-executive directors; Mr. Wang Bohua, Mr. Xu Songda, Mr. Han Qing-hua and Mr. Lee Conway Kong Wai as independent non-executive directors.

By order of the Board
GCL New Energy Holdings Limited
協鑫新能源控股有限公司
Tang Cheng
Chairman

Hong Kong, 6 January 2015