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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 XINXIN FINANCE LEASING COMPANY LIMITED

On 19 May 2016, the Group entered into the Supplemental Menghai Finance Lease Agreements in relation to the financing of the Additional Menghai Photovoltaic Power Generation Equipment, pursuant to which (i) the Additional Menghai Photovoltaic Power Generation Equipment shall be sold to Xinxin Finance Leasing Company for RMB22,000,000.00 (equivalent to approximately HK\$26,186,600.00) and then leased back to Menghai GCL (an indirect wholly-owned subsidiary of the Company) for a term of three years for an aggregate rent of RMB25,310,003.14 (equivalent to approximately HK\$30,126,496.74) and (ii) Xinxin Finance Leasing Company shall be engaged to provide certain consultation services to Menghai GCL for a fee of RMB587,400.00 (equivalent to approximately HK\$699,182.22).

In addition, on 29 April 2016, the Group entered into the Previous Shandong Finance Lease Agreements with Xinxin Finance Leasing Company in relation to the financing of the Shandong Photovoltaic Power Generation Equipment, pursuant to which (i) Shandong Photovoltaic Power Generation Equipment was sold to Xinxin Finance Leasing Company for RMB224,000,000.00 (equivalent to approximately HK\$266,627,200.00) and then leased back to Shandong Wanhai (an indirect wholly-owned subsidiary of the Company) for a term of three years for for an aggregate rent of RMB257,701,850.00 (equivalent to approximately HK\$306,742,512.06) and (ii) Xinxin Finance Leasing Company shall be engaged to provide certain consultation services to Shandong Wanhai for a fee of RMB5,980,800.00 (equivalent to approximately HK\$7,118,946.24).

Furthermore, as disclosed in the Company's announcement dated 25 April 2016, the Group entered into the following agreements with Xinxin Finance Leasing Company in the past 12 months:

- (a) the Previous Hengshan Finance Lease Agreements entered into on 10 December 2015 in relation to the financing of the Hengshan Photovoltaic Power Generation Equipment, pursuant to which (i) the Hengshan Photovoltaic Power Generation Equipment was sold to Xinxin Finance Leasing Company for RMB319,712,596.70 (equivalent to approximately HK\$380,553,903.85) and then leased back to Hengshan Jinghe (an indirect subsidiary of the Company) for a term of two years for an aggregate rent of RMB355,430,888.01 (equivalent to approximately HK\$423,069,386.00) and (ii) Xinxin Finance Leasing Company was engaged to provide certain consultation services to Hengshan Jinghe for a fee of RMB4,189,514.00 (equivalent to approximately HK\$4,986,778.51);
- (b) the Previous Xiaoshan Finance Lease Agreements entered into on 30 December 2015 in relation to the financing of the Xiaoshan Photovoltaic Power Generation Equipment, pursuant to which (i) the Xiaoshan Photovoltaic Power Generation Equipment was sold to Xinxin Finance Leasing Company for RMB100,000,000 (equivalent to approximately HK\$119,030,000.00) and then leased back to Zhejiang Shu Qimeng (an indirect subsidiary of the Company) for a term of three years for an aggregate rent of RMB115,030,000.00 (equivalent to approximately HK\$136,920,209.00) and (ii) Xinxin Finance Leasing Company was engaged to provide certain consultation services to Zhejiang Shu Qimeng for a fee of RMB2,772,900.00 (equivalent to approximately HK\$3,300,582.87);
- (c) the Previous Hainan Finance Lease Agreements entered into on 25 April 2016 in relation to the financing of the Hainan Photovoltaic Power Generation Equipment, pursuant to which (i) the Hainan Photovoltaic Power Generation Equipment was sold to Xinxin Finance Leasing Company for RMB75,000,000.00 (equivalent to approximately HK\$89,272,500.00) and then leased back to Hainan Yicheng (an indirect subsidiary of the Company) for a term of three years for an aggregate rent of RMB86,284,101.56 (equivalent to approximately HK\$102,703,966.09) and (ii) Xinxin Finance Leasing Company was engaged to provide certain consultation services to Hainan Yicheng for a fee of RMB2,002,500.00 (equivalent to approximately HK\$2,383,575.75);
- (d) the Previous Hami Finance Lease Agreements entered into on 25 April 2016 in relation to the financing of the Hami Photovoltaic Power Generation Equipment, pursuant to which (i) the Hami Photovoltaic Power Generation Equipment was sold to Xinxin Finance Leasing Company for RMB140,000,000.00 (equivalent to approximately HK\$166,642,000.00) and then leased back to Hami Ourui (an indirect wholly-owned subsidiary of the Company) for a term of three years for an aggregate rent of RMB161,063,656.28 (equivalent to approximately HK\$191,714,070.07) and (ii) Xinxin Finance Leasing Company was engaged to provide certain consultation services to Hami Ourui for a fee of RMB3,738,000.00 (equivalent to approximately HK\$4,449,341.40);

- (e) the Previous Jingbian Finance Lease Agreements entered into on 25 April 2016 in relation to the financing of the Jingbian Photovoltaic Power Generation Equipment, pursuant to which (i) the Jingbian Photovoltaic Power Generation Equipment was sold to Xinxin Finance Leasing Company for RMB67,000,000.00 (equivalent to approximately HK\$79,750,100.00) and then leased back to Jingbian County Shunfeng (an indirect subsidiary of the Company) for a term of three years for an aggregate rent of RMB77,080,464.06 (equivalent to approximately HK\$91,748,876.37) and (ii) Xinxin Finance Leasing Company was engaged to provide certain consultation services to Jingbian County Shunfeng for a fee of RMB1,788,900.00 (equivalent to approximately HK\$2,129,327.67); and
- (f) the Previous Menghai Finance Lease Agreements entered into on 25 April 2016 in relation to the financing of the Menghai Photovoltaic Power Generation Equipment, pursuant to which (i) the Menghai Photovoltaic Power Generation Equipment was sold to Xinxin Finance Leasing Company for RMB166,000,000.00 (equivalent to approximately HK\$197,589,800.00) and then leased back to Menghai GCL (an indirect wholly-owned subsidiary of the Company) for a term of three years for an aggregate rent of RMB190,975,478.14 (equivalent to approximately HK\$227,318,111.63) and (ii) Xinxin Finance Leasing Company was engaged to provide certain consultation services to Menghai GCL for a fee of RMB4,432,200.00 (equivalent to approximately HK\$5,275,647.66).

(together, the “**Additional Previous Agreements**” and together with the Previous Shandong Finance Lease Agreements, the “**Previous Agreements**”).

LISTING RULE IMPLICATIONS

As none of the applicable percentage ratios in respect of the Previous Shandong Finance Lease Agreements (on their own) exceeded 5% for the Company, the entering into of the Previous Shandong Finance Lease Agreements did not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Further, the entering into of the Previous Shandong Finance Lease Agreements and the Additional Previous Agreements (in aggregate) did not trigger a higher classification of a major transaction for the Company under Chapter 14 of the Listing Rules.

As the Previous Agreements were entered into with Xinxin Finance Leasing Company within a 12-month period prior to and inclusive of the date of the Supplemental Menghai Finance Lease Agreements, the Supplemental Menghai Finance Lease Agreements and the Previous 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 Supplemental Menghai Finance Lease Agreements and the Previous Agreements (in aggregate) exceeds 5% but is less than 25%, the entering into of the Supplemental Menghai Finance Lease Agreements and the Previous Agreements 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 SUPPLEMENTAL MENGHAI FINANCE LEASE AGREEMENTS

Principal terms of the Supplemental Menghai Finance Lease Agreements

Date: 19 May 2016

Parties: (i) Seller and lessee: Menghai GCL
(ii) Purchaser and lessor: Xinxin Finance Leasing Company

The Supplemental Menghai Finance Lease

Pursuant to the Supplemental Menghai Ownership Transfer Agreement and the Supplemental Menghai Finance Lease, Xinxin Finance Leasing Company has agreed to purchase, and Menghai GCL has agreed to sell, the Additional Menghai Photovoltaic Power Generation Equipment for a total consideration of RMB22,000,000.00 (equivalent to approximately HK\$26,186,600.00), and following the acquisition, Xinxin Finance Leasing Company shall lease back the Additional Menghai Photovoltaic Power Generation Equipment to Menghai GCL for a term of three years, commencing from the day Xinxin Finance Leasing Company pays the consideration for the Additional Menghai Photovoltaic Power Generation Equipment under the Supplemental Menghai Ownership Transfer Agreement.

Payment of rent

The aggregate amount of rent payable by Menghai GCL to Xinxin Finance Leasing Company under the Supplemental Menghai Finance Lease Agreements is RMB25,310,003.14 (equivalent to approximately HK\$30,126,496.74) and is payable quarterly in instalments starting from 15 June 2016 in accordance with the following schedule:

Instalment	Repayment (RMB)
1.	986,562.50
2.	976,714.06
3.	966,865.63
4.	957,017.19
5.	947,168.75
6.	937,320.31
7.	927,471.88
8.	917,623.44
9.	907,775.00
10.	897,926.56
11.	888,078.13
12.	14,999,479.69

The aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Supplemental Menghai Finance Lease Agreements was RMB22,000,000.00 (equivalent to approximately HK\$26,186,600.00). The interest rate under the Supplemental Menghai Finance Lease was calculated at an annualised interest rate of 6.00%, representing approximately 126.32% of the current benchmark lending rate (i.e. 4.75%) promulgated by the People's

Bank of China. During the term of the Supplemental Menghai 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 as the adjusted benchmark lending rate.

In the 18 months following the commencement of the Supplemental Menghai Finance Lease, Menghai GCL shall not terminate the Supplemental Menghai Finance Lease or seek to vary the terms of the lease for any reason.

Consultation services

Pursuant to the Supplemental Menghai Services Agreement, Xinxin Finance Leasing Company agreed to provide to Menghai GCL certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services for a total service fee of RMB587,400.00 (equivalent to approximately HK\$699,182.22). Menghai GCL shall pay an initial amount of RMB156,640.00 (equivalent to approximately HK\$186,448.59) within five days of signing of the Supplemental Menghai Services Agreement and then the remainder of the fees in 11 equal quarterly instalments of RMB39,160.00 (equivalent to approximately HK\$46,612.15) starting from the end of June 2016.

