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**GCL New Energy Holdings Limited**  
**協鑫新能源控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 451)**

**DISCLOSEABLE TRANSACTION WITH CHINA  
FINANCIAL LEASING COMPANY LIMITED**

On 20 December 2016, the Group entered into the following finance lease arrangements with China Financial:

- (a) the Anlong Finance Lease Agreements in relation to the financing of the Anlong Photovoltaic Power Generation Equipment, pursuant to which, (i) China Financial shall purchase the Anlong Photovoltaic Power Generation Equipment from Nanjing GCL New Energy for RMB161,142,700.00 (equivalent to approximately HK\$180,173,652.87) and then lease to Mao'an New Energy (an indirect subsidiary of the Company) for a term of ten years for an aggregate estimated rent of RMB223,601,777.78 (equivalent to approximately HK\$250,009,147.74), and (ii) Mao'an New Energy shall pay to China Financial an administrative fee of RMB6,300,000.00 (equivalent to approximately HK\$7,044,030.00);
- (b) the Huai'an Finance Lease Agreements in relation to the financing of the Huai'an Photovoltaic Power Generation Equipment, pursuant to which, (i) China Financial shall purchase the Huai'an Photovoltaic Power Generation Equipment from Huai'an Ronggao (an indirect wholly-owned subsidiary of the Company) for RMB55,000,000.00 (equivalent to approximately HK\$61,495,500.00) and then lease back to Huai'an Ronggao for a term of ten years for an aggregate estimated rent of RMB76,630,825.98 (equivalent to approximately HK\$85,680,926.53), and (ii) Huai'an Ronggao shall pay to China Financial an administrative fee of RMB950,000.00 (equivalent to approximately HK\$1,062,195.00); and
- (c) the Qinzhou Finance Lease Agreements in relation to the financing of the Qinzhou Photovoltaic Power Generation Equipment, pursuant to which, (i) China Financial shall purchase the Qinzhou Photovoltaic Power Generation Equipment from Nanjing GCL New Energy for RMB308,922,400.00 (equivalent to approximately HK\$345,406,135.44) and then lease to Qinzhou Xinjin (an indirect wholly-owned subsidiary of the Company) for a term of

ten years for an aggregate estimated rent of RMB430,419,733.33 (equivalent to approximately HK\$481,252,303.84), and (ii) Qinzhou Xinjin shall pay to China Financial an administrative fee of RMB14,700,000.00 (equivalent to approximately HK\$16,436,070.00),

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

In addition, as disclosed in the Company’s announcements dated 29 April 2016 and 19 October 2016 (the “**Previous Announcements**”), certain finance lease arrangements (the “**Previous Agreements**”) were entered into by the Group with China Financial in the past 12 months.

## **LISTING RULES IMPLICATIONS**

As the Previous Agreements were entered into with China Financial within a 12-month period prior to and inclusive of the date of the Finance Lease Agreements, the 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 Finance Lease Agreements exceeds 5% but is less than 25%, the entering into of the Finance Lease 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.

As all the applicable ratios in respect of the Finance Lease Agreements and the Previous Agreements (in aggregate) were below 25%, the entering into of the Finance Lease Agreements and the Previous Agreements (in aggregate) did not trigger a higher classification of a major transaction for the Company under Chapter 14 of the Listing Rules.

## **1. THE FINANCE LEASE AGREEMENTS**

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

Date            20 December 2016

Parties        (i)    Seller: Nanjing GCL New Energy

                  (ii)    Purchaser and lessor: China Financial

                  (iii)   Lessee: Mao’an New Energy

### ***Anlong Finance Lease***

Pursuant to the Anlong Sale and Purchase Agreement and the Anlong Finance Lease, China Financial has agreed to purchase the Anlong Photovoltaic Power Generation Equipment from Nanjing GCL New Energy for a total consideration of RMB161,142,700.00 (equivalent to approximately HK\$180,173,652.87). The purchase price is payable in two instalments: (i) RMB1,142,700.00 (equivalent to approximately HK\$1,277,652.87) payable by Mao'an New Energy upon the signing of the Anlong Sale and Purchase Agreement, and (ii) RMB160,000,000.00 (equivalent to approximately HK\$178,896,000.00) payable by China Financial upon the satisfaction of all payment terms under the Anlong Sale and Purchase Agreement within two months of signing.

