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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)

INSIDE INFORMATION

PERPETUAL NOTES AGREEMENT

This announcement is made by GCL New Energy Holdings Limited 協鑫新能源控股有限公司 (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE PERPETUAL NOTES

On 18 November 2016, the Company, through its indirect wholly-owned subsidiary, Nanjing GCL New Energy Development Co., Ltd. (南京協鑫新能源發展有限公司) (the “**Borrower**”) entered into a perpetual notes agreement with GCL-Poly (Suzhou) New Energy Co., Ltd.* (保利協鑫(蘇州)新能源有限公司), Jiangsu GCL Silicon Material Technology Development Co., Ltd. (江蘇協鑫硅材料科技發展有限公司), Suzhou GCL Photovoltaic Technology Co., Ltd. (蘇州協鑫光伏科技有限公司) and Taicang GCL Photovoltaic Technology Co., Ltd. (太倉協鑫光伏科技有限公司) (together, the “**Lenders**”) (the “**Perpetual Notes**”). Each of the Lenders is a wholly-owned subsidiary of GCL-Poly Energy Holdings Limited (“**GCL-Poly**”) (a company listed on the Main Board of The Stock Exchange of Hong Kong Limited with stock code: 3800, which indirectly holds 62.28% of the Company’s issued share capital). The Perpetual Notes is governed by the laws of the People’s Republic of China (the “**PRC**”).

The principal terms of the Perpetual Notes are summarised below:

Date: 18 November 2016

Parties:

- (1) GCL-Poly (Suzhou) New Energy Co., Ltd.* (保利協鑫(蘇州)新能源有限公司), as a Lender
- (2) Jiangsu GCL Silicon Material Technology Development Co., Ltd. (江蘇協鑫硅材料科技發展有限公司), as a Lender
- (3) Suzhou GCL Photovoltaic Technology Co., Ltd. (蘇州協鑫光伏科技有限公司), as a Lender
- (4) Taicang GCL Photovoltaic Technology Co., Ltd. (太倉協鑫光伏科技有限公司), as a Lender

(5) Nanjing GCL New Energy Development Co., Ltd. (南京協鑫新能源發展有限公司), as Borrower

Maximum amount: RMB1,800,000,000.00 (equivalent to approximately HK\$2,029,500,000.00) (the “**Maximum Amount of the Perpetual Notes**”)

Withdrawal Schedule: Subject to the Lenders’ consent and the relevant PRC rules and regulatory requirements, the Borrower can withdraw the Perpetual Notes in stages based on its financial needs (the “**Perpetual Notes Withdrawal**”). The Borrower shall withdraw the Maximum Amount of the Perpetual Notes by 31 December 2017.

Term: Indefinite

Interest rate: For each Perpetual Notes Withdrawal, the interest rate is 7.3% per annum for the first two years, 9% per annum for the third to fourth year and 11% per annum starting from the fifth year.

Maturity Date: There is no maturity date.

Repayment terms: The interest shall be repaid on the 21st day of the last month of each quarter (the “**Interest Payment Date**”). The Borrower shall have the right to defer any due and payable interest payment indefinitely by notifying the Lenders five working days before the Interest Payment Date. If the Borrower chooses to defer interest payment, for as long as there is any deferred interest payment not yet paid in full, the Borrower is not permitted to declare and pay dividends to its shareholders.

The Lenders shall have no right at any time to request repayment of the Perpetual Notes from the Borrower, but the Borrower shall have the right, but not the obligations, to repay the Perpetual Notes amount by notifying the Lenders in writing five working days before the repayment of the Perpetual Notes.

Security: None

Purpose: Borrower intends to use RMB1,800,000,000.00 (equivalent to approximately HK\$2,029,500,000.00) to repay the short term borrowings and fund investment projects and operational activities.

Governing law: PRC law

GENERAL INFORMATION

Pursuant to the International Financial Reporting Standards issued by International Accounting Standards Board, the Perpetual Notes will be classified as equity instruments of the Company. The enlarged equity base can help reduce the gearing of the Company.

The board of directors of the Company (the “**Board**”) is of the opinion that the Perpetual Notes are in the interests of the Company and its shareholders. The Company and its subsidiaries will be able to repay the short term borrowings and enhance their working capital and strengthen their capital base and financial position to support their business development without diluting the shareholding of the existing shareholders of the Company.

LISTING RULES IMPLICATIONS

Each of the Lenders is an indirect wholly-owned subsidiary of GCL-Poly, a substantial shareholder of the Company. Each of the Lenders is therefore a connected person of the Company under the Listing Rules. The issuance of the Perpetual Notes will constitute a connected transaction of the Company in the form of financial assistance from connected persons in favour of the Company. As the Perpetual Notes have an indefinite term, favourable repayment terms and the Perpetual Notes are not secured by any assets of the Company, the Board considers that the terms of the Perpetual Notes are on normal commercial terms and are favourable to the Company. Consequently, the Perpetual Notes is fully-exempted from shareholders’ approval, annual review and all disclosure requirements pursuant to Rule 14A.90 of the Listing Rules.

The completion of the Perpetual Notes is subject to the satisfaction of certain conditions precedent, including all necessary approvals under PRC laws and therefore may or may not proceed. Potential investors and shareholders of the Company should exercise caution when dealing in the securities of the Company.

This announcement contains translations between Renminbi and Hong Kong dollar amounts at RMB1 = HK\$1.1275, being the exchange rate prevailing on 18 November 2016. The translations should not be taken as a representation that the Renminbi could actually be converted into Hong Kong dollars at that rate or at all.

* *All of the English titles or names of the PRC companies 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, 18 November 2016

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