The terms of the Supplemental Menghai Finance Lease and the Supplemental Menghai Services Agreement including the lease rent, lease interest rate, and services fee were determined after arm's length negotiation between Xinxin Finance Leasing Company and Menghai GCL with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar consultation services.

The price for the purchase of the Additional Menghai Photovoltaic Power Generation Equipment payable by Xinxin Finance Leasing Company under the Supplemental Menghai Ownership Transfer Agreement was determined through arm's length negotiation between the parties with reference to the average fair market price of similar photovoltaic power generation equipment.

Ownership of the Additional Menghai Photovoltaic Power Generation Equipment

During the term of the Supplemental Menghai Finance Lease, the ownership of the Additional Menghai Photovoltaic Power Generation Equipment shall vest in Xinxin Finance Leasing Company. Upon expiry of the term of the Supplemental Menghai Finance Lease and subject to the full payment of the entire amount of lease rent, and where applicable any tax, interest and default interest due under the Supplemental Menghai Finance Lease, Menghai GCL is eligible to purchase the Additional Menghai Photovoltaic Power Generation Equipment at a nominal purchase price of RMB1,000.00 (equivalent to approximately HK\$1,190.30).

Security arrangements for the Supplemental Menghai Finance Lease

Pursuant to the Supplemental Menghai Finance Lease Agreements, Menghai GCL shall pay to Xinxin Finance Leasing Company the Supplemental Menghai Security Deposit which shall be deducted from the purchase price under the Supplemental Menghai Ownership Transfer Agreement to secure Menghai GCL's obligations under the Supplemental Menghai Finance Lease.

Xinxin Finance Leasing Company shall be entitled to deduct from the Supplemental Menghai Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Menghai GCL. In the event of such deduction, Menghai GCL shall forthwith make up for the deduction and restore the amount of the Supplemental Menghai Security Deposit to RMB990,000.00 (equivalent to approximately HK\$1,178,397.00). Following the expiry of the Supplemental Menghai Finance Lease, any remaining balance of the Supplemental Menghai Security Deposit shall be refunded to Menghai GCL. The Supplemental Menghai Security Deposit shall not bear any interest during the term of the Supplemental Menghai Finance Lease.

In addition, the obligations under the Supplemental Menghai Finance Lease are secured by the following:

- (i) **Supplemental Menghai Letter of Undertaking:** pursuant to the Supplemental Menghai Letter of Undertaking, the Company has undertaken to make up any shortfall in outstanding payments if Menghai GCL fails to meet its payment obligations as they fall due under the Supplemental Menghai Finance Lease; and
- (ii) **Supplemental Menghai Suzhou GCL Guarantee:** pursuant to the Supplemental Menghai Suzhou GCL Guarantee, Suzhou GCL New Energy (an indirect wholly-owned subsidiary of the Company) and Xinxin Finance Leasing Company agreed to amend the Menghai Suzhou GCL Guarantee such that Suzhou GCL New Energy's corporate guarantee shall secure Menghai GCL's obligations under both the Menghai Finance Lease and the Supplemental Menghai Finance Lease, including rental payments and other amounts due to Xinxin Finance Leasing Company.

2. THE PREVIOUS SHANDONG FINANCE LEASE AGREEMENTS

Date: 29 April 2016

Parties: (i) Seller and lessee: Shandong Wanhai
(ii) Purchaser and lessor: Xinxin Finance Leasing Company

The Shandong Finance Lease

Pursuant to the Shandong Ownership Transfer Agreement and the Shandong Finance Lease, Xinxin Finance Leasing Company agreed to purchase, and Shandong Wanhai agreed to sell, the Shandong Photovoltaic Power Generation Equipment for a total consideration of RMB224,000,000.00 (equivalent to approximately HK\$266,627,200.00), and following the acquisition, Xinxin Finance Leasing Company shall lease back the Shandong Photovoltaic Power Generation Equipment to Shandong Wanhai for a term of three years, commencing from the day Xinxin Finance Leasing Company pays the consideration for the Shandong Photovoltaic Power Generation Equipment under the Shandong Ownership Transfer Agreement.

Payment of rent

The aggregate amount of rent payable by Shandong Wanhai to Xinxin Finance Leasing Company under the Previous Shandong Finance Lease Agreements is RMB257,701,850.00 (equivalent to approximately HK\$306,742,512.06) and is payable in quarterly instalments starting from the first instalment on 15 June 2016 in accordance with the following schedule:

Instalment	Repayment (RMB)
1.	10,045,000.00
2.	9,944,725.00
3.	9,844,450.00
4.	9,744,175.00
5.	9,643,900.00
6.	9,543,625.00
7.	9,443,350.00
8.	9,343,075.00
9.	9,242,800.00
10.	9,142,525.00
11.	9,042,250.00
12.	152,721,975.00

The aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Previous Shandong Finance Lease Agreements was RMB224,000,000.00 (equivalent to approximately HK\$266,627,200.00). The interest rate under the Previous Shandong Finance Lease Agreements was calculated at an annualised interest rate of 6.00%, representing 126.32% of the then current benchmark lending rate (i.e. 4.75%) promulgated by the People's Bank of China. During the term of the Shandong 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 as the adjusted benchmark lending rate.

In the 18 months following the commencement of the Shandong Finance Lease, Shandong Wanhai shall not terminate the Shandong Finance Lease or seek to vary the terms of the lease for any reason.

Consultation services

Pursuant to the Shandong Services Agreement, Xinxin Finance Leasing Company agreed to provide to Shandong Wanhai certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services for a total service fee of RMB5,980,800.00 (equivalent to approximately HK\$7,118,946.24). Shandong Wanhai shall pay an initial amount of RMB1,594,880.00 (equivalent to approximately HK\$1,898,385.66) with the five days of the Shandong Services Agreement and then remainder of the fees in 11 equal quarterly instalments of RMB398,720.00 (equivalent to approximately HK\$474,596.42) starting from the end of June 2016.

The terms of the Shandong Finance Lease and the Shandong Services Agreement including the lease rent, lease interest rate, and services fee were determined after arm's length negotiation between Xinxin Finance Leasing Company and Shandong Wanhai with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar consultation services.

The price for the purchase of the Shandong Photovoltaic Power Generation Equipment payable by Xinxin Finance Leasing Company under the Shandong Ownership Transfer Agreement was determined through arm's length negotiation between the parties with reference to the average fair market price of similar photovoltaic power generation equipment.

Ownership of the Shandong Photovoltaic Power Generation Equipment

During the term of the Shandong Finance Lease, the ownership of the Shandong Photovoltaic Power Generation Equipment shall vest in Xinxin Finance Leasing Company. Upon expiry of the term of the Shandong Finance Lease and subject to the full payment of the entire amount of lease rent, and where applicable any tax, interest and default interest due under the Shandong Finance Lease, Shandong Wanhai is eligible to purchase the Shandong Photovoltaic Power Generation Equipment at a nominal purchase price of RMB1,000.00 (equivalent to approximately HK\$1,190.30).

Security arrangements for the Shandong Finance Lease

Pursuant to the Previous Shandong Finance Lease Agreements, Shandong Wanhai shall pay to Xinxin Finance Leasing Company the Shandong Security Deposit which shall be deducted from the purchase price under the Shandong Ownership Transfer Agreement to secure Shandong Wanhai's obligations under the Shandong Finance Lease.

Xinxin Finance Leasing Company shall be entitled to deduct from the Shandong Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Shandong Wanhai. In the event of such deduction, Shandong Wanhai shall forthwith make up for the deduction and restore the amount of the Shandong Security Deposit to RMB10,080,000.00 (equivalent to approximately HK\$11,998,224.00). Following the expiry of the Shandong Finance Lease, any remaining balance of the Shandong Security Deposit shall be refunded to Shandong Wanhai. The Shandong Security Deposit shall not bear any interest during the term of the Shandong Finance Lease.

In addition, the obligations under the Shandong Finance Lease were secured by the following:

- (i) **Shandong Letter of Undertaking:** pursuant to the Shandong Letter of Undertaking, the Company shall make up any shortfall in outstanding payments if Shandong Wanhai fails to meet its payment obligations as they fall due under the Shandong Finance Lease;
- (ii) **Shandong Suzhou GCL Guarantee:** pursuant to the Shandong Suzhou GCL Guarantee, Suzhou GCL New Energy has agreed to provide a corporate guarantee to secure Shandong Wanhai's obligations under the Shandong Finance Lease, including rental payments and other amounts due to Xinxin Finance Leasing Company;

- (iii) **Shandong Receivables Pledge Agreement:** pursuant to the Shandong Receivables Pledge Agreement, Shandong Wanhai has pledged 100% of the receivables under the electricity sales agreement in relation to its 35MW photovoltaic power station project in Shandong Province, the PRC to secure all obligations under the Shandong Finance Lease, including all rental payments, administrative fees, damages and other amounts that may be due to Xinxin Finance Leasing Company; and
- (iv) **Shandong Share Pledge Agreement:** pursuant to the Shandong Share Pledge Agreement, Suzhou GCL New Energy has pledged 100% of the equity interest in Shandong Wanhai to secure all of Shandong Wanhai's obligations under the Shandong Finance Lease.

3. THE ADDITIONAL PREVIOUS AGREEMENTS

A. Principal terms of the Previous Hengshan Finance Lease Agreements

Date: 10 December 2015

Parties: (i) Seller: Nanjing GCL New Energy (an indirect wholly-owned subsidiary of the Company)
(ii) Purchaser and lessor: Xinxin Finance Leasing Company
(iii) Lessee: Hengshan Jinghe

The Hengshan Finance Lease

Pursuant to the Hengshan Sale and Purchase Agreement and the Hengshan Finance Lease, Xinxin Finance Leasing Company has agreed to purchase, and Nanjing GCL New Energy has agreed to sell, the Hengshan Photovoltaic Power Generation Equipment for a total consideration of RMB319,712,596.70 (equivalent to approximately HK\$380,553,903.85), and following the acquisition, Xinxin Finance Leasing Company shall lease back the Hengshan Photovoltaic Power Generation Equipment to Hengshan Jinghe for a term of two years, commencing from the day Xinxin Finance Leasing Company pays the consideration for the Hengshan Photovoltaic Power Generation Equipment under the Hengshan Sale and Purchase Agreement.