Following the acquisition, China Financial shall lease the Anlong Photovoltaic Power Generation Equipment to Mao'an New Energy for a term of ten years, commencing from the Anlong Commencement Date.

### ***Payment of rent***

The aggregate estimated amount of rent payable by Mao'an New Energy to China Financial under the Anlong Finance Lease is RMB223,601,777.78 (equivalent to approximately HK\$250,009,147.74) and is payable in a total of forty quarterly instalments starting from the 15th day of the following three months after the Anlong Commencement Date. The first eight instalments will only cover the lease interest, which is calculated based on the total unpaid principal amount multiplied by the annual lease interest rate and the actual number of days of that instalment divided by 360. The remaining thirty-two instalments will cover the principal lease cost plus the lease interest.

The aggregate estimated amount of rent was calculated based on the principal lease cost plus the lease interest rate based on the estimated Anlong Commencement Date of 15 January 2017. The principal lease cost under the Anlong Finance Lease was RMB160,000,000.00 (equivalent to approximately HK\$178,896,000.00). The interest rate under the Anlong Finance Lease was calculated at an annual interest rate of 6.4%, representing 1.5% above the prevailing benchmark lending rate of 4.9% promulgated by the People's Bank of China. During the term of the Anlong Finance Lease, if the applicable benchmark lending rate is adjusted by the People's Bank of China, the interest rate applicable shall be adjusted proportionally in the same direction. If the applicable benchmark lending rate promulgated by the People's Bank of China is adjusted to 4.5% or below, then the applicable interest rate under the Anlong Finance Lease shall not be adjusted further downwards.

### ***Administrative fee***

Pursuant to the Anlong Administrative Fee Agreement, China Financial agreed to provide to Mao'an New Energy certain services including finance leasing products consultation, industry and market analysis, financing proposals, financial management consulting, post-rental project management report and risk alert for an administrative fee of RMB6,300,000.00 (equivalent to approximately HK\$7,044,030.00).

Mao'an New Energy shall pay an initial amount of RMB1,300,000.00 (equivalent to approximately HK\$1,453,530.00) within two months of signing the Anlong Sale and Purchase Agreement and prior to the Anlong Commencement Date. Mao'an New Energy shall then pay the remainder of the fee in ten equal quarterly instalments of RMB500,000.00 (equivalent to approximately HK\$559,050.00) on each payment date for the 2nd, 6th, 10th, 14th, 18th, 22nd, 26th, 30th, 34th and 38th instalments of rent under the Anlong Finance Lease.

The terms of the Anlong Main Agreements, including the lease rent, lease interest rate, purchase price and administrative fee, were determined after arm's length negotiation between China Financial and Mao'an New Energy with reference to (i) the prevailing market rates for finance leases for similar assets, (ii) the prevailing market rates for similar management and financial consultation services, and (iii) the fair market price for similar photovoltaic power generation equipment.

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

During the term of the Anlong Finance Lease, the ownership of the Anlong Photovoltaic Power Generation Equipment shall vest in China Financial. During the lease period, Mao'an New Energy will use and keep the Anlong Photovoltaic Power Generation Equipment and China Financial shall not interfere with the normal use of the Anlong Photovoltaic Power Generation Equipment by Mao'an New Energy unless Mao'an New Energy commits a breach under the Anlong Finance Lease. Upon expiry of the term of the Anlong Finance Lease, subject to the full payment of the entire amount of lease rent and any other amounts due and there being no breach under the Anlong Finance Lease (or all breaches have been rectified in full, as the case may be), Mao'an New Energy is eligible to purchase the Anlong Photovoltaic Power Generation Equipment at a nominal purchase price of RMB10,000.00 (equivalent to approximately HK\$11,181.00).

### ***Security arrangements for the Anlong Finance Lease***

Pursuant to the Anlong Rental Deposit Agreement, Mao'an New Energy shall pay China Financial a rental deposit of RMB3,000,000.00 (equivalent to approximately HK\$3,354,300.00) within two months of signing the Anlong Sale and Purchase Agreement and prior to the Anlong Commencement Date to secure Mao'an New Energy's obligations under the Anlong Finance Lease.

China Financial shall be entitled to deduct from the rental deposit any unpaid rent, interest, any other amount due and payable and any cost incurred as a result of a breach of the Anlong Finance Lease by Mao'an New Energy. In the event of such deduction, when notified by China Financial, Mao'an New Energy shall make up for the deduction and restore the amount of the rental deposit to RMB3,000,000.00 (equivalent to approximately HK\$3,354,300.00).

