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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)

**PROPOSED ISSUE OF ZERO-COUPON CONVERTIBLE BONDS
BY A SUBSIDIARY OF THE COMPANY
AND
RESUMPTION OF TRADING**

**PROPOSED ISSUE OF ZERO-COUPON CONVERTIBLE BONDS BY A SUBSIDIARY
OF THE COMPANY**

On 24 April 2015 (after trading hours), the Company and the Issuer (an indirect subsidiary of the Company) entered into the Subscription Agreement with the Subscriber in relation to the issuance of the Convertible Bonds to be issued in two tranches in an aggregate principal amount of US\$100,000,000 by the Issuer.

The Convertible Bonds will not bear interest and will be due three years from the Relevant Issue Date of the first tranche of the Convertible Bonds. At the Subscriber's sole discretion, the Maturity Date may be extended an additional 12 months. Assuming the exercise in full of the Conversion Right at the initial Conversion Price and the aggregate principal amount of US\$100,000,000 of the Convertible Bonds is issued, the Issuer will issue such number of Shares that results in the Subscriber holding 45.4545% of the total issued share capital of the Issuer.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 1:00 p.m. on 24 April 2015 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 27 April 2015.

Shareholders and potential investors should note that the completion of the Subscription Agreement is subject to fulfillment of the Conditions Precedent under the Subscription Agreement. As the transaction may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

THE SUBSCRIPTION AGREEMENT

On 24 April 2015 (after trading hours), the Company and the Issuer (an indirect subsidiary of the Company) entered into the Subscription Agreement with the Subscriber in relation to the issuance of the Convertible Bonds to be issued in two tranches in an aggregate principal amount of US\$100,000,000 by the Issuer.

The closing of each tranche of the subscription is subject to customary conditions precedent, including obtaining all third party, governmental and regulatory consents and approvals and making all such filings and notifications, and having no Material Adverse Effect occurring since the date of the Subscription Agreement. The first tranche of subscription is subject to certain additional conditions precedent agreed by the parties including the execution of all the Transaction Documents.

The Subscription Agreement may be terminated if the conditions precedent relating to the first tranche of subscription are not fulfilled by 26 October 2015. The Subscription Agreement may also be terminated prior to the closing of the first tranche of the Convertible Bonds by mutual consent by the Subscriber and the Issuer.

PRINCIPAL TERMS OF THE CONVERTIBLE BONDS

The Convertible Bonds are zero coupon bonds and accordingly no interest accrues or is payable on the Convertible Bonds. The Convertible Bonds will be due on the Maturity Date, which at the Subscriber's sole discretion, may be extended for an additional 12 months. Unless previously redeemed, converted or purchased and cancelled, the Convertible Bonds will be redeemed on the Maturity Date at their Principal Amount plus an amount that will result in a Total Internal Rate of Return for the Investor of 7 per cent per annum from the Relevant Issue Date to the Maturity Date.

The Company has guaranteed the payment of all sums payable by the Issuer under the Convertible Bonds and the performance of all of the other obligations of the Issuer in respect of the Convertible Bonds.

Subject to the Conditions, upon closing the Convertible Bonds are convertible into Shares of the Issuer at a Conversion Price which will be an amount which shall ensure that the number of Shares issued upon exercise of the Conversion Right shall be based on a ratio which assumes that the aggregate principal amount of the Convertible Bonds, if converted to Shares

of the Issuer, would be equal to 45.4545% of the total outstanding issued Shares of the Issuer. The Conversion Price shall be subject to adjustment in certain customary events, including subdivision, consolidation or reclassification of Shares, and dilutive issuances.

The Conditions also contain customary events of default, following the occurrence of which the Convertible Bonds shall immediately become due and redeemable.

The Convertible Bonds constitute direct, unconditional and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves.

EXECUTION OF AGREEMENTS PRIOR TO FIRST TRANCHE OF SUBSCRIPTION

The first tranche of subscription is conditional upon, among other things, the execution of the following agreements:

- (a) Project Support Agreement, under which the Company grants the Issuer a call right and a right of first offer to acquire certain solar power generation assets held by the Company
- (b) Non-Competition Deed, under which the Company covenants that Issuer will be its only vehicle during the term to own solar power generation projects in China for the purposes of generating long-term cash yield for public investors
- (c) Deed of Guarantee, under which the Guarantors jointly and severally guarantee the performance of the Issuer and the Guarantors
- (d) Project Acquisition Agreements, under which the Issuer will acquire certain solar power generation projects from the Company
- (e) Security Documents, under which the Issuer and its subsidiaries grant security to secure the payment of the secured obligations under the Conditions

SHAREHOLDING STRUCTURE OF THE ISSUER

To the best knowledge of the directors of the Company and the Issuer, assuming that no other Shares will be issued: (i) the Issuer is and will be wholly owned by the Company (through a wholly-owned subsidiary of the Company) as at the date of this announcement and immediately before the conversion of the Convertible Bonds; and (ii) the Issuer will be owned as to 54.5455% by the Company (through a wholly-owned subsidiary of the Company) and 45.4545% by the Subscriber immediately after conversion in full of the Convertible Bonds at the initial Conversion Price.

APPLICATION FOR LISTING

No listing of the Convertible Bonds or Conversion Shares will be sought on the Stock Exchange or any other stock exchanges at this time.

USE OF PROCEEDS

The estimated net proceeds of the issue of the Convertible Bonds, assuming an aggregate principal amount of US\$100,000,000 of the Convertible Bonds is issued, after deduction of expenses, are expected to amount to approximately US\$99,000,000. It is intended that the Issuer shall use the net proceeds from the issue of the Convertible Bonds to fund the acquisition of the Project Companies with respect to the Target Projects.

REASONS FOR AND BENEFITS OF THE ISSUE OF THE CONVERTIBLE BONDS

The Issuer is set up by the Company for the purpose of acquiring and holding solar power generation assets in the PRC.

The directors of the Company consider that the terms of the Subscription Agreement, which were arrived at after arm's length negotiations between the Company, the Issuer and the Subscriber, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Date of announcement	Event	Net proceeds and intended use	Actual use of proceeds
9 May 2014	Subscription of 360,000,000 new shares and placement of 50,000,000 new shares at HK\$4.00 per share	The net proceeds of approximately HK\$1,635 million were intended to be applied to strengthen the financial position of the Company group to prepare itself for future diversification of its business into renewable energy sector and/or for future development of the Company group as and when investment opportunities arise	Approximately HK\$195 million was used for the diversification of the Company group's business into renewable energy sector and/or for future development of the Company group; and approximately HK\$1,440 million was used for the development, acquisition or investment into greenfield or existing solar farms, solar projects, solar energy assets or through other similar opportunities
16 October 2014	Top-up placement of 291,000,000 existing shares at HK\$2.55 per share and top-up subscription of 291,000,000 new shares at approximately HK\$2.53 per share	The net proceeds from the top-up subscription of approximately HK\$735 million were intended to be applied to the investment, construction and development of photovoltaic power stations and general working capital	Approximately HK\$423 million was used for the investment, construction and development of solar farms; and approximately HK\$87 million was used for the general working capital, including mainly professional fees and office expenses

Save as disclosed above, the Company and its subsidiaries have not conducted any other fund raising activities in the past twelve months immediately preceding the date of this Announcement.

INFORMATION ON THE SUBSCRIBER

The Goldman Sachs Group, Inc. is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. Founded in 1869, the firm is headquartered in New York and maintains offices in all major financial centers around the world.

Goldman Sachs Investments Holdings (Asia) Limited is a company established in Mauritius in accordance with the Companies Act 2001. The Company acts as an investment holding company.

INFORMATION ON THE COMPANY AND THE ISSUER

The Company is a global leader of new energy focusing on development, construction and operation of solar power, energy storage, energy conservation, smart micro-grid and distributed energy. The Company and its subsidiaries are principally engaged in the development, construction, operation and management of solar farms, as well as manufacturing and selling of printed circuit boards.

The Issuer is set up by the Company for the purpose of acquiring and holding solar power generation assets in the PRC with a predictable cash flow stream in order to fund a regular and increasing dividend to public investors of the Company.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted from 1:00 p.m. on 24 April 2015 pending the release of this announcement. An application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 27 April 2015.

WARNING

Shareholders and potential investors should note that the completion of the Subscription Agreement is subject to fulfillment of the Conditions Precedent under the Subscription Agreement. As the transaction may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Bondholder(s)”	the person(s)/entity(ies) in whose name a Convertible Bond is registered in the register of Bondholders
“Certificate”	the certificate, substantially in the form set out in the Subscription Agreement, to be issued in respect of the Convertible Bonds, together with the Conditions
“Company”	GCL New Energy Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange

“Conditions”	the terms and conditions to the Convertible Bonds to be attached to the Certificate substantially in the form set out in the Subscription Agreement
“Conditions Precedent”	the conditions precedent set out in the Subscription Agreement
“Conversion Period”	any time prior to the Maturity Date
“Conversion Price”	the price at which Conversion Shares will be issued upon conversion of the Convertible Bonds
“Conversion Right”	the right of each Bondholder to convert all or any of the Convertible Bonds held by it into Shares credited as fully paid at any time during a Conversion Period
“Conversion Share(s)”	the Share(s) to be issued by the Issuer upon conversion of the Convertible Bonds
“Convertible Bond(s)”	the zero-coupon convertible bonds in the aggregate principal amount of US\$100,000,000 to be issued by the Issuer to the Subscriber in accordance with the Subscription Agreement and subject to the Conditions
“Guarantors”	the Company, Pioneer Getter Limited, a wholly-owned subsidiary of the Company and two wholly-owned subsidiaries of the Issuer to be established in the BVI and Hong Kong, respectively
“Group”	the Issuer and its subsidiaries from time to time
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Investor”	Goldman Sachs Investment Holdings (Asia) Limited, a limited liability company incorporated and existing under the Laws of Mauritius
“Investor Rights Agreement”	an investor rights agreement to be entered into by and among the Issuer, the Guarantors and the Investor
“Issue Date”	the date on which the Convertible Bonds are issued
“Issuer”	GCL Yield Holding Company Limited, a company incorporated in the British Virgin Islands
“Material Adverse Effect”	a material adverse effect on: <ul style="list-style-type: none"> (a) the business, operations, property, condition (financial or otherwise) or prospects of the Guarantors and the Group taken as a whole; or (b) the ability of the Issuer or Guarantors taken as a whole to perform their obligations under the Transaction Documents; or

(c) the validity or enforceability of, or the effectiveness or ranking of any Security granted or purporting to be granted pursuant to any of, the Security Documents or the rights or remedies of any Bondholder under any of the Transaction Documents

“Maturity Date”	a date which will be Original Maturity Date or such later date as the Investor shall in its sole discretion determine and give notice to the Issuer prior to the Original Maturity Date but which shall be no later than 12 months from the Original Maturity Date
“Original Maturity Date”	a date three years from the Issue Date of the first tranche of Convertible Bonds
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Principal Amount”	the outstanding principal amount of the Convertible Bonds from time to time (excluding any other sums due but unpaid thereon)
“Project Acquisition Agreements”	collectively, the project acquisition agreements relating to the acquisition of Target Projects through the share acquisition of the Project Companies
“Project Companies”	the PRC entities that own, control and operate the Target Projects
“Relevant Issue Date”	the Issue Date of the relevant tranche of Convertible Bonds
“Security Documents”	the Issuer Share Charge, the Subsidiary Share Charges, the Intercompany Loan Assignment and any other document executed and delivered to support or secure payment of the secured obligations under the Conditions
“Shareholder(s)”	holder(s) of the Shares
“Shares”	the shares of the Issuer
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	the Investor
“Subscription Agreement”	the subscription agreement entered into between the Company, the Issuer and the Subscriber on 24 April 2015 (after trading hours) in relation to the issue of the Convertible Bonds, as amended, modified, or supplemented in writing by the parties thereto from time to time
“Target Projects”	certain solar power generation projects to be identified pursuant to the terms of the Subscription Agreement that are expected to be indirectly acquired by Issuer from the Company

“Total Internal Rate of Return”	in respect of the Convertible Bonds, the annual rate based on a 365-day period used to discount each cash flow in respect of such Convertible Bonds (such cash flow to include subscription or purchase consideration, cash dividends and distributions received and cash received from sale or redemption of the Convertible Bonds) to the Relevant Issue Date such that the present value of the aggregate cash flow equals zero. In connection with any calculation required hereunder, the Total Internal Rate of Return shall be calculated with reference to the period from the Relevant Issue Date to the date on which the relevant payment is made in full
“Transaction Documents”	the Subscription Agreement, the Certificate, the Conditions, the Security Documents, the Guarantee, the Investor Rights Agreement, the Project Acquisition Agreements and any other documents delivered by the Company, the Issuer and the Subscriber in connection with the foregoing or otherwise agreed by the Company, the Issuer and the Subscriber to be a Transaction Document and “Transaction Document” means any one of them
“US\$”	United States Dollars, the lawful currency of the United States of America

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, 24 April 2015

As at the date of this announcement, the executive Directors are Mr. Zhu Gongshan, Mr. Tang Cheng, Mr. Zhang Guoxin, Ms. Hu Xiaoyan, Mr. Sun Xingping and Mr. Yip Sum Yin; the non-executive Directors are Mr. Zhu Yufeng, Ms. Sun Wei and Mr. Sha Hongqiu; and the independent non-executive Directors are Mr. Wang Bohua, Mr. Xu Songda, Mr. Wang Yanguo, Mr. Lee Conway Kong Wai and Dr. Chen Ying.