Payment of rent

The aggregate amount of rent payable by Hengshan Jinghe to Xinxin Finance Leasing Company under the Previous Hengshan Finance Lease Agreements is RMB355,430,888.01 (equivalent to approximately HK\$423,069,386.00). The rent is payable semi-annually by four instalments in the following manner:

- (i) *First payment:* RMB24,298,157.35 (equivalent to approximately HK\$28,922,096.69), payable on 5 March 2016;
- (ii) *Second payment:* RMB23,856,953.97 (equivalent to approximately HK\$28,396,932.31), payable on 5 September 2016;
- (iii) *Third payment:* RMB23,415,750.58 (equivalent to approximately HK\$27,871,767.92), payable on 5 March 2017; and

(iv) *Last payment*: RMB283,860,026.11 (equivalent to approximately HK\$337,878,589.08), payable on 5 September 2017.

The aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Previous Hengshan Finance Lease Agreements was RMB319,712,596.70 (equivalent to approximately HK\$380,553,903.85). The interest rate under the Previous Hengshan Finance Lease Agreements was calculated at an annualised interest rate of 6.00%, representing 126.32% of the then current benchmark lending rate (i.e. 4.75%) promulgated by the People's Bank of China for loans with a term of between one to five years. During the term of the Hengshan Finance Lease, if the applicable benchmark lending rate is adjusted by the People's Bank of China, the interest rate payable by Hengshan Jinghe shall change to the sum of (i) 1.25% and (ii) the adjusted benchmark lending rate.

In the 12 months following the commencement of the Hengshan Finance Lease, Hengshan Jinghe shall not terminate the Hengshan Finance Lease or seek to vary the terms of the Hengshan Finance Lease for any reason.

Consultation Services

Pursuant to the Hengshan Consultation Services Agreement in connection with the Hengshan Finance Lease, Xinxin Finance Leasing Company agreed to provide to Hengshan Jinghe certain management and financial consultation services for a total service fee of RMB4,189,514.00 (equivalent to approximately HK\$4,986,778.51). The fee is payable within three days upon signing of the relevant agreement by Xinxin Finance Leasing Company and Hengshan Jinghe.

The terms of the Hengshan Finance Lease and the Hengshan Consultation Services Agreement including the lease rent, the lease interest rate, the consultation services fee were determined after arm's length negotiation between Xinxin Finance Leasing Company and Hengshan Jinghe with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar management and financial consultation services.

The price for the purchase of the Hengshan Photovoltaic Power Generation Equipment payable by Xinxin Finance Leasing Company under the Hengshan Sale and Purchase Agreement was determined through arm's length negotiation between the parties with reference to the average fair market price of similar photovoltaic power generation equipment.

Ownership of the Hengshan Photovoltaic Power Generation Equipment

During the term of the Hengshan Finance Lease, the ownership of the Hengshan Photovoltaic Power Generation Equipment shall vest in Xinxin Finance Leasing Company. Upon expiry of the term of the Hengshan Finance Lease and subject to the full payment of the entire amount of lease rent, and where applicable any tax, interest and default interest under the Hengshan Finance Lease, Hengshan Jinghe is eligible to purchase the Hengshan Photovoltaic Power Generation Equipment at a nominal purchase price of RMB1,000.00 (equivalent to approximately HK\$1,190.30).

Security arrangements for the Hengshan Finance Lease

Pursuant to the Previous Hengshan Finance Lease Agreements, Hengshan Jinghe shall pay to Xinxin Finance Leasing Company the Hengshan Security Deposit within five business days of signing the Hengshan Finance Lease to secure Hengshan Jinghe's obligations under the Hengshan Finance Lease. Xinxin Finance Leasing Company shall be entitled to deduct from the Hengshan Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Hengshan Jinghe. In the event of such deduction, Hengshan Jinghe shall forthwith make up for the deduction and restore the amount of the Hengshan Security Deposit to RMB25,577,008.00 (equivalent to approximately HK\$30,444,312.62). Following the expiry of the Hengshan Finance Lease, any remaining balance of the Hengshan Security Deposit shall be refunded to Hengshan Jinghe. The Hengshan Security Deposit shall not bear any interest during the term of the Hengshan Finance Lease.

Pursuant to the Hengshan Repurchase Agreement, if Hengshan Jinghe fails to perform its repayment obligations for a consecutive period of four months under the Hengshan Finance Lease, Nanjing GCL New Energy shall repurchase from Xinxin Finance Leasing Company the Hengshan Photovoltaic Power Generation Equipment. The repurchase price shall be an amount equal to the nominal repurchase price of RMB1,000.00 (equivalent to approximately HK\$1,190.30) plus any outstanding rent and default interest due under the Hengshan Finance Lease, less the Hengshan Security Deposit.

Pursuant to the Hengshan Letter of Comfort, the Company will make up any shortfall in outstanding payments if Hengshan Jinghe fails to meet its payment obligations as they fall due under the Hengshan Finance Lease.

Pursuant to the Hengshan Suzhou GCL Guarantee, Suzhou GCL New Energy has agreed to provide a corporate guarantee to secure Hengshan Jinghe's obligations under the Hengshan Finance Lease, including rental payments and other amounts due under the Hengshan Finance Lease.

B. Principal terms of the Previous Xiaoshan Finance Lease Agreements

Date: 30 December 2015

Parties: (i) Seller and lessee: Zhejiang Shu Qimeng
(ii) Purchaser and lessor: Xinxin Finance Leasing Company

The Xiaoshan Finance Lease

Pursuant to the Xiaoshan Ownership Transfer Agreement and the Xiaoshan Finance Lease, Xinxin Finance Leasing Company has agreed to purchase, and Zhejiang Shu Qimeng has agreed to sell, the Xiaoshan Photovoltaic Power Generation Equipment for a total consideration of RMB100,000,000.00 (equivalent to approximately HK\$119,030,000.00), and following the acquisition, Xinxin Finance Leasing Company shall lease back the Xiaoshan Photovoltaic Power Generation Equipment to Zhejiang Shu Qimeng for a term of three years, commencing from the day Xinxin Finance Leasing Company pays the consideration for the Xiaoshan Photovoltaic Power Generation Equipment under the Xiaoshan Ownership Transfer Agreement.

Payment of rent

The aggregate amount of rent payable by Zhejiang Shu Qimeng to Xinxin Finance Leasing Company under the Previous Xiaoshan Finance Lease Agreements is RMB115,030,000.00 (equivalent to approximately HK\$136,920,209.00) and is payable in quarterly instalments starting from 19 March 2016 in accordance with the following schedule:

Instalment	Repayment (RMB)
1.	4,500,000.00
2.	4,455,000.00
3.	4,410,000.00
4.	4,365,000.00
5.	4,320,000.00
6.	4,275,000.00
7.	4,230,000.00
8.	4,185,000.00
9.	4,140,000.00
10.	4,095,000.00
11.	4,050,000.00
12.	68,005,000.00

The aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Previous Xiaoshan Finance Lease Agreements was RMB100,000,000.00 (equivalent to approximately HK\$119,030,000.00). The interest rate under the Previous Xiaoshan Finance Lease Agreements was calculated at an annualised interest rate of 6.00%, representing 126.32% of the then current benchmark lending rate (i.e. 4.75%) promulgated by the People's Bank of China. During the term of the Xiaoshan 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 as adjusted benchmark lending rate.

In the 6 months following the commencement of the Xiaoshan Finance Lease, Zhejiang Shu Qimeng shall not terminate the Xiaoshan Finance Lease or seek to vary the terms of the lease for any reason.

Consultation services

Pursuant to the Xiaoshan Services Agreement, Xinxin Finance Leasing Company agreed to provide to Zhejiang Shu Qimeng certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services for a total service fee of RMB2,772,900.00 (equivalent to approximately HK\$3,300,582.87). Zhejiang Shu Qimeng shall pay an initial amount of RMB739,440.00 (equivalent to approximately HK\$880,155.43) with the five days of the Xiaoshan Services Agreement and then remainder of the fees in 11 equal quarterly instalments of RMB184,860.00 (equivalent to approximately HK\$220,038.86) starting from 20 March 2016.

The terms of the Xiaoshan Finance Lease and the Xiaoshan Services Agreement including the lease rent, lease interest rate, and services fee were determined after arm's length negotiation between Xinxin Finance Leasing Company and Zhejiang Shu Qimeng with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar consultation services.

The price for the purchase of the Xiaoshan Photovoltaic Power Generation Equipment payable by Xinxin Finance Leasing Company under the Xiaoshan Ownership Transfer Agreement was determined through arm's length negotiation between the parties with reference to the average fair market price of similar photovoltaic power generation equipment.

Ownership of the Xiaoshan Photovoltaic Power Generation Equipment

During the term of the Xiaoshan Finance Lease, the ownership of the Xiaoshan Photovoltaic Power Generation Equipment shall vest in Xinxin Finance Leasing Company. Upon expiry of the term of the Xiaoshan Finance Lease and subject to the full payment of the entire amount of lease rent, and where applicable any tax, interest and default interest due under the Xiaoshan Finance Lease, Zhejiang Shu Qimeng is eligible to purchase the Xiaoshan Photovoltaic Power Generation Equipment at a nominal purchase price of RMB1,000.00 (equivalent to approximately HK\$1,190.30).

Security arrangements for the Xiaoshan Finance Lease

Pursuant to the Previous Xiaoshan Finance Lease Agreements, Zhejiang Shu Qimeng shall pay to Xinxin Finance Leasing Company the Xiaoshan Security Deposit within five business days of signing the Xiaoshan Finance Lease to secure Zhejiang Shu Qimeng's obligations under the Xiaoshan Finance Lease. Xinxin Finance Leasing Company shall be entitled to deduct from the Xiaoshan Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Zhejiang Shu Qimeng. In the event of such deduction, Zhejiang Shu Qimeng shall forthwith make up for the deduction and restore the amount of the Xiaoshan Security Deposit to RMB4,000,000.00 (equivalent to approximately HK\$4,761,200.00). Following the expiry of the Xiaoshan Finance Lease, any remaining balance of the Xiaoshan Security Deposit shall be refunded to Zhejiang Shu Qimeng. The Xiaoshan Security Deposit shall not bear any interest during the term of the Xiaoshan Finance Lease.

In addition, the obligations under the Xiaoshan Finance Lease were secured by the following:

- (i) **Xiaoshan Letter of Undertaking:** pursuant to the Xiaoshan Letter of Undertaking, the Company shall make up any shortfall in outstanding payments if Zhejiang Shu Qimeng fails to meet its payment obligations as they fall due under the Xiaoshan Finance Lease;
- (ii) **Xiaoshan Suzhou GCL Guarantee:** pursuant to the Xiaoshan Suzhou GCL Guarantee, Suzhou GCL New Energy has agreed to provide a corporate guarantee to secure Zhejiang Shu Qimeng's obligations under the Xiaoshan Finance Lease, including rental payments and other amounts due to Xinxin Finance Leasing Company;

- (iii) **Xiaoshan Receivables Pledge Agreement:** pursuant to the Xiaoshan Receivables Pledge Agreement, Zhejiang Shu Qimeng has pledged 100% of the receivables under the electricity sales agreement in relation to the Xiaoshan Project to secure all obligations under the Xiaoshan Finance Lease, including all rental payments, administrative fees, damages and other amounts that may be due to Xinxin Finance Leasing Company; and
- (iv) **Xiaoshan Share Pledge Agreement:** pursuant to the Xiaoshan Share Pledge Agreement, Suzhou GCL New Energy has pledged 91% of the equity interest in Zhejiang Shu Qimeng to secure all of Zhejiang Shu Qimeng's obligations under the Xiaoshan Finance Lease.

C. Principal terms of the Previous Hainan Finance Lease Agreements

Date: 25 April 2016

Parties: (i) Seller and lessee: Hainan Yicheng
(ii) Purchaser and lessor: Xinxin Finance Leasing Company

The Hainan Finance Lease

Pursuant to the Hainan Ownership Transfer Agreement and the Hainan Finance Lease, Xinxin Finance Leasing Company has agreed to purchase, and Hainan Yicheng has agreed to sell, the Hainan Photovoltaic Power Generation Equipment for a total consideration of RMB75,000,000.00 (equivalent to approximately HK\$89,272,500.00), and following the acquisition, Xinxin Finance Leasing Company shall lease back the Hainan Photovoltaic Power Generation Equipment to Hainan Yicheng for a term of three years, commencing from the day Xinxin Finance Leasing Company pays the consideration for the Hainan Photovoltaic Power Generation Equipment under the Hainan Ownership Transfer Agreement.

Payment of rent

The aggregate amount of rent payable by Hainan Yicheng to Xinxin Finance Leasing Company under the Previous Hainan Finance Lease Agreements is RMB86,284,101.56 (equivalent to approximately HK\$102,703,966.09) and is payable quarterly in instalments starting from 15 June 2016 in accordance with the following schedule:

Instalment	Repayment (RMB)
1.	3,363,281.25
2.	3,329,707.03
3.	3,296,132.81
4.	3,262,558.59
5.	3,228,984.38
6.	3,195,410.16
7.	3,161,835.94
8.	3,128,261.72
9.	3,094,687.50
10.	3,061,113.28
11.	3,027,539.06
12.	51,134,589.84

The aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Hainan Finance Lease was RMB75,000,000.00 (equivalent to approximately HK\$89,272,500.00). The interest rate under the Hainan Finance Lease was calculated at an annualised interest rate of 6.00%, representing approximately 126.32% of the current benchmark lending rate (i.e. 4.75%) promulgated by the People's Bank of China. During the term of the Hainan 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 as the adjusted benchmark lending rate.

In the 18 months following the commencement of the Hainan Finance Lease, Hainan Yicheng shall not terminate the Hainan Finance Lease or seek to vary the terms of the lease for any reason.

Consultation services

Pursuant to the Hainan Services Agreement, Xinxin Finance Leasing Company agreed to provide to Hainan Yicheng certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services for a total service fee of RMB2,002,500.00 (equivalent to approximately HK\$2,383,575.75). Hainan Yicheng shall pay an initial amount of RMB534,000.00 (equivalent to approximately HK\$635,620.20) within five days of signing of the Hainan Services Agreement and then the remainder of the fees in 11 equal quarterly instalments of RMB133,500.00 (equivalent to approximately HK\$158,905.05) starting from the end of June 2016.

The terms of the Hainan Finance Lease and the Hainan Services Agreement including the lease rent, lease interest rate, and services fee were determined after arm's length negotiation between Xinxin Finance Leasing Company and Hainan Yicheng with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar consultation services.

The price for the purchase of the Hainan Photovoltaic Power Generation Equipment payable by Xinxin Finance Leasing Company under the Hainan Ownership Transfer Agreement was determined through arm's length negotiation between the parties with reference to the average fair market price of similar photovoltaic power generation equipment.

Ownership of the Hainan Photovoltaic Power Generation Equipment

During the term of the Hainan Finance Lease, the ownership of the Hainan Photovoltaic Power Generation Equipment shall vest in Xinxin Finance Leasing Company. Upon expiry of the term of the Hainan Finance Lease and subject to the full payment of the entire amount of lease rent, and where applicable any tax, interest and default interest due under the Hainan Finance Lease, Hainan Yicheng is eligible to purchase the Hainan Photovoltaic Power Generation Equipment at a nominal purchase price of RMB1,000.00 (equivalent to approximately HK\$1,190.30).

Security arrangements for the Hainan Finance Lease

Pursuant to the Previous Hainan Finance Lease Agreements, Hainan Yicheng shall pay to Xinxin Finance Leasing Company the Hainan Security Deposit which shall be deducted from the purchase price under the Hainan Ownership Transfer Agreement to secure Hainan Yicheng's obligations under the Hainan Finance Lease. Xinxin Finance Leasing Company shall be entitled to deduct from the Hainan Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Hainan Yicheng. In the event of such deduction, Hainan Yicheng shall forthwith make up for the deduction and restore the amount of the Hainan Security Deposit to RMB3,375,000.00 (equivalent to approximately HK\$4,017,262.50). Following the expiry of the Hainan Finance Lease, any remaining balance of the Hainan Security Deposit shall be refunded to Hainan Yicheng. The Hainan Security Deposit shall not bear any interest during the term of the Hainan Finance Lease.

In addition, the obligations under the Hainan Finance Lease are secured by the following:

- (i) **Hainan Letter of Undertaking:** pursuant to the Hainan Letter of Undertaking, the Company has undertaken to make up any shortfall in outstanding payments if Hainan Yicheng fails to meet its payment obligations as they fall due under the Hainan Finance Lease;
- (ii) **Hainan Suzhou GCL Guarantee:** pursuant to the Hainan Suzhou GCL Guarantee, Suzhou GCL New Energy has agreed to provide a corporate guarantee to secure Hainan Yicheng's obligations under the Hainan Finance Lease, including rental payments and other amounts due to Xinxin Finance Leasing Company;

- (iii) **Hainan Receivables Pledge Agreement:** pursuant to the Hainan Receivables Pledge Agreement, Hainan Yicheng has pledged 100% of the receivables under the electricity sales agreement relating to its 25MW agriculture photovoltaic power station project located in the Hainan Province, PRC to secure all obligations under the Hainan Finance Lease, including all rental payments, administrative fees, damages and other amounts that may be due to Xinxin Finance Leasing Company; and
- (iv) **Hainan Share Pledge Agreement:** pursuant to the Hainan Share Pledge Agreement, Suzhou GCL New Energy has pledged 76.70% of the equity interest in Hainan Yicheng to secure all of Hainan Yicheng's obligations under the Hainan Finance Lease.

D. Principal terms of the Previous Hami Finance Lease Agreements

Date: 25 April 2016

Parties: (i) Seller and lessee: Hami Ourui
(ii) Purchaser and lessor: Xinxin Finance Leasing Company

The Hami Finance Lease

Pursuant to the Hami Ownership Transfer Agreement and the Hami Finance Lease, Xinxin Finance Leasing Company has agreed to purchase, and Hami Ourui has agreed to sell, the Hami Photovoltaic Power Generation Equipment for a total consideration of RMB140,000,000.00 (equivalent to approximately HK\$166,642,000.00), and following the acquisition, Xinxin Finance Leasing Company shall lease back the Hami Photovoltaic Power Generation Equipment to Hami Ourui for a term of three years, commencing from the day Xinxin Finance Leasing Company pays the consideration for the Hami Photovoltaic Power Generation Equipment under the Hami Ownership Transfer Agreement.

Payment of rent

The aggregate amount of rent payable by Hami Ourui to Xinxin Finance Leasing Company under the Previous Hami Finance Lease Agreements is RMB161,063,656.28 (equivalent to approximately HK\$191,714,070.07) and is payable in quarterly instalments starting from 15 June 2016 in accordance with the following schedule:

Instalment	Repayment (RMB)
1.	6,278,125.00
2.	6,215,453.13
3.	6,152,781.25
4.	6,090,109.38
5.	6,027,437.50
6.	5,964,765.63
7.	5,902,093.75
8.	5,839,421.88
9.	5,776,750.00
10.	5,714,078.13
11.	5,651,406.25
12.	95,451,234.38

The aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Previous Hami Finance Lease Agreements was RMB140,000,000.00 (equivalent to approximately HK\$166,642,000.00). The interest rate under the Hami Finance Lease was calculated at an annualised interest rate of 6.00%, representing approximately 126.32% of the current benchmark lending rate (i.e. 4.75%) promulgated by the People's Bank of China. During the term of the Hami 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 as the adjusted benchmark lending rate.

In the 18 months following the commencement of the Hami Finance Lease, Hami Ourui shall not terminate the Hami Finance Lease or seek to vary the terms of the lease for any reason.

Consultation services

Pursuant to the Hami Services Agreement, Xinxin Finance Leasing Company agreed to provide to Hami Ourui certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services for a total service fee of RMB3,738,000.00 (equivalent to approximately HK\$4,449,341.40). Hami Ourui shall pay an initial amount of RMB996,800.00 (equivalent to approximately HK\$1,186,491.04) within five days of signing the Hami Services Agreement and then the remainder of the fees in 11 equal quarterly instalments of RMB249,200.00 (equivalent to approximately HK\$296,622.76) starting from the end of June 2016.

The terms of the Hami Finance Lease and the Hami Services Agreement including the lease rent, lease interest rate, and services fee were determined after arm's length negotiation between Xinxin Finance Leasing Company and Hami Ourui with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar consultation services.

The price for the purchase of the Hami Photovoltaic Power Generation Equipment payable by Xinxin Finance Leasing Company under the Hami Ownership Transfer Agreement was determined through arm's length negotiation between the parties with reference to the average fair market price of similar photovoltaic power generation equipment.

Ownership of the Hami Photovoltaic Power Generation Equipment

During the term of the Hami Finance Lease, the ownership of the Hami Photovoltaic Power Generation Equipment shall vest in Xinxin Finance Leasing Company. Upon expiry of the term of the Hami Finance Lease and subject to the full payment of the entire amount of lease rent, and where applicable any tax, interest and default interest due under the Hami Finance Lease, Hami Ourui is eligible to purchase the Hami Photovoltaic Power Generation Equipment at a nominal purchase price of RMB1,000.00 (equivalent to approximately HK\$1,190.30).

Security arrangements for the Hami Finance Lease

Pursuant to the Previous Hami Finance Lease Agreements, Hami Ourui shall pay to Xinxin Finance Leasing Company the Hami Security Deposit which shall be deducted from the purchase price under the Hami Ownership Transfer Agreement to secure Hami Ourui's obligations under the Hami Finance Lease. Xinxin Finance Leasing Company shall be entitled to deduct from the Hami Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Hami Ourui. In the event of such deduction, Hami Ourui shall forthwith make up for the deduction and restore the amount of the Hami Security Deposit to RMB6,300,000.00 (equivalent to approximately HK\$7,498,890.00). Following the expiry of the Hami Finance Lease, any remaining balance of the Hami Security Deposit shall be refunded to Hami Ourui. The Hami Security Deposit shall not bear any interest during the term of the Hami Finance Lease.

In addition, the obligations under the Hami Finance Lease are secured by the following:

- (i) **Hami Letter of Undertaking:** pursuant to the Hami Letter of Undertaking, the Company has undertaken to make up any shortfall in outstanding payments if Hami Ourui fails to meet its payment obligations as they fall due under the Hami Finance Lease;
- (ii) **Hami Suzhou GCL Guarantee:** pursuant to the Hami Suzhou GCL Guarantee, Suzhou GCL New Energy has agreed to provide a corporate guarantee to secure Hami Ourui's obligations under the Hami Finance Lease, including rental payments and other amounts due to Xinxin Finance Leasing Company;

- (iii) **Hami Receivables Pledge Agreement:** pursuant to the Hami Receivables Pledge Agreement, Hami Ourui has pledged 100% of the receivables under the electricity sales agreement relating to its 20MW photovoltaic power station project located in Liushuquan in the Xinjiang Uyghur Autonomous Region, PRC to secure all obligations under the Hami Finance Lease, including all rental payments, administrative fees, damages and other amounts that may be due to Xinxin Finance Leasing Company; and
- (iv) **Hami Share Pledge Agreement:** pursuant to the Hami Share Pledge Agreement, Suzhou GCL New Energy has pledged 100% of the equity interest in Hami Ourui to secure all of Hami Ourui's obligations under the Hami Finance Lease;

E. Principal terms of the Previous Jingbian Finance Lease Agreements

Date: 25 April 2016

Parties: (i) Seller and lessee: Jingbian County Shunfeng
(ii) Purchaser and lessor: Xinxin Finance Leasing Company

The Jingbian Finance Lease

Pursuant to the Jingbian Ownership Transfer Agreement and the Jingbian Finance Lease, Xinxin Finance Leasing Company has agreed to purchase, and Jingbian County Shunfeng has agreed to sell, the Jingbian Photovoltaic Power Generation Equipment for a total consideration of RMB67,000,000.00 (equivalent to approximately HK\$79,750,100.00), and following the acquisition, Xinxin Finance Leasing Company shall lease back the Jingbian Photovoltaic Power Generation Equipment to Jingbian County Shunfeng for a term of three years, commencing from the day Xinxin Finance Leasing Company pays the consideration for the Jingbian Photovoltaic Power Generation Equipment under the Jingbian Ownership Transfer Agreement.

Payment of rent

The aggregate amount of rent payable by Jingbian County Shunfeng to Xinxin Finance Leasing Company under the Previous Jingbian Finance Lease Agreements is RMB77,080,464.06 (equivalent to approximately HK\$91,748,876.37) and is payable in quarterly instalments starting from 15 June 2016 in accordance with the following schedule:

Instalment	Repayment (RMB)
1.	3,004,531.25
2.	2,974,538.28
3.	2,944,545.31
4.	2,914,552.34
5.	2,884,559.38
6.	2,854,566.41
7.	2,824,573.44
8.	2,794,580.47
9.	2,764,587.50
10.	2,734,594.53
11.	2,704,601.56
12.	45,680,233.59

The aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Previous Jingbian Finance Lease Agreements was RMB67,000,000.00 (equivalent to approximately HK\$79,750,100.00). The interest rate under the Jingbian Finance Lease was calculated at an annualised interest rate of 6.00%, representing approximately 126.32% of the current benchmark lending rate (i.e. 4.75%) promulgated by the People's Bank of China. During the term of the Jingbian 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 as the adjusted benchmark lending rate.

In the 18 months following the commencement of the Jingbian Finance Lease, Jingbian County Shunfeng shall not terminate the Jingbian Finance Lease or seek to vary the terms of the lease for any reason.

Consultation services

Pursuant to the Jingbian Services Agreement, Xinxin Finance Leasing Company agreed to provide to Jingbian County Shunfeng certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services for a total service fee of RMB1,788,900.00 (equivalent to approximately HK\$2,129,327.67). Jingbian County Shunfeng shall pay an initial amount of RMB477,040.00 (equivalent to approximately HK\$567,820.71) within five days of signing the Jingbian Services Agreement and then remainder of the fees in 11 equal quarterly instalments of RMB119,260.00 (equivalent to approximately HK\$141,955.18) starting from the end of June 2016.

The terms of the Jingbian Finance Lease and the Jingbian Services Agreement including the lease rent, lease interest rate, and services fee were determined after arm's length negotiation between Xinxin Finance Leasing Company and Jingbian County Shunfeng with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar consultation services.

The price for the purchase of the Jingbian Photovoltaic Power Generation Equipment payable by Xinxin Finance Leasing Company under the Jingbian Ownership Transfer Agreement was determined through arm's length negotiation between the parties with reference to the average fair market price of similar power generation equipment.

Ownership of the Jingbian Photovoltaic Power Generation Equipment

During the term of the Jingbian Finance Lease, the ownership of the Jingbian Photovoltaic Power Generation Equipment shall vest in Xinxin Finance Leasing Company. Upon expiry of the term of the Jingbian Finance Lease and subject to the full payment of the entire amount of lease rent, and where applicable any tax, interest and default interest due under the Jingbian Finance Lease, Jingbian County Shunfeng is eligible to purchase the Jingbian Photovoltaic Power Generation Equipment at a nominal purchase price of RMB1,000.00 (equivalent to approximately HK\$1,190.30).

Security arrangements for the Jingbian Finance Lease

Pursuant to the Previous Jingbian Finance Lease Agreements, Jingbian County Shunfeng shall pay to Xinxin Finance Leasing Company the Jingbian Security Deposit which shall be deducted from the purchase price payable by Xinxin Finance Leasing Company under the Jingbian Ownership Transfer Agreement to secure Jingbian County Shunfeng's obligations under the Jingbian Finance Lease. Xinxin Finance Leasing Company shall be entitled to deduct from the Jingbian Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Jingbian County Shunfeng. In the event of such deduction, Jingbian County Shunfeng shall forthwith make up for the deduction and restore the amount of the Jingbian Security Deposit to RMB3,015,000.00 (equivalent to approximately HK\$3,588,754.50). Following the expiry of the Jingbian Finance Lease, any remaining balance of the Jingbian Security Deposit shall be refunded to Jingbian County Shunfeng. The Jingbian Security Deposit shall not bear any interest during the term of the Jingbian Finance Lease.

In addition, the obligations under the Jingbian Finance Lease were secured by the following:

- (i) **Jingbian Letter of Undertaking:** pursuant to the Jingbian Letter of Undertaking, the Company has undertaken to make up any shortfall in outstanding payments if Jingbian County Shunfeng fails to meet its payment obligations as they fall due under the Jingbian Finance Lease;
- (ii) **Jingbian Suzhou GCL Guarantee:** pursuant to the Jingbian Suzhou GCL Guarantee, Suzhou GCL New Energy has agreed to provide a guarantee to secure Jingbian County Shunfeng's obligations under the Jingbian Finance Lease, including rental payments and other amounts due to Xinxin Finance Leasing Company;

- (iii) **Jingbian Receivables Pledge Agreement:** pursuant to the Jingbian Receivables Pledge Agreement, Jingbian County Shunfeng has pledged 100% of the receivables under the electricity sales agreement relating to its 40MW photovoltaic power station project located in Shaanxi Province, PRC to secure all obligations under the Jingbian Finance Lease, including all rental payments, administrative fees, damages and other amounts that may be due to Xinxin Finance Leasing Company; and
- (iv) **Jingbian Share Pledge Agreement:** pursuant to the Jingbian Share Pledge Agreement, Suzhou GCL New Energy has pledged 95% of the equity interest in Jingbian County Shunfeng to secure all of Jingbian County Shunfeng's obligations under the Jingbian Finance Lease.

F. Principal terms of the Previous Menghai Finance Lease Agreements

Date: 25 April 2016

Parties: (i) Seller and lessee: Menghai GCL
(ii) Purchaser and lessor: Xinxin Finance Leasing Company

The Menghai Finance Lease

Pursuant to the Menghai Ownership Transfer Agreement and the Menghai Finance Lease, Xinxin Finance Leasing Company has agreed to purchase, and Menghai GCL has agreed to sell, the Menghai Photovoltaic Power Generation Equipment for a total consideration of RMB166,000,000.00 (equivalent to approximately HK\$197,589,800.00), and following the acquisition, Xinxin Finance Leasing Company shall lease back the Menghai Photovoltaic Power Generation Equipment to Menghai GCL for a term of three years, commencing from the day Xinxin Finance Leasing Company pays the consideration for the Menghai Photovoltaic Power Generation Equipment under the Menghai Ownership Transfer Agreement.

Payment of rent

The aggregate amount of rent payable by Menghai GCL to Xinxin Finance Leasing Company under the Previous Menghai Finance Lease Agreements is RMB190,975,478.14 (equivalent to approximately HK\$227,318,111.63) and is payable in quarterly instalments starting from 15 June 2016 in accordance with the following schedule:

Instalment	Repayment (RMB)
1.	7,444,062.50
2.	7,369,751.56
3.	7,295,440.63
4.	7,221,129.69
5.	7,146,818.75
6.	7,072,507.81
7.	6,998,196.88
8.	6,923,885.94
9.	6,849,575.00
10.	6,775,264.06
11.	6,700,953.13
12.	113,177,892.19

The aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Previous Menghai Finance Lease Agreements was RMB166,000,000.00 (equivalent to approximately HK\$197,589,800.00). The interest rate under the Menghai Finance Lease was calculated at an annualised interest rate of 6.00%, representing approximately 126.32% of the current benchmark lending rate (i.e. 4.75%) promulgated by the People's Bank of China. During the term of the Menghai 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 as the adjusted benchmark lending rate.

In the 18 months following the commencement of the Menghai Finance Lease, Menghai GCL shall not terminate the Menghai Finance Lease or seek to vary the terms of the lease for any reason.

Consultation services

Pursuant to the Menghai Services Agreement, Xinxin Finance Leasing Company agreed to provide to Menghai GCL certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services for a total service fee of RMB4,432,200.00 (equivalent to approximately HK\$5,275,647.66). Menghai GCL shall pay an initial amount of RMB1,181,920.00 (equivalent to approximately HK\$1,406,839.38) within five days of signing the Menghai Services Agreement and then remainder of the fees in 11 equal quarterly instalments of RMB295,480.00 (equivalent to approximately HK\$351,709.84) starting from the end of June 2016.

The terms of the Menghai Finance Lease and the Menghai Services Agreement including the lease rent, lease interest rate, and services fee were determined after arm's length negotiation between Xinxin Finance Leasing Company and Menghai GCL with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar consultation services.

The price for the purchase of the Menghai Photovoltaic Power Generation Equipment payable by Xinxin Finance Leasing Company under the Menghai Ownership Transfer Agreement was determined through arm's length negotiation between the parties with reference to the average fair market price of similar photovoltaic power generation equipment.

Ownership of the Menghai Photovoltaic Power Generation Equipment

During the term of the Menghai Finance Lease, the ownership of the Menghai Photovoltaic Power Generation Equipment shall vest in Xinxin Finance Leasing Company. Upon expiry of the term of the Menghai Finance Lease and subject to the full payment of the entire amount of lease rent, and where applicable any tax, interest and default interest due under the Menghai Finance Lease, Menghai GCL is eligible to purchase the Menghai Photovoltaic Power Generation Equipment at a nominal purchase price of RMB1,000.00 (equivalent to approximately HK\$1,190.30).

Security arrangements for the Menghai Finance Lease

Pursuant to the Previous Menghai Finance Lease Agreements, Menghai GCL shall pay to Xinxin Finance Leasing Company the Menghai Security Deposit which shall be deducted from the purchase price payable by Xinxin Finance Leasing Company under the Menghai Ownership Transfer Agreement to secure Menghai GCL's obligations under the Menghai Finance Lease. Xinxin Finance Leasing Company shall be entitled to deduct from the Menghai Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Menghai GCL. In the event of such deduction, Menghai GCL shall forthwith make up for the deduction and restore the amount of the Menghai Security Deposit to RMB7,470,000.00 (equivalent to approximately HK\$8,891,541.00). Following the expiry of the Menghai Finance Lease, any remaining balance of the Menghai Security Deposit shall be refunded to Menghai GCL. The Menghai Security Deposit shall not bear any interest during the term of the Menghai Finance Lease.

In addition, the obligations under the Menghai Finance Lease were secured by the following:

- (i) **Menghai Letter of Undertaking:** pursuant to the Menghai Letter of Undertaking, the Company has undertaken to make up any shortfall in outstanding payments if Menghai GCL fails to meet its payment obligations as they fall due under the Menghai Finance Lease;
- (ii) **Menghai Suzhou GCL Guarantee:** pursuant to the Menghai Suzhou GCL Guarantee, Suzhou GCL New Energy has agreed to provide a corporate guarantee to secure Menghai GCL's obligations under the Menghai Finance Lease, including rental payments and other amounts due to Xinxin Finance Leasing Company;

- (iii) **Menghai Receivables Pledge Agreement:** pursuant to the Menghai Receivables Pledge Agreement, Menghai GCL has pledged 100% of the receivables under the electricity sales agreement relating to its 50MW agriculture photovoltaic power station located in Menghai County of Xishuangbanna, PRC to secure all obligations under the Menghai Finance Lease, including all rental payments, administrative fees, damages and other amounts that may be due to Xinxin Finance Leasing Company; and
- (iv) **Menghai Share Pledge Agreement:** pursuant to the Menghai Share Pledge Agreement, Suzhou GCL New Energy has pledged 100% of the equity interest in Menghai GCL to secure all of Menghai GCL's obligations under the Menghai Finance Lease.

3. REASONS AND BENEFITS OF THE TRANSACTION

The terms of the Supplemental Menghai Finance Lease Agreements and the Previous 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 Supplemental Menghai Finance Lease Agreements and the Previous 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 Supplemental Menghai Finance Lease Agreements and the Previous Agreements are on normal commercial terms, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

4. LISTING RULES IMPLICATIONS

As none of the applicable percentage ratio in respect of the Previous Shandong Finance Lease Agreements (on their own) exceeded 5% for the Company, the entering into of the Previous Shandong Finance Lease Agreements did not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Further, the entering into of the Previous Shandong Finance Lease Agreements and Additional Previous Agreements (in aggregate) did not trigger a higher classification of a major transaction for the Company under Chapter 14 of the Listing Rules.

As the Previous Agreements were entered into with Xinxin Finance Leasing Company within a 12-month period prior to and inclusive of the date of the Supplemental Menghai Finance Lease Agreements, the Supplemental Menghai Finance Lease Agreements and the Previous 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 Supplemental Menghai Finance Lease Agreements and the Previous Agreements (in aggregate) exceeds 5% but is less than 25%, the entering into of the Supplemental Menghai Finance Lease Agreements and the Previous Agreements 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.

5. INFORMATION ON THE PARTIES TO THE SUPPLEMENTAL MENGHAI FINANCE LEASE AGREEMENTS AND THE PREVIOUS AGREEMENTS

Xinxin Finance Leasing Company

Xinxin Finance Leasing Company is a company incorporated in the PRC with limited liability and it is principally engaged in finance lease and other leasing business. GCL-Poly is indirectly interested in 5.28% of the equity interest in Xinxin Finance Leasing Company. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, save as otherwise disclosed in this announcement, Xinxin Finance Leasing Company and its ultimate beneficial owner(s) are third parties independent of the Company and each of their connected persons.

The Group

The Group is principally engaged in the development, construction, operation and management of solar power stations as well as the manufacturing and selling of printed circuit boards.

6. DEFINITIONS

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

“Additional Menghai Photovoltaic Power Generation Equipment”	additional sets of photovoltaic power generation equipment owned by Menghai GCL
“Additional Previous Agreements”	collectively, the Previous Hengshan Finance Lease Agreements, the Previous Xiaoshan Finance Lease Agreements, the Previous Hainan Finance Lease Agreements, the Previous Hami Finance Lease Agreements, the Previous Jingbian Finance Lease Agreement and the Previous Menghai Finance Lease Agreements
“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 persons”	has the same meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“GCL-Poly”	GCL-Poly Energy Holdings Limited 保利協鑫能源控股有限公司, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange, with stock code 3800. As at the date of this announcement, GCL-Poly is interested in approximately 62.28% of the issued share capital of the Company

“Group”	the Company and its subsidiaries
“Hainan Finance Lease”	the agreement dated 25 April 2016 entered into between Xinxin Finance Leasing Company and Hainan Yicheng with respect to the leasing of the Hainan Photovoltaic Power Generation Equipment
“Hainan Letter of Undertaking”	the letter of undertaking addressed to Xinxin Finance Leasing Company by the Company dated 25 April 2016 in respect of the Hainan Finance Lease
“Hainan Ownership Transfer Agreement”	the agreement dated 25 April 2016 between Hainan Yicheng and Xinxin Finance Leasing Company in relation to the transfer of the ownership of the Hainan Photovoltaic Power Generation Equipment from Hainan Yicheng to Xinxin Finance Leasing Company
“Hainan Photovoltaic Power Generation Equipment”	certain solar modules and solar power generation systems owned by Hainan Yicheng
“Hainan Receivables Pledge Agreement”	the agreement dated 25 April 2016 between Hainan Yicheng and Xinxin Finance Leasing Company in relation to the pledge of receivables under the electricity sales agreement relating to Hainan Yicheng’s 25MW agriculture photovoltaic power station project located in the Hainan Province, PRC to Xinxin Finance Leasing Company
“Hainan Security Deposit”	a refundable security deposit of RMB3,375,000.00 (equivalent to approximately HK\$4,017,262.50) payable by Hainan Yicheng under the Previous Hainan Finance Lease Agreements
“Hainan Services Agreement”	the agreement dated 25 April 2016 between Hainan Yicheng and Xinxin Finance Leasing Company in relation to certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services to be provided by Xinxin Finance Leasing Company to Hainan Yicheng
“Hainan Share Pledge Agreement”	the agreement dated 25 April 2016 between Suzhou GCL New Energy and Xinxin Finance Leasing Company (amongst others), pursuant to which Suzhou GCL New Energy has pledged 76.70% of the equity interest in Hainan Yicheng to Xinxin Finance Leasing Company

“Hainan Suzhou GCL Guarantee”	the agreement dated 25 April 2016 between Suzhou GCL New Energy and Xinxin Finance Leasing Company in connection with the guarantee provided by Suzhou GCL New Energy to Xinxin Finance Leasing Company in respect of Hainan Yicheng’s obligations under the Hainan Finance Lease
“Hainan Yicheng”	Hainan Yicheng New Energy Company Limited * (海南意晟新能源有限公司), a company incorporated in the PRC with limited liability and an indirect subsidiary of the Company
“Hami Finance Lease”	the agreement dated 25 April 2016 entered into between Xinxin Finance Leasing Company and Hami Ourui with respect to the leasing of the Hami Photovoltaic Power Generation Equipment
“Hami Letter of Undertaking”	the letter of undertaking addressed to Xinxin Finance Leasing Company by the Company dated 25 April 2016 in respect of the Hami Finance Lease
“Hami Ourui”	Hami Ourui Photovoltaic Power Generation Company Limited* (哈密歐瑞光伏發電有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Hami Ownership Transfer Agreement”	the agreement dated 25 April 2016 between Hami Ourui and Xinxin Finance Leasing Company in relation to the transfer of the ownership of the Hami Photovoltaic Power Generation Equipment from Hami Ourui to Xinxin Finance Leasing Company
“Hami Photovoltaic Power Generation Equipment”	certain polysilicon modules, solar modules, frames, combiner boxes, control boxes, substations and other power generation equipment owned by Hami Ourui
“Hami Receivables Pledge Agreement”	the agreement dated 25 April 2016 between Hami Ourui and Xinxin Finance Leasing Company in relation to the pledge of receivables under the electricity sales agreement relating to Hami Ourui’s 20MW photovoltaic power station project located in Liushuquan in the Xinjiang Uyghur Autonomous Region, the PRC to Xinxin Finance Leasing Company
“Hami Security Deposit”	a refundable security deposit of RMB6,300,000.00 (equivalent to approximately HK\$7,498,890.00) payable by Hami Ourui under the Previous Hami Finance Lease Agreements

“Hami Services Agreement”	the agreement dated 25 April 2016 between Hami Ourui and Xinxin Finance Leasing Company in relation to certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services to be provided by Xinxin Finance Leasing Company to Hami Ourui
“Hami Share Pledge Agreement”	the agreement dated 25 April 2016 between Suzhou GCL New Energy and Xinxin Finance Leasing Company, pursuant to which Suzhou GCL New Energy has pledged 100% of the equity interest in Hami Ourui to Xinxin Finance Leasing Company
“Hami Suzhou GCL Guarantee”	the agreement dated 25 April 2016 between Suzhou GCL New Energy and Xinxin Finance Leasing Company in connection with the guarantee provided by Suzhou GCL New Energy to Xinxin Finance Leasing Company in respect of Hami Ourui’s obligations under the Hami Finance Lease
“Hengshan Consultation Services Agreement”	the agreement dated 10 December 2015 entered into between Hengshan Jinghe and Xinxin Finance Leasing Company with respect to certain management and consultation services to be provided by Xinxin Finance Leasing Company to Hengshan Jinghe
“Hengshan Finance Lease”	the agreement dated 10 December 2015 entered into between Xinxin Finance Leasing Company and Hengshan Jinghe with respect to the leasing of the Hengshan Photovoltaic Power Generation Equipment
“Hengshan Jinghe”	Hengshan Jinghe Solar Energy Company Limited* (橫山晶合太陽能發電有限公司), a company incorporated in the PRC with limited liability, and an indirect subsidiary of the Company
“Hengshan Letter of Comfort”	the letter of comfort addressed to Xinxin Finance Leasing Company by the Company dated 10 December 2015 in respect of the Hengshan Finance Lease
“Hengshan Photovoltaic Power Generation Equipment”	certain photovoltaic power generation modules, combiner boxes, transformers and other ancillary equipment for the construction and development of 50MW solar power generation facilities to be operated by Hengshan Jinghe in Yulin City of Shaanxi Province, PRC
“Hengshan Repurchase Agreement”	the repurchase agreement dated 10 December 2015 entered into between Nanjing GCL New Energy and Xinxin Finance Leasing Company with respect to the Hengshan Photovoltaic Power Generation Equipment

“Hengshan Sale and Purchase Agreement”	the agreement dated 10 December 2015 entered into between Xinxin Finance Leasing Company, Nanjing GCL New Energy and Hengshan Jinghe pursuant to which Xinxin Finance Leasing Company has agreed to purchase, and Nanjing GCL New Energy has agreed to sell, the Hengshan Photovoltaic Power Generation Equipment
“Hengshan Security Deposit”	a refundable security deposit of RMB25,577,008.00 (equivalent to approximately HK\$30,444,312.62) payable by Hengshan Jinghe under the Previous Hengshan Finance Lease Agreements
“Hengshan Suzhou GCL Guarantee”	the agreement dated 10 December 2015 entered into between Suzhou GCL New Energy and Xinxin Finance Leasing Company in connection with the guarantee provided by Suzhou GCL New Energy in favour of Xinxin Finance Leasing Company for the obligations of Hengshan Jinghe under the Hengshan Finance Lease
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Jingbian County Shunfeng”	Jingbian County Shunfeng New Energy Co., Ltd.* (靖邊縣順風新能源有限公司), a company incorporated in the PRC with limited liability and an indirect subsidiary of the Company
“Jingbian Finance Lease”	the agreement dated 25 April 2016 entered into between Xinxin Finance Leasing Company and Jingbian County Shunfeng with respect to the leasing of the Jingbian Photovoltaic Power Generation Equipment
“Jingbian Letter of Undertaking”	the letter of undertaking addressed to Xinxin Finance Leasing Company by the Company dated 25 April 2016 in respect of the Jingbian Finance Lease
“Jingbian Ownership Transfer Agreement”	the agreement dated 25 April 2016 between Jingbian County Shunfeng and Xinxin Finance Leasing Company in relation to the transfer of the ownership of the Jingbian Photovoltaic Power Generation Equipment from Jingbian County Shunfeng to Xinxin Finance Leasing Company
“Jingbian Photovoltaic Power Generation Equipment”	polysilicon modules, cables, copper aluminium terminals, invertors, combiner boxes, an industrial monitor and other power generation equipment owned by Jingbian County Shunfeng

“Jingbian Receivables Pledge Agreement”	the agreement dated 25 April 2016 between Jingbian County Shunfeng and Xinxin Finance Leasing Company in relation to the pledge of receivables under the electricity sales agreement relating to its 40MW photovoltaic power station project located in Shaanxi Province, PRC to Xinxin Finance Leasing Company
“Jingbian Security Deposit”	a refundable security deposit of RMB3,015,000.00 (equivalent to approximately HK\$3,588,754.50) payable by Jingbian County Shunfeng under the Previous Jingbian Finance Lease Agreements
“Jingbian Services Agreement”	the agreement dated 25 April 2016 between Jingbian County Shunfeng and Xinxin Finance Leasing Company in relation to certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services to be provided by Xinxin Finance Leasing Company to Jingbian County Shunfeng
“Jingbian Share Pledge Agreement”	the agreement dated 25 April 2016 between Suzhou GCL New Energy and Xinxin Finance Leasing Company (amongst others), pursuant to which Suzhou GCL New Energy has pledged 95% of the equity interest in Jingbian County Shunfeng to Xinxin Finance Leasing Company
“Jingbian Suzhou GCL Guarantee”	the agreement dated 25 April 2016 between Suzhou GCL New Energy and Xinxin Finance Leasing Company in connection with the guarantee provided by Suzhou GCL New Energy to Xinxin Finance Leasing Company in respect of Jingbian County Shunfeng’s obligations under the Jingbian Finance Lease
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Menghai Finance Lease”	the agreement dated 25 April 2016 entered into between Xinxin Finance Leasing Company and Menghai GCL with respect to the leasing of the Menghai Photovoltaic Power Generation Equipment
“Menghai GCL”	Menghai GCL Solar Agricultural Power Company Limited* (勳海協鑫光伏農業電力有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Menghai Letter of Undertaking”	the letter of undertaking addressed to Xinxin Finance Leasing Company by the Company dated 25 April 2016 in respect of the Menghai Finance Lease

“Menghai Ownership Transfer Agreement”	the agreement dated 25 April 2016 between Menghai GCL and Xinxin Finance Leasing Company in relation to the transfer of the ownership of the Menghai Photovoltaic Power Generation Equipment from Menghai GCL to Xinxin Finance Leasing Company
“Menghai Photovoltaic Power Generation Equipment”	various sets of photovoltaic power generation equipment owned by Menghai GCL
“Menghai Receivables Pledge Agreement”	the agreement dated 25 April 2016 between Menghai GCL and Xinxin Finance Leasing Company in relation to the pledge of receivables under the electricity sales agreement relating to its 50MW agriculture photovoltaic power station project in Menghai County of Xishuangbanna, PRC to Xinxin Finance Leasing Company
“Menghai Security Deposit”	a refundable security deposit of RMB7,470,000.00 (equivalent to approximately HK\$8,891,541.00) payable by Menghai GCL under the Previous Menghai Finance Lease Agreements
“Menghai Services Agreement”	the agreement dated 25 April 2016 between Menghai GCL and Xinxin Finance Leasing Company in relation to certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services to be provided by Xinxin Finance Leasing Company to Menghai GCL
“Menghai Share Pledge Agreement”	the agreement dated 25 April 2016 between Suzhou GCL New Energy and Xinxin Finance Leasing Company, pursuant to which Suzhou GCL New Energy has pledged 100% of the equity interest in Menghai GCL to Xinxin Finance Leasing Company
“Menghai Suzhou GCL Guarantee”	the agreement dated 25 April 2016 between Suzhou GCL New Energy and Xinxin Finance Leasing Company in connection with the guarantee provided by Suzhou GCL New Energy to Xinxin Finance Leasing Company in respect of Menghai GCL’s obligations under the Menghai Finance Lease
“MW”	megawatt(s)
“Nanjing GCL New Energy”	Nanjing GCL New Energy Development Co., Ltd.* (南京協鑫新能源發展有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company

“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
“Previous Agreements”	collectively, the Additional Previous Agreements and the Previous Shandong Finance Lease Agreements
“Previous Hainan Finance Lease Agreements”	Hainan Finance Lease, Hainan Ownership Transfer Agreement, Hainan Services Agreement, Hainan Letter of Undertaking, Hainan Suzhou GCL Guarantee, Hainan Receivables Pledge Agreement, and Hainan Share Pledge Agreement
“Previous Hami Finance Lease Agreements”	Hami Finance Lease, Hami Ownership Transfer Agreement, Hami Services Agreement, Hami Letter of Undertaking, Hami Suzhou GCL Guarantee, Hami Receivables Pledge Agreement, and Hami Share Pledge Agreement
“Previous Hengshan Finance Lease Agreements”	Hengshan Finance Lease, Hengshan Sale and Purchase Agreement, Hengshan Consultation Services Agreement, Hengshan Repurchase Agreement, Hengshan Suzhou GCL Guarantee and the Hengshan Letter of Comfort
“Previous Jingbian Finance Lease Agreements”	Jingbian Finance Lease, Jingbian Ownership Transfer Agreement, Jingbian Services Agreement, Jingbian Letter of Undertaking, Jingbian Suzhou GCL Guarantee, Jingbian Receivables Pledge Agreement, and Jingbian Share Pledge Agreement
“Previous Menghai Finance Lease Agreements”	Menghai Finance Lease, Menghai Ownership Transfer Agreement, Menghai Services Agreement, Menghai Letter of Undertaking, Menghai Suzhou GCL Guarantee, Menghai Receivables Pledge Agreement, and Menghai Share Pledge Agreement
“Previous Shandong Finance Lease Agreements”	Shandong Finance Lease, Shandong Ownership Transfer Agreement, Shandong Services Agreement, Shandong Letter of Undertaking, Shandong Suzhou GCL Guarantee, Shandong Receivables Pledge Agreement, and Shandong Share Pledge Agreement
“Previous Xiaoshan Finance Lease Agreements”	Xiaoshan Finance Lease, Xiaoshan Ownership Transfer Agreement, Xiaoshan Services Agreement, Xiaoshan Share Pledge Agreement, Xiaoshan Suzhou GCL Guarantee, Xiaoshan Receivables Pledge Agreement and Xiaoshan Letter of Undertaking
“RMB”	Renminbi, the lawful currency of the PRC

“Shandong Finance Lease”	the agreement dated 29 April 2016 entered into between Xinxin Finance Leasing Company and Shandong Wanhai with respect to the leasing of the Shandong Photovoltaic Power Generation Equipment
“Shandong Letter of Undertaking”	the letter of undertaking addressed to Xinxin Finance Leasing Company by the Company dated 29 April 2016 in respect of the Shandong Finance Lease
“Shandong Ownership Transfer Agreement”	the agreement dated 29 April 2016 between Shandong Wanhai and Xinxin Finance Leasing Company in relation to the transfer of the ownership of the Shandong Photovoltaic Power Generation Equipment from Shandong Wanhai to Xinxin Finance Leasing Company
“Shandong Photovoltaic Power Generation Equipment”	certain polysilicon modules, modules, cables, photovoltaic station cable system, surveillance systems, printers, desktop computers and certain other photovoltaic power generation equipment owned by Shandong Wanhai
“Shandong Receivables Pledge Agreement”	the agreement dated 29 April 2016 between Shandong Wanhai and Xinxin Finance Leasing Company in relation to the pledge of receivables under the electricity sales agreement relating to Shandong Wanhai’s 35MW photovoltaic power station project located in Shandong Province, PRC to Xinxin Finance Leasing Company
“Shandong Security Deposit”	a refundable security deposit of RMB1,080,000.00 (equivalent to approximately HK\$1,285,524.00) payable by Shandong Wanhai under the Previous Shandong Finance Lease Agreements
“Shandong Services Agreement”	the agreement dated 29 April 2016 between Shandong Wanhai and Xinxin Finance Leasing Company in relation to certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services to be provided by Xinxin Finance Leasing Company to Shandong Wanhai
“Shandong Share Pledge Agreement”	the agreement dated 29 April 2016 between Suzhou GCL New Energy and Xinxin Finance Leasing Company, pursuant to which Suzhou GCL New Energy has pledged 100% of the equity interest in Shandong Wanhai to Xinxin Finance Leasing Company
“Shandong Suzhou GCL Guarantee”	the agreement dated 29 April 2016 between Suzhou GCL New Energy and Xinxin Finance Leasing Company in connection with the guarantee provided by Suzhou GCL New Energy to Xinxin Finance Leasing Company in respect of Shandong Wanhai’s obligations under the Shandong Finance Lease

“Shandong Wanhai”	Shandong Wanhai Power Company Limited* (山東萬海電力有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-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
“Supplemental Menghai Finance Lease”	the agreement dated 19 May 2016 entered into between Xinxin Finance Leasing Company and Menghai GCL with respect to the leasing of the Additional Menghai Photovoltaic Power Generation Equipment
“Supplemental Menghai Finance Lease Agreements”	Supplemental Menghai Finance Lease, Supplemental Menghai Ownership Transfer Agreement, Supplemental Menghai Services Agreement, Supplemental Menghai Letter of Undertaking and Supplemental Menghai Suzhou GCL Guarantee
“Supplemental Menghai Letter of Undertaking”	the letter of undertaking addressed to Xinxin Finance Leasing Company by the Company dated 19 May 2016 in respect of the Supplemental Menghai Finance Lease
“Supplemental Menghai Ownership Transfer Agreement”	the agreement dated 19 May 2016 between Menghai GCL and Xinxin Finance Leasing Company in relation to the transfer of the ownership of the Menghai Photovoltaic Power Generation Equipment from Menghai GCL to Xinxin Finance Leasing Company
“Supplemental Menghai Security Deposit”	a refundable security deposit of RMB990,000.00 (equivalent to approximately HK\$1,178,397.00) payable by Menghai GCL under the Supplemental Menghai Finance Lease Agreements
“Supplemental Menghai Services Agreement”	the agreement dated 19 May 2016 between Menghai GCL and Xinxin Finance Leasing Company in relation to certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services to be provided by Xinxin Finance Leasing Company to Menghai GCL

“Supplemental Menghai Suzhou GCL Guarantee”	the agreement dated 19 May 2016 between Suzhou GCL New Energy and Xinxin Finance Leasing Company in connection with the guarantee provided by Suzhou GCL New Energy to Xinxin Finance Leasing Company in respect of Menghai GCL’s obligations under both the Menghai Finance Lease and Supplemental Menghai Finance Lease
“Suzhou GCL New Energy”	Suzhou GCL New Energy Investment Company Limited* (蘇州協鑫新能源投資有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Xiaoshan Finance Lease”	the agreement dated 30 December 2015 entered into between Xinxin Finance Leasing Company and Zhejiang Shu Qimeng with respect to the leasing of the Xiaoshan Photovoltaic Power Generation Equipment
“Xiaoshan Letter of Undertaking”	the letter of undertaking addressed to Xinxin Finance Leasing Company by the Company dated 30 December 2015 in respect of the Xiaoshan Finance Lease
“Xiaoshan Ownership Transfer Agreement”	the agreement dated 30 December 2015 between Zhejiang Shu Qimeng and Xinxin Finance Leasing Company in relation to the transfer of the ownership of the Xiaoshan Photovoltaic Power Generation Equipment from Zhejiang Shu Qimeng to Xinxin Finance Leasing Company
“Xiaoshan Photovoltaic Power Generation Equipment”	certain polysilicon modules, solar modules, frames, combiner boxes, control boxes and other power generation equipment for the development and construction of the Xiaoshan Project
“Xiaoshan Project”	a 22.5MW solar power project located in Xiaoshan District in Hangzhou City of Zhejiang Province, PRC
“Xiaoshan Receivables Pledge Agreement”	the agreement dated 30 December 2015 between Zhejiang Shu Qimeng and Xinxin Finance Leasing Company in relation to the pledge of receivables under the electricity sales agreement relating to the Xiaoshan Project to Xinxin Finance Leasing Company
“Xiaoshan Security Deposit”	a refundable security deposit of RMB4,000,000.00 (equivalent to approximately HK\$4,761,200.00) payable by Zhejiang Shu Qimeng under the Previous Xiaoshan Finance Lease Agreements

“Xiaoshan Services Agreement”	the agreement dated 30 December 2015 between Zhejiang Shu Qimeng and Xinxin Finance Leasing Company in relation to certain services including production and distribution planning, business and product consultation, process optimisation, industry competition analysis and financial consultation services to be provided by Xinxin Finance Leasing Company to Zhejiang Shu Qimeng
“Xiaoshan Share Pledge Agreement”	the agreement dated 30 December 2015 between Suzhou GCL New Energy and Xinxin Finance Leasing Company, pursuant to which Suzhou GCL New Energy has pledged 91% of its equity interest in Zhejiang Shu Qimeng to Xinxin Finance Leasing Company
“Xiaoshan Suzhou GCL Guarantee”	the agreement dated 30 December 2015 between Suzhou GCL New Energy and Xinxin Finance Leasing Company in connection with the guarantee provided by Suzhou GCL New Energy to Xinxin Finance Leasing Company in respect of Zhejiang Shu Qimeng’s obligations under the Xiaoshan Finance Lease
“Xinxin Finance Leasing Company”	Xinxin Finance Leasing Company Limited* (芯鑫融資租賃有限責任公司), a company incorporated in the PRC with limited liability
“Zhejiang Shu Qimeng”	Zhejiang Shu Qimeng Electrical Technology Co., Ltd.* (浙江舒奇蒙電力科技有限公司), a company incorporated in the PRC with limited liability and an indirect subsidiary of the Company
“%”	per cent.

This announcement contains translation between Renminbi and Hong Kong dollar amounts at RMB1 = HK\$1.1903, being the exchange rate prevailing on 18 May 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, 19 May 2016

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