Following the expiry of the Anlong Finance Lease, any remaining balance of the rental deposit may be used, with the consent of China Financial, to offset the rental payment for the last instalment or any other amount payable under the Anlong Finance Lease. The rental deposit shall not bear any interest.

In addition, Mao'an New Energy's obligations under the Anlong Main Agreements are secured by the following:

- (i) **Anlong Suzhou GCL Guarantee:** pursuant to the Anlong Suzhou GCL Guarantee, Suzhou GCL New Energy has agreed to provide a guarantee to secure Mao'an New Energy's obligations under the Anlong Main Agreements, including all interest, rental payments, administrative fees, damages and other amounts due to China Financial;
- (ii) **Anlong Receivables Pledge Agreement:** pursuant to the Anlong Receivables Pledge Agreement, Mao'an New Energy has agreed to pledge all receivables in respect of income (including electricity fees and subsidies) arising from the photovoltaic power station relating to the Anlong Photovoltaic Power Generation Equipment to secure all obligations under the Anlong Main Agreements, including all interest, rental payments, administrative fees, damages and other amounts that may be due to China Financial;
- (iii) **Anlong Guizhou Zhongxinneng Share Pledge Agreement:** pursuant to the Anlong Guizhou Zhongxinneng Share Pledge Agreement, Guizhou Zhongxinneng has pledged 51% of its equity interest in Mao'an New Energy and other distributions arising from such equity interest (including but not limited to dividends, bonus shares and other distributions) to secure all of Mao'an New Energy's obligations under the Anlong Main Agreements;
- (iv) **Anlong Guiyang Xinruizhi Share Pledge Agreement:** pursuant to the Anlong Guiyang Xinruizhi Share Pledge Agreement, Guiyang Xinruizhi has pledged 49% of its equity interest in Mao'an New Energy and other distributions arising from such equity interest (including but not limited to dividends, bonus shares and other distributions) to secure all of Mao'an New Energy's obligations under the Anlong Main Agreements; and
- (v) **Anlong Obligation Transfer Agreement:** pursuant to the Anlong Obligation Transfer Agreement, Nanjing GCL New Energy has agreed to assume Mao'an New Energy's obligations under the Anlong Finance Lease (including any outstanding rent, interest, damages, loss and payment of any other amounts due to China Financial) if Mao'an New Energy commits a material breach under the terms of the Anlong Finance Lease.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Guiyang Xinruizhi and its ultimate beneficial owner(s) are third parties independent of the Company and each of its connected persons.

## **B. Principal terms of the Huai'an Finance Lease Agreements**

Date 20 December 2016

Parties (i) Purchaser and lessor: China Financial

(ii) Seller and lessee: Huai'an Ronggao

### ***Huai'an Finance Lease***

Pursuant to the Huai'an Finance Lease, China Financial has agreed to purchase the Huai'an Photovoltaic Power Generation Equipment from Huai'an Ronggao for a total consideration of RMB55,000,000.00 (equivalent to approximately HK\$61,495,500.00). The purchase price is payable by China Financial upon the satisfaction of all payment terms under the Huai'an Finance Lease within two months of signing.

Following the acquisition, China Financial shall lease the Huai'an Photovoltaic Power Generation Equipment back to Huai'an Ronggao for a term of ten years, commencing from the Huai'an Commencement Date.

### ***Payment of rent***

The aggregate estimated amount of rent payable by Huai'an Ronggao to China Financial under the Huai'an Finance Lease is RMB76,630,825.98 (equivalent to approximately HK\$85,680,926.53) and is payable in a total of forty quarterly instalments starting from the 15th day of the following three months after the Huai'an Commencement Date. The first six instalments will only cover the lease interest, which is calculated based on the total unpaid principal amount multiplied by the annual lease interest rate and the actual number of days of the instalment divided by 360. The remaining thirty-four instalments will cover the principal lease cost plus the lease interest.

