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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 TRANSACTION WITH CHINA FINANCIAL LEASING COMPANY LIMITED**

On 29 April 2016, the Group entered into the following finance lease arrangements with China Financial:

- (a) the Macheng Finance Lease Agreements in relation to the financing of the Macheng Photovoltaic Power Generation Equipment, pursuant to which (i) the Macheng Photovoltaic Power Generation Equipment shall be sold to China Financial for RMB620,000,000.00 (equivalent to approximately HK\$740,404,000.00) and then leased back to Macheng City Jinfu (an indirect wholly owned subsidiary of the Company) for a term of one year for an aggregate rent of RMB664,838,888.89 (equivalent to approximately HK\$793,950,601.11) and (ii) Macheng City Jinfu shall pay to China Financial an administrative fee of RMB9,300,000.00 (equivalent to approximately HK\$11,106,060.00);
- (b) the Tongyu Finance Lease Agreements in relation to the financing of the Tongyu Photovoltaic Power Generation Equipment, pursuant to which (i) the Tongyu Photovoltaic Power Generation Equipment shall be sold to China Financial for RMB90,000,000.00 (equivalent to approximately HK\$107,478,000.00) and then leased back to Tongyu County Poultry (an indirect wholly owned subsidiary of the Company) for a term of two years for an aggregate rent of RMB100,137,937.50 (equivalent to approximately HK\$119,584,724.96) and (ii) Tongyu County Poultry shall pay to China Financial an administrative fee of RMB2,350,000.00 (equivalent to approximately HK\$2,806,370.00); and

(c) the Hefei Finance Lease Agreements in relation to the financing of the Hefei Photovoltaic Power Generation Equipment, pursuant to which (i) the Hefei Photovoltaic Power Generation Equipment shall be sold to China Financial for RMB110,000,000.00 (equivalent to approximately HK\$131,362,000.00) and then leased back to Hefei Jiuyang (an indirect subsidiary of the Company) for a term of two years for an aggregate rent of RMB122,390,812.50 (equivalent to approximately HK\$146,159,108.29) and (ii) Hefei Jiuyang shall pay to China Financial an administrative fee of RMB3,200,000.00 (equivalent to approximately HK\$3,821,440.00),

(together the “**Finance Lease Agreements**”).

## **LISTING RULES IMPLICATIONS**

As the Finance Lease Agreements were each entered into with China Financial, the Finance Lease Agreements will be aggregated as a series of transactions for the Company pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Finance Lease Agreements exceeds 5% but is less than 25%, the entering into of the Finance Lease Agreements, in aggregate, 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. THE FINANCE LEASE AGREEMENTS**

### **A. Principal terms of the Macheng Finance Lease Agreements**

Date: 29 April 2016

Parties: (i) Seller and lessee: Macheng City Jinfu

(ii) Purchaser and lessor: China Financial

#### *Macheng Finance Lease*

Pursuant to the Macheng Finance Lease, China Financial has agreed to purchase, and Macheng City Jinfu has agreed to sell, the Macheng Photovoltaic Power Generation Equipment for a total consideration of RMB620,000,000.00 (equivalent to approximately HK\$740,404,000.00), and following the acquisition, China Financial shall lease back the Macheng Photovoltaic Power Generation Equipment to Macheng City Jinfu for a term of one year, commencing from the day China Financial pays the consideration for the Macheng Photovoltaic Power Generation Equipment under the Macheng Finance Lease (the “**Macheng Commencement Date**”).

The Macheng Photovoltaic Power Generation Equipment comprises certain photovoltaic modules, inverters, data collection equipment, transformers, combiner boxes, fixed and adjustable frames, cables, outdoor equipment, switch boards, surveillance system and certain other photovoltaic power generation equipment owned by Macheng City Jinfu.

### *Payment of rent*

The aggregate amount of rent payable by Macheng City Jinfu to China Financial under the Macheng Finance Lease is RMB664,838,888.89 (equivalent to approximately HK\$793,950,601.11) and is payable in quarterly instalments starting from the next 15<sup>th</sup> day of the month after the Macheng Commencement Date. The expected repayment schedule is as follows:

<b>Instalment</b>	<b>Repayment (RMB)</b>
1.	836,111.11
2.	11,091,111.11
3.	11,091,111.11
4.	11,091,111.11
5.	630,729,444.45

The aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Macheng Finance Lease was RMB620,000,000.00 (equivalent to approximately HK\$740,404,000.00). The interest rate under the Macheng Finance Lease was calculated at an annualised interest rate of 7.00%, representing 2.65% above the current one-year benchmark lending rate of 4.35% promulgated by the People's Bank of China. During the term of the Macheng Finance Lease, if the applicable benchmark lending rate is adjusted by the People's Bank of China, the interest rate applicable shall be adjusted proportionally in the same direction. If the applicable benchmark lending rate promulgated by the People's Bank of China is adjusted to below 4%, then the applicable interest rate under the Macheng Finance Lease shall not be adjusted further downwards.

### *Administrative fee*

Pursuant to the Macheng Administrative Fee Agreement, Macheng City Jinfu has agreed to pay an administrative fee of RMB9,300,000.00 (equivalent to approximately HK\$11,106,060.00) to China Financial. The administrative fee shall be paid by Macheng City Jinfu in three instalments as follows:

- (1) *First instalment:* RMB7,000,000.00 (equivalent to approximately HK\$8,359,400.00) within two months after signing the Macheng Finance Lease;
- (2) *Second instalment:* RMB1,800,000.00 (equivalent to approximately HK\$2,149,560.00) on the date for the payment of the second instalment of rent under the Macheng Finance Lease; and
- (3) *Third instalment:* RMB500,000.00 (equivalent to approximately HK\$597,100.00) on the date for the payment of the third instalment of rent under the Macheng Finance Lease.

The terms of the Macheng Finance Lease and the Macheng Administrative Fee Agreement including the lease rent, lease interest rate, purchase price and administrative fee were determined after arm's length negotiation between China

Financial and Macheng City Jinfu with reference to the prevailing market rates for finance leases for similar assets and the fair market price for similar photovoltaic power generation equipment.

*Ownership of the Macheng Photovoltaic Power Generation Equipment*

During the term of the Macheng Finance Lease, the ownership of the Macheng Photovoltaic Power Generation Equipment shall vest in China Financial. Upon expiry of the term of the Macheng Finance Lease, subject to the full payment of the entire amount of lease rent and any other amounts due and there being no breach under the Macheng Finance Lease, Macheng City Jinfu is eligible to purchase the Macheng Photovoltaic Power Generation Equipment at a nominal purchase price of RMB10,000.00 (equivalent to approximately HK\$11,942.00).

*Security Arrangements for the Macheng Finance Lease*

The obligations under the Macheng Finance Lease are secured by the following:

- (i) **Macheng Suzhou GCL Guarantee:** the Macheng Suzhou GCL Guarantee dated 29 April 2016 between Suzhou GCL New Energy and China Financial, pursuant to which Suzhou GCL New Energy has agreed to provide a corporate guarantee to secure Macheng City Jinfu's obligations under the Macheng Finance Lease, including rental payments and other amounts due to China Financial;
- (ii) **Macheng Receivables Pledge Agreement:** the Macheng Receivables Pledge Agreement dated 29 April 2016 between Macheng City Jinfu and China Financial, pursuant to which Macheng City Jinfu has agreed to pledge all receivables in respect of income (including electricity fees and subsidies) arising from the photovoltaic power station relating to the Macheng Photovoltaic Power Generation Equipment to secure all obligations under the Macheng Finance Lease, including all interest, rental payments, administrative fees, damages and other amounts that may be due to China Financial;
- (iii) **Macheng Share Pledge Agreement:** the Macheng Share Pledge Agreement dated 29 April 2016 between Suzhou GCL New Energy and China Financial, pursuant to which Suzhou GCL New Energy has pledged 100% of its equity interest in Macheng City Jinfu and distributions arising from such equity interest (including but not limited to dividends, bonus shares and other distributions) to secure all of Macheng City Jinfu's obligations under the Macheng Finance Lease; and
- (iv) **Macheng Obligation Transfer Agreement:** the Macheng Obligation Transfer Agreement dated 29 April 2016 between China Financial and Nanjing GCL New Energy, pursuant to which Nanjing GCL New Energy has agreed to assume Macheng City Jinfu's obligations under the Macheng Finance Lease (including any outstanding rent, interest, damages, loss and payment of any other amounts due to China Financial) if Macheng City Jinfu commits a material breach under the terms of the Macheng Finance Lease.

## B. Principal terms of the Tongyu Finance Lease Agreements

Date: 29 April 2016

Parties: (i) Seller and lessee: Tongyu County Poultry

(ii) Purchaser and lessor: China Financial

### *Tongyu Finance Lease*

Pursuant to the Tongyu Finance Lease, China Financial has agreed to purchase, and Tongyu County Poultry has agreed to sell, the Tongyu Photovoltaic Power Generation Equipment for a total consideration of RMB90,000,000.00 (equivalent to approximately HK\$107,478,000.00), and following the acquisition, China Financial shall lease back the Tongyu Photovoltaic Power Generation Equipment to Tongyu County Poultry for a term of two years, commencing from the day China Financial pays the consideration for the Tongyu Photovoltaic Power Generation Equipment under the Tongyu Finance Lease (the “**Tongyu Commencement Date**”).

The Tongyu Photovoltaic Power Generation Equipment comprises certain photovoltaic modules, polysilicon modules, steel frames and scaffolding systems, transformers, inverters, combiner boxes, cable cabinets, lightning protectors, electric current sensors, cables and certain other photovoltaic power generation equipment owned by Tongyu County Poultry.

### *Payment of rent*

The aggregate amount of rent payable by Tongyu County Poultry to China Financial under the Tongyu Finance Lease is RMB100,137,937.50 (equivalent to approximately HK\$119,584,724.96) and is payable quarterly in instalments starting from the next 15<sup>th</sup> day of the month after the Tongyu Commencement Date. The expected repayment schedule is as follows:

<b>Instalment</b>	<b>Repayment</b> <i>(RMB)</i>
1.	184,250.00
2.	1,541,000.00
3.	1,541,000.00
4.	1,541,000.00
5.	1,490,750.00
6.	24,041,000.00
7.	23,655,750.00
8.	23,270,500.00
9.	22,872,687.50

The aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Tongyu Finance Lease was RMB90,000,000.00 (equivalent to approximately HK\$107,478,000.00). The interest rate under the Tongyu Finance Lease was calculated at an annualised interest rate of 6.70%, representing 1.95% above the current one to five year benchmark lending rate of 4.75% promulgated by the People’s Bank of China. During the term of the Tongyu

Finance Lease, if the applicable benchmark lending rate is adjusted by the People's Bank of China, the interest rate applicable shall be adjusted proportionally in the same direction. If the applicable benchmark lending rate promulgated by the People's Bank of China is adjusted to below 4.4%, then the applicable interest rate under the Tongyu Finance Lease shall not be adjusted further downwards.

#### *Administrative fee*

Pursuant to the Tongyu Administrative Fee Agreement, Tongyu County Poultry has agreed to pay an administrative fee of RMB2,350,000.00 (equivalent to approximately HK\$2,806,370.00) to China Financial. The administrative fee shall be paid by Tongyu County Poultry in two instalments as follows:

- (1) *First instalment:* RMB1,000,000.00 (equivalent to approximately HK\$1,194,200.00) within two months after signing the Tongyu Finance Lease; and
- (2) *Second instalment:* RMB1,350,000.00 (equivalent to approximately HK\$1,612,170.00) on the date for the payment of the third instalment of rent under the Tongyu Finance Lease.

The terms of the Tongyu Finance Lease and the Tongyu Administrative Fee Agreement including the lease rent, lease interest rate, purchase price and administrative fee were determined after arm's length negotiation between China Financial and Tongyu County Poultry with reference to the prevailing market rates for finance leases for similar assets and the fair market price for similar photovoltaic power generation equipment.

#### *Ownership of the Tongyu Photovoltaic Power Generation Equipment*

During the term of the Tongyu Finance Lease, the ownership of the Tongyu Photovoltaic Power Generation Equipment shall vest in China Financial. Upon expiry of the term of the Tongyu Finance Lease, subject to the full payment of the entire amount of lease rent and any other amounts due and there being no breach under the Tongyu Finance Lease, Tongyu County Poultry is eligible to purchase the Tongyu Photovoltaic Power Generation Equipment at a nominal purchase price of RMB10,000.00 (equivalent to approximately HK\$11,942.00).

#### *Security Arrangements for the Tongyu Finance Lease*

The obligations under the Tongyu Finance Lease are secured by the following:

- (i) **Tongyu Suzhou GCL Guarantee:** the Tongyu Suzhou GCL Guarantee dated 29 April 2016 between Suzhou GCL New Energy and China Financial, pursuant to which Suzhou GCL New Energy has agreed to provide a corporate guarantee to secure Tongyu County Poultry's obligations under the Tongyu Finance Lease, including rental payments and other amounts due to China Financial;



- (ii) **Tongyu Receivables Pledge Agreement:** the Tongyu Receivables Pledge Agreement dated 29 April 2016 between Tongyu County Poultry and China Financial, pursuant to which Tongyu County Poultry has agreed to pledge all receivables in respect of income (including electricity fees and subsidies) arising from the photovoltaic power station relating to the Tongyu Photovoltaic Power Generation Equipment to secure all obligations under the Tongyu Finance Lease, including all interest, rental payments, administrative fees, damages and other amounts that may be due to China Financial;
- (iii) **Tongyu Share Pledge Agreement:** the Tongyu Share Pledge Agreement dated 29 April 2016 between Suzhou GCL New Energy and China Financial, pursuant to which Suzhou GCL New Energy has pledged 100% of its equity interest in Tongyu County Poultry and other distributions arising from such equity interest (including but not limited to dividends, bonus shares and other distributions) to secure all of Tongyu County Poultry's obligations under the Tongyu Finance Lease; and
- (iv) **Tongyu Obligation Transfer Agreement:** the Tongyu Obligation Transfer Agreement dated 29 April 2016 between China Financial and Nanjing GCL New Energy, pursuant to which Nanjing GCL New Energy has agreed to assume Tongyu County Poultry's obligations under the Tongyu Finance Lease (including any outstanding rent, interest, damages, loss and payment of any other amounts due to China Financial) if Tongyu County Poultry commits a material breach under the terms of the Tongyu Finance Lease.

### C. Principal terms of the Hefei Finance Lease Agreements

Date: 29 April 2016

Parties: (i) Seller and lessee: Hefei Jiuyang

(ii) Purchaser and lessor: China Financial

#### *Hefei Finance Lease*

Pursuant to the Hefei Finance Lease, China Financial has agreed to purchase, and Hefei Jiuyang has agreed to sell, the Hefei Photovoltaic Power Generation Equipment for a total consideration of RMB110,000,000.00 (equivalent to approximately HK\$131,362,000.00), and following the acquisition, China Financial shall lease back the Hefei Photovoltaic Power Generation Equipment to Hefei Jiuyang for a term of two years, commencing from the day China Financial pays the consideration for the Hefei Photovoltaic Power Generation Equipment under the Hefei Finance Lease (the "**Hefei Commencement Date**").

The Hefei Photovoltaic Power Generation Equipment comprises certain combiner boxes, frames, transformers, inverters, polysilicon battery modules, cables, surveillance systems and certain other photovoltaic power generation equipment owned by Hefei Jiuyang.

### *Payment of Rent*

The aggregate amount of rent payable by Hefei Jiuyang to China Financial under the Hefei Finance Lease is RMB122,390,812.50 (equivalent to approximately HK\$146,159,108.29) and is payable quarterly in instalments starting from the next 15<sup>th</sup> day of the month after the Hefei Commencement Date. The expected repayment schedule is as follows:

<b>Instalment</b>	<b>Repayment (RMB)</b>
1.	225,194.44
2.	1,883,444.44
3.	1,883,444.44
4.	1,883,444.44
5.	1,822,027.78
6.	29,383,444.44
7.	28,912,583.33
8.	28,441,722.22
9.	27,955,506.97

The aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Hefei Finance Lease was RMB110,000,000.00 (equivalent to approximately HK\$131,362,000.00). The interest rate under the Hefei Finance Lease was calculated at an annualised interest rate of 6.70%, representing 1.95% above the current one to five year benchmark lending rate of 4.75% promulgated by the People's Bank of China. During the term of the Hefei Finance Lease, if the applicable benchmark lending rate is adjusted by the People's Bank of China, the interest rate applicable shall be adjusted proportionally in the same direction. If the applicable benchmark lending rate promulgated by the People's Bank of China is adjusted to below 4.4%, then the applicable interest rate under the Hefei Finance Lease shall not be adjusted further downwards.

### *Administrative fee*

Pursuant to the Hefei Administrative Fee Agreement, Hefei Jiuyang has agreed to pay an administrative fee of RMB3,200,000.00 (equivalent to approximately HK\$3,821,440) to China Financial. The administrative fee shall be paid by Hefei Jiuyang in five instalments as follows:

- (1) *First instalment:* RMB1,000,000.00 (equivalent to approximately HK\$1,194,200.00) within two months after signing the Hefei Finance Lease;
- (2) *Second instalment:* RMB700,000.00 (equivalent to approximately HK\$835,940.00) on the date for the payment of the second instalment of rent under the Hefei Finance Lease;
- (3) *Third instalment:* RMB500,000.00 (equivalent to approximately HK\$597,100.00) on the date for the payment of the third instalment of rent under the Hefei Finance Lease;



- (4) *Fourth instalment:* RMB500,000.00 (equivalent to approximately HK\$597,100.00) on the date for the payment of the fourth instalment of rent under the Hefei Finance Lease; and
- (5) *Fifth instalment:* RMB500,000.00 (equivalent to approximately HK\$597,100.00) on the date for the payment of the fifth instalment of rent under the Hefei Finance Lease.

The terms of the Hefei Finance Lease and the Hefei Administrative Fee Agreement including the lease rent, lease interest rate, purchase price and administrative fee were determined after arm's length negotiation between China Financial and Hefei Jiuyang with reference to the prevailing market rates for finance leases for similar assets and the fair market price for similar photovoltaic power generation equipment.

#### *Ownership of the Hefei Photovoltaic Power Generation Equipment*

During the term of the Hefei Finance Lease, the ownership of the Hefei Photovoltaic Power Generation Equipment shall vest in China Financial. Upon expiry of the term of the Hefei Finance Lease, subject to the full payment of the entire amount of lease rent and any other amounts due and there being no breach under the Hefei Finance Lease, Hefei Jiuyang is eligible to purchase the Hefei Photovoltaic Power Generation Equipment at a nominal purchase price of RMB10,000.00 (equivalent to approximately HK\$11,942.00).

#### *Security Arrangements for the Hefei Finance Lease*

The obligations under the Hefei Finance Lease are secured by the following:

- (i) **Hefei Suzhou GCL Guarantee:** the Hefei Suzhou GCL Guarantee dated 29 April 2016 between Suzhou GCL New Energy and China Financial, pursuant to which Suzhou GCL New Energy has agreed to provide a corporate guarantee to secure Hefei Jiuyang's obligations under the Hefei Finance Lease, including rental payments and other amounts due to China Financial;
- (ii) **Hefei Receivables Pledge Agreement:** the Hefei Receivables Pledge Agreement dated 29 April 2016 between Hefei Jiuyang and China Financial, pursuant to which Hefei Jiuyang has agreed to pledge all receivables in respect of income (including electricity fees and subsidies) arising from the photovoltaic power station relating to the Hefei Photovoltaic Power Generation Equipment to secure all obligations under the Hefei Finance Lease, including all interest, rental payments, administrative fees, damages and other amounts that may be due to China Financial;
- (iii) **Hefei Share Pledge Agreement:** the Hefei Share Pledge Agreement dated 29 April 2016 between Suzhou GCL New Energy and China Financial, pursuant to which Suzhou GCL New Energy has pledged 70% of its equity interest in Hefei Jiuyang and distributions arising from such equity interest (including but not limited to dividends, bonus shares and other distributions) to secure all of Hefei Jiuyang's obligations under the Hefei Finance Lease; and

- (iv) **Hefei Obligation Transfer Agreement:** the Hefei Obligation Transfer Agreement dated 29 April 2016 between China Financial and Nanjing GCL New Energy, pursuant to which Nanjing GCL New Energy has agreed to assume Hefei Jiuyang's obligations under the Hefei Finance Lease (including any outstanding rent, interest, damages, losses and payment of any other amounts due to China Financial) if Hefei Jiuyang commits a material breach under the terms of the Hefei Finance Lease.

## **2. REASONS AND BENEFITS OF THE TRANSACTION**

The terms of the Finance Lease Agreements have been agreed after arm's length negotiation between the relevant parties. The Directors believe that the Group will be able to derive additional liquidity through the financial arrangements under the Finance Lease Agreements, and benefit from additional working capital to support its business and operational activities.

Based on the above reasons and having considered all relevant factors, the Directors believe and consider that the terms of the Finance Lease Agreements are on normal commercial terms, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## **3. LISTING RULES IMPLICATIONS**

As the Finance Lease Agreements were each entered into with China Financial, the Finance Lease Agreements will be aggregated as a series of transactions for the Company pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Finance Lease Agreements exceeds 5% but is less than 25%, the entering into of the Finance Lease Agreements, in aggregate, 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 knowledge, information and belief of the Directors having made all reasonable enquiries, China Financial and its ultimate beneficial owners are third parties independent of the Company and each of its connected persons.

## **4. INFORMATION ON THE PARTIES TO THE FINANCE LEASE AGREEMENTS**

### **China Financial**

China Financial is a company incorporated on 6 June 2013 in the PRC with limited liability. China Financial is principally engaged in finance lease businesses, transfer of receivables to commercial banks, the issue of financial debt instruments, lending to financial institutions, lending of foreign exchange overseas, sale of finance lease assets, consulting, and other businesses permitted by the China Banking Regulatory Commission.

## 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.

## 5. DEFINITIONS

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

“Board”	the board of 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 persons”	has the same meaning ascribed to it under the Listing Rules
“China Financial”	China Financial Leasing Company Limited* (中國金融租賃有限公司), a company incorporated in the PRC with limited liability
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hefei Administrative Fee Agreement”	the agreement dated 29 April 2016 entered into between Hefei Jiuyang and China Financial in relation to the administrative fee payable by Hefei Jiuyang to China Financial
“Hefei Commencement Date”	the date on which China Financial pays the consideration for the Hefei Photovoltaic Power Generation Equipment
“Hefei Finance Lease”	the agreement dated 29 April 2016 entered into between Hefei Jiuyang and China Financial with respect to the leasing of the Hefei Photovoltaic Power Generation Equipment
“Hefei Finance Lease Agreements”	Hefei Finance Lease, Hefei Administrative Fee Agreement, Hefei Suzhou GCL Guarantee, Hefei Receivables Pledge Agreement, Hefei Share Pledge Agreement and Hefei Obligation Transfer Agreement
“Hefei Jiuyang”	Hefei Jiuyang New Energy Limited* (合肥久陽新能源有限公司), a company incorporated in the PRC with limited liability and an indirect subsidiary of the Company

“Hefei Obligation Transfer Agreement”	the agreement dated 29 April 2016 entered into between Nanjing GCL New Energy and China Financial, pursuant to which Nanjing GCL New Energy has agreed to assume Hefei Jiuyang’s obligations in the event of material breach under the terms of the Hefei Finance Lease
“Hefei Photovoltaic Power Generation Equipment”	certain combiner boxes, frames, transformers, inverters, polysilicon battery modules, cables, surveillance systems and certain other photovoltaic power generation equipment owned by Heifei Jiuyang
“Hefei Receivables Pledge Agreement”	the agreement dated 29 April 2016 entered into between Hefei Jiuyang and China Financial in relation to the pledge of receivables in respect of income arising from the photovoltaic power station relating to the Hefei Photovoltaic Power Generation Equipment
“Hefei Share Pledge Agreement”	the agreement dated 29 April 2016 entered into between Suzhou GCL New Energy and China Financial, pursuant to which Suzhou GCL New Energy has pledged 70% of its equity interest in Hefei Jiuyang to China Financial
“Hefei Suzhou GCL Guarantee”	the agreement dated 29 April 2016 entered into between Suzhou GCL New Energy and China Financial in connection with the guarantee provided by Suzhou GCL New Energy to China Financial in respect of Hefei Jiuyang’s obligations under the Hefei Finance Lease
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“MW”	megawatt(s)
“Macheng Administrative Fee Agreement”	the agreement dated 29 April 2016 entered into between Macheng City Jinfu and China Financial in relation to the administrative fee payable by Macheng City Jinfu to China Financial
“Macheng City Jinfu”	Hubei Province Macheng City Jinfu Solar Power Limited* (湖北省麻城市金伏太陽能電力有限公司), a company incorporated in the PRC with limited liability and an indirect wholly owned subsidiary of the Company
“Macheng Commencement Date”	the date on which China Financial pays the consideration for the Macheng Photovoltaic Power Generation Equipment
“Macheng Finance Lease”	the agreement dated 29 April 2016 entered into between Macheng City Jinfu and China Financial with respect to the leasing of the Macheng Photovoltaic Power Generation Equipment

“Macheng Finance Lease Agreements”	Macheng Finance Lease, Macheng Administrative Fee Agreement, Macheng Suzhou GCL Guarantee, Macheng Receivables Pledge Agreement, Macheng Share Pledge Agreement and Macheng Obligation Transfer Agreement
“Macheng Obligation Transfer Agreement”	the agreement dated 29 April 2016 entered into between Nanjing GCL New Energy and China Financial, pursuant to which Nanjing GCL New Energy has agreed to assume Macheng City Jinfu’s obligations in the event of a material breach under the terms of the Macheng Finance Lease
“Macheng Photovoltaic Power Generation Equipment”	certain photovoltaic modules, inverters, data collection equipment, transformers, combiner boxes, fixed and adjustable frames, cables, outdoor equipment, switch boards, surveillance system and certain other photovoltaic power generation equipment owned by Macheng City Jinfu
“Macheng Receivables Pledge Agreement”	the agreement dated 29 April 2016 entered into between Macheng City Jinfu and China Financial in relation to the pledge of receivables in respect of income arising from the photovoltaic power station relating to the Macheng Photovoltaic Power Generation Equipment
“Macheng Share Pledge Agreement”	the agreement dated 29 April 2016 entered into between Suzhou GCL New Energy and China Financial, pursuant to which Suzhou GCL New Energy has pledged 100% of its equity interest in Macheng City Jinfu to China Financial
“Macheng Suzhou GCL Guarantee”	the agreement dated 29 April 2016 entered into between Suzhou GCL New Energy and China Financial in connection with the guarantee provided by Suzhou GCL New Energy to China Financial in respect of Macheng City Jinfu’s obligations under the Macheng Finance Lease
“Nanjing GCL New Energy”	Nanjing GCL New Energy Development Co., Ltd.* (南京協鑫新能源發展有限公司), an indirect wholly owned subsidiary of the Company which is incorporated in the PRC with limited liability
“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
“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

“Suzhou GCL New Energy”	Suzhou GCL New Energy Investment Company Limited* (蘇州協鑫新能源投資有限公司), an indirect wholly-owned subsidiary of the Company incorporated in the PRC with limited liability
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“Tongyu Administrative Fee Agreement”	the agreement dated 29 April 2016 entered into between Tongyu County Poultry and China Financial in relation to the administrative fee payable by Tongyu County Poultry to China Financial
“Tongyu Commencement Date”	the date on which China Financial pays the consideration for the Tongyu Photovoltaic Power Generation Equipment
“Tongyu County Poultry”	Tongyu County Poultry Technology Limited* (通榆縣咱家禽業科技有限公司), a company incorporated in the PRC with limited liability and a wholly owned subsidiary of the Company
“Tongyu Finance Lease”	the agreement dated 29 April 2016 entered into between Tongyu County Poultry and China Financial with respect to the leasing of the Tongyu Photovoltaic Power Generation Equipment
“Tongyu Finance Lease Agreements”	Tongyu Finance Lease, Tongyu Administrative Fee Agreement, Tongyu Suzhou GCL Guarantee, Tongyu Receivables Pledge Agreement, Tongyu Share Pledge Agreement and Tongyu Obligation Transfer Agreement
“Tongyu Obligation Transfer Agreement”	the agreement dated 29 April 2016 entered into between Nanjing GCL New Energy and China Financial, pursuant to which Nanjing GCL New Energy has agreed to assume Tongyu County Poultry’s obligations in the event of a material breach under the terms of the Tongyu Finance Lease
“Tongyu Photovoltaic Power Generation Equipment”	certain photovoltaic modules, polysilicon modules, steel frames and scaffolding systems, transformers, inverters, combiner boxes, cable cabinets, lightning protectors, electric current sensors, cables and certain other photovoltaic power generation equipment owned by Tongyu County Poultry
“Tongyu Receivables Pledge Agreement”	the agreement dated 29 April 2016 entered into between Tongyu County Poultry and China Financial in relation to the pledge of receivables in respect of income arising from the photovoltaic power station relating to the Tongyu Photovoltaic Power Generation Equipment
“Tongyu Share Pledge Agreement”	the agreement dated 29 April 2016 entered into between Suzhou GCL New Energy and China Financial, pursuant to which Suzhou GCL New Energy has pledged 100% of its equity interest in Tongyu County Poultry to China Financial



“Tongyu Suzhou  
GCL Guarantee” the agreement dated 29 April 2016 entered into between Suzhou  
GCL New Energy and China Financial in connection with the  
guarantee provided by Suzhou GCL New Energy to China  
Financial in respect of Tongyu County Poultry’s obligations  
under the Tongyu Finance Lease

“%” per cent.

*This announcement contains translation between Renminbi and Hong Kong dollar amounts at RMB1 = HK\$1.1942, being the exchange rate prevailing on 28 April 2016. The translation should not be taken as a representation that the Renminbi could actually be converted into Hong Kong dollars at that rate or at all.*

\* *All of the English titles or names of the PRC entities, as well as certain items contained in this announcement have been included for identification purpose only and may not necessarily be the official English translations of the corresponding Chinese titles or names. If there is any inconsistency between the English translations and the Chinese titles or names, the Chinese titles or names shall prevail*

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

Hong Kong, 29 April 2016

*As at the date of this announcement, the Board comprises Mr. Zhu Gongshan, Mr. Zhu Yufeng, Mr. Sun Xingping, Ms. Hu Xiaoyan, Mr. Tong Wan Sze and Mr. Yip Sum Yin as executive directors; Ms. Sun Wei, Mr. Sha Hongqiu and Mr. Yeung Man Chung, Charles as non-executive directors; and Mr. Wang Bohua, Mr. Xu Songda, Mr. Wang Yanguo, Mr. Lee Conway Kong Wai and Dr. Chen Ying as independent non-executive directors.*