The aggregate estimated amount of rent was calculated based on the principal lease cost plus the lease interest rate based on the estimated Huai'an Commencement Date of 15 January 2017. The principal lease cost under the Huai'an Finance Lease was RMB55,000,000.00 (equivalent to approximately HK\$61,495,500.00). The interest rate under the Huai'an Finance Lease was calculated at an annual interest rate of 6.6%, representing 1.7% above the prevailing benchmark lending rate of 4.9% promulgated by the People's Bank of China. During the term of the Huai'an Finance Lease, if the applicable benchmark lending rate is adjusted by the People's Bank of China, the interest rate applicable shall be adjusted proportionally in the same direction.

If the applicable benchmark lending rate promulgated by the People's Bank of China is adjusted to 4.5% or below, then the applicable interest rate under the Huai'an Finance Lease shall not be adjusted further downwards.

### ***Administrative fee***

Pursuant to the Huai'an Administrative Fee Agreement, China Financial agreed to provide to Huai'an Ronggao certain services including finance leasing products consultation, industry and market analysis, financing proposals, financial management consulting, post-rental project management report and risk alert for an administrative fee of RMB950,000.00 (equivalent to approximately HK\$1,062,195.00).

Huai'an Ronggao shall pay an initial amount of RMB50,000.00 (equivalent to approximately HK\$55,905.00) within two months of signing the Huai'an Finance Lease and prior to the Huai'an Commencement Date. Huai'an Ronggao shall then pay the remainder of the fee in eighteen equal quarterly instalments of RMB50,000.00 (equivalent to approximately HK\$55,905.00) on each payment date for the first eighteen instalments of rent under the Huai'an Finance Lease.

The terms of the Huai'an Main Agreements, including the lease rent, lease interest rate, purchase price and administrative fee, were determined after arm's length negotiation between China Financial and Huai'an Ronggao with reference to (i) the prevailing market rates for finance leases for similar assets, (ii) the prevailing market rates for similar management and financial consultation services, and (iii) the fair market price for similar photovoltaic power generation equipment.

### ***Ownership of the Huai'an Photovoltaic Power Generation Equipment***

During the term of the Huai'an Finance Lease, the ownership of the Huai'an Photovoltaic Power Generation Equipment shall vest in China Financial. During the lease period, Huai'an Ronggao will use and keep the Huai'an Photovoltaic Power Generation Equipment and China Financial shall not interfere with the normal use of the Huai'an Photovoltaic Power Generation Equipment by Huai'an Ronggao unless Huai'an Ronggao commits a breach under the Huai'an Finance Lease. Upon expiry of the term of the Huai'an Finance Lease, subject to the full payment of the entire amount of lease rent and any other amounts due and there being no breach under the Huai'an Finance Lease (or all breaches have been rectified in full, as the case may be), Huai'an Ronggao is eligible to purchase the Huai'an Photovoltaic Power Generation Equipment at a nominal purchase price of RMB5,000.00 (equivalent to approximately HK\$5,590.50).

### *Security arrangements for the Huai'an Finance Lease*

Pursuant to the Huai'an Rental Deposit Agreement, Huai'an Ronggao shall pay China Financial a rental deposit of RMB1,900,000.00 (equivalent to approximately HK\$2,124,390.00) within two months of signing the Huai'an Finance Lease and prior to the Huai'an Commencement Date to secure Huai'an Ronggao's obligations under the Huai'an Finance Lease.

China Financial shall be entitled to deduct from the rental deposit any unpaid rent, interest, any other amount due and payable and any cost incurred as a result of a breach of the Huai'an Finance Lease by Huai'an Ronggao. In the event of such deduction, when notified by China Financial, Huai'an Ronggao shall make up for the deduction and restore the amount of the rental deposit to RMB1,900,000.00 (equivalent to approximately HK\$2,124,390.00).

Following the expiry of the Huai'an Finance Lease, any remaining balance of the rental deposit may be used, with the consent of China Financial, to offset the rental payment for the last instalment or any other amount payable under the Huai'an Finance Lease. The rental deposit shall not bear any interest.

In addition, Huai'an Ronggao's obligations under the Huai'an Main Agreements are secured by the following:

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



### **C. Principal terms of the Qinzhou Finance Lease Agreements**

- Date 20 December 2016
- Parties (i) Seller: Nanjing GCL New Energy
- (ii) Purchaser and lessor: China Financial
- (iii) Lessee: Qinzhou Xinjin

#### ***Qinzhou Finance Lease***

Pursuant to the Qinzhou Sale and Purchase Agreement and the Qinzhou Finance Lease, China Financial has agreed to purchase the Qinzhou Photovoltaic Power Generation Equipment from Nanjing GCL New Energy for a total consideration of RMB308,922,400.00 (equivalent to approximately HK\$345,406,135.44). The purchase price is payable in three instalments: (i) RMB215,600,000.00 (equivalent to approximately HK\$241,062,360.00) payable by China Financial upon the satisfaction of all payment terms for the first instalment under the Qinzhou Sale and Purchase Agreement within two months of signing; (ii) RMB92,400,000.00 (equivalent to approximately HK\$103,312,440.00) payable by China Financial upon the satisfaction of all payment terms for the second instalment under the Qinzhou Sale and Purchase Agreement within two months from the payment of the first instalment; and (iii) RMB92,400.00 (equivalent to approximately HK\$1,031,335.44) payable by Qinzhou Xinjin within one month from the payment of the second instalment.

Following the acquisition, China Financial shall lease the Qinzhou Photovoltaic Power Generation Equipment to Qinzhou Xinjin for a term of ten years, commencing from the Qinzhou Commencement Date. The pre-lease period under the Qinzhou Finance Lease shall commence from the date China Financial pays the first instalment under the Qinzhou Sale and Purchase Agreement and expire on the Qinzhou Commencement Date, which period shall not exceed 2 months.

#### ***Payment of rent***

The aggregate estimated amount of rent payable by Qinzhou Xinjin to China Financial under the Qinzhou Finance Lease is RMB430,419,733.33 (equivalent to approximately HK\$481,252,303.84) and is payable in a total of forty quarterly instalments starting from the 15th day of the following three months after the Qinzhou Commencement Date. The first eight instalments will only cover the lease interest, which is calculated based on the total unpaid principal amount multiplied by the annual lease interest rate and the actual number of days of that instalment divided by 360. The remaining thirty-two instalments will cover the principal lease cost plus the lease interest.

The aggregate estimated amount of rent was calculated based on the principal lease cost plus the lease interest rate based on the estimated Qinzhou Commencement Date of 15 February 2017. The principal lease cost under the Qinzhou Finance Lease was RMB308,000,000.00 (equivalent to approximately HK\$344,374,800.00). The interest rate under the Qinzhou Finance Lease was calculated at an annual interest rate of 6.4%, representing 1.5% above the prevailing benchmark lending rate of 4.9% promulgated by the People's Bank of China. During the term of the Qinzhou Finance Lease, if the applicable benchmark lending rate is adjusted by the People's Bank of China, the interest rate applicable shall be adjusted proportionally in the same direction. If the applicable benchmark lending rate promulgated by the People's Bank of China is adjusted to 4.5% or below, then the applicable interest rate under the Qinzhou Finance Lease shall not be adjusted further downwards.

Qinzhou Xinjin shall also pay to China Financial a pre-lease interest upon the expiry of the pre-lease period. The pre-lease interest is calculated daily based on the actual amount of purchase price already paid by China Financial and by reference to the annual interest rate (a year is regarded as having 360 days) and the actual number of days of owing such purchase price.

#### ***Administrative fee***

Pursuant to the Qinzhou Administrative Fee Agreement, China Financial agreed to provide to Qinzhou Xinjin certain services including finance leasing products consultation, industry and market analysis, financing proposals, financial management consulting, post-rental project management report and risk alert for an administrative fee of RMB14,700,000.00 (equivalent to approximately HK\$16,436,070.00).

Qinzhou Xinjin shall pay an initial amount of RMB3,200,000.00 (equivalent to approximately HK\$3,577,920.00) within two months of signing the Qinzhou Sale and Purchase Agreement and prior to the payment of the first instalment thereunder. Qinzhou Xinjin shall then pay the remainder of the fee in ten equal quarterly instalments of RMB1,150,000.00 (equivalent to approximately HK\$1,285,815.00) on each payment date for the 1st, 5th, 9th, 13th, 17th, 21st, 25th, 29th, 33rd and 37th instalments of rent under the Qinzhou Finance Lease.

The terms of the Qinzhou Main Agreements, including the lease rent, lease interest rate, purchase price and administrative fee, were determined after arm's length negotiation between China Financial and Qinzhou Xinjin with reference to (i) the prevailing market rates for finance leases for similar assets, (ii) the prevailing market rates for similar management and financial consultation services, and (iii) the fair market price for similar photovoltaic power generation equipment.

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

During the term of the Qinzhou Finance Lease, the ownership of the Qinzhou Photovoltaic Power Generation Equipment shall vest in China Financial. During the lease period, Qinzhou Xinjin will use and keep the Qinzhou Photovoltaic Power Generation Equipment and China

Financial shall not interfere with the normal use of the Qinzhou Photovoltaic Power Generation Equipment by Qinzhou Xinjin unless Qinzhou Xinjin commits a breach under the Qinzhou Finance Lease. Upon expiry of the term of the Qinzhou Finance Lease, subject to the full payment of the entire amount of lease rent and any other amounts due and there being no breach under the Qinzhou Finance Lease (or all breaches have been rectified in full, as the case may be), Qinzhou Xinjin is eligible to purchase the Qinzhou Photovoltaic Power Generation Equipment at a nominal purchase price of RMB10,000.00 (equivalent to approximately HK\$11,181.00).

### *Security arrangements for the Qinzhou Finance Lease*

Pursuant to the Qinzhou Rental Deposit Agreement, Qinzhou Xinjin shall pay China Financial a rental deposit of RMB5,700,000.00 (equivalent to approximately HK\$6,373,170.00) within two months of signing the Qinzhou Sale and Purchase Agreement and prior to the payment of the first instalment thereunder.

China Financial shall be entitled to deduct from the rental deposit any unpaid rent, interest, any other amount due and payable and any cost incurred as a result of a breach of the Qinzhou Finance Lease by Qinzhou Xinjin. In the event of such deduction, when notified by China Financial, Qinzhou Xinjin shall make up for the deduction and restore the amount of the rental deposit to RMB5,700,000.00 (equivalent to approximately HK\$6,373,170.00).

Following the expiry of the Qinzhou Finance Lease, any remaining balance of the rental deposit may be used, with the consent of China Financial, to offset the rental payment for the last instalment or any other amount payable under the Qinzhou Finance Lease. The rental deposit shall not bear any interest.

In addition, Qinzhou Xinjin's obligations under the Qinzhou Main Agreements are secured by the following:

- (i) **Qinzhou Suzhou GCL Guarantee:** pursuant to the Qinzhou Suzhou GCL Guarantee, Suzhou GCL New Energy has agreed to provide a guarantee to secure Qinzhou Xinjin's obligations under the Qinzhou Main Agreements, including all interest, rental payments, administrative fees, damages and other amounts due to China Financial;
- (ii) **Qinzhou Receivables Pledge Agreement:** pursuant to the Qinzhou Receivables Pledge Agreement, Qinzhou Xinjin has agreed to pledge all receivables in respect of income (including electricity fees and subsidies) arising from the photovoltaic power station relating to the Qinzhou Photovoltaic Power Generation Equipment to secure all obligations under the Qinzhou Main Agreements, including all interest, rental payments, administrative fees, damages and other amounts that may be due to China Financial;

- (iii) **Qinzhou Share Pledge Agreement:** pursuant to the Qinzhou Share Pledge Agreement, Suzhou GCL New Energy has pledged 100% of its equity interest in Qinzhou Xinjin and other distributions arising from such equity interest (including but not limited to dividends, bonus shares and other distributions) to secure all of Qinzhou Xinjin's obligations under the Qinzhou Main Agreements; and
- (iv) **Qinzhou Obligation Transfer Agreement:** pursuant to the Qinzhou Obligation Transfer Agreement, Nanjing GCL New Energy has agreed to assume Qinzhou Xinjin's obligations under the Qinzhou Finance Lease (including any outstanding rent, interest, damages, loss and payment of any other amounts due to China Financial) if Qinzhou Xinjin commits a material breach under the terms of the Qinzhou Finance Lease.

## **2. THE PREVIOUS AGREEMENTS**

Please refer to the Previous Announcements for the principal terms of the Previous Agreements.

## **3. REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

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

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

## **4. LISTING RULES IMPLICATIONS**

As the Previous Agreements were entered into with China Financial within a 12-month period prior to and inclusive of the date of the Finance Lease Agreements, the 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 Finance Lease Agreements exceeds 5% but is less than 25%, the entering into of the Finance Lease 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.

As all the applicable ratios in respect of the Finance Lease Agreements and the Previous Agreements (in aggregate) were below 25%, the entering into of the Finance Lease Agreements and the Previous Agreements (in aggregate) did not trigger a higher classification of a major transaction for the Company under Chapter 14 of the Listing Rules.

## 5. INFORMATION ON THE PARTIES TO THE FINANCE LEASE AGREEMENTS

### China Financial

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

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, China Financial and its ultimate beneficial owner(s) are third parties independent of the Company and each of its connected persons.

### The Group

The Group is principally engaged in the development, construction, operation and management of solar power station 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:

“Anlong Administrative Fee Agreement”	the agreement dated 20 December 2016 entered into between Mao'an New Energy and China Financial in relation to the administrative fee payable by Mao'an New Energy to China Financial
“Anlong Commencement Date”	the date on which China Financial pays the second instalment for the Anlong Photovoltaic Power Generation Equipment under the Anlong Sale and Purchase Agreement
“Anlong Finance Lease”	the agreement dated 20 December 2016 entered into between China Financial and Mao'an New Energy in relation to the leasing of the Anlong Photovoltaic Power Generation Equipment

“Anlong Finance Lease Agreements”	Anlong Sale and Purchase Agreement, Anlong Finance Lease, Anlong Administrative Fee Agreement, Anlong Rental Deposit Agreement, Anlong Suzhou GCL Guarantee, Anlong Receivables Pledge Agreement, Anlong Guizhou Zhongxinneng Share Pledge Agreement, Anlong Guiyang Xinruizhi Share Pledge Agreement and Anlong Obligation Transfer Agreement
“Anlong Guiyang Xinruizhi Share Pledge Agreement”	the agreement dated 20 December 2016 entered into between Guiyang Xinruizhi and China Financial, pursuant to which Guiyang Xinruizhi has pledged 49% of its equity interest in Mao’an New Energy to China Financial
“Anlong Guizhou Zhongxinneng Share Pledge Agreement”	the agreement dated 20 December 2016 entered into between Guizhou Zhongxinneng and China Financial, pursuant to which Guizhou Zhongxinneng has pledged 51% of its equity interest in Mao’an New Energy to China Financial
“Anlong Main Agreements”	Anlong Sale and Purchase Agreement, Anlong Finance Lease and Anlong Administrative Fee Agreement
“Anlong Obligation Transfer Agreement”	the agreement dated 20 December 2016 entered into between Nanjing GCL New Energy and China Financial, pursuant to which Nanjing GCL New Energy has agreed to assume Mao’an New Energy’s obligations in the event of a material breach by Mao’an New Energy of the terms of the Anlong Finance Lease
“Anlong Photovoltaic Power Generation Equipment”	certain photovoltaic modules, frames, combiner boxes, inverters, transformers, cables and step-up substation equipment previously owned by Nanjing GCL New Energy
“Anlong Receivables Pledge Agreement”	the agreement dated 20 December 2016 entered into between Mao’an New Energy and China Financial in relation to the pledge of receivables in respect of income arising from the photovoltaic power station relating to the Anlong Photovoltaic Power Generation Equipment
“Anlong Rental Deposit Agreement”	the agreement dated 20 December 2016 entered into between China Financial and Mao’an New Energy in relation to the payment of a rental deposit to secure Mao’an New Energy’s obligations under the Anlong Finance Lease

“Anlong Sale and Purchase Agreement”	the agreement dated 20 December 2016 entered into between Nanjing GCL New Energy as seller and China Financial as purchaser in relation to the sale and purchase of the Anlong Photovoltaic Power Generation Equipment
“Anlong Suzhou GCL Guarantee”	the agreement dated 20 December 2016 entered into between China Financial and Suzhou GCL New Energy in connection with the guarantee provided by Suzhou GCL New Energy to China Financial in respect of Mao’an New Energy’s obligations under the Anlong Main Agreements
“Board”	the board of the Directors
“China Financial”	China Financial Leasing Company Limited* (中國金融租賃有限公司), a company incorporated in the PRC with limited liability
“Company”	GCL New Energy Holdings Limited (協鑫新能源控股有限公司), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange, with stock code 451
“connected persons”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Finance Lease Agreements”	Anlong Finance Lease Agreements, Huai’an Finance Lease Agreements and Qinzhou Finance Lease Agreements
“Group”	the Company and its subsidiaries
“Guiyang Xinruizhi”	Guiyang Xinruizhi Electrical Equipment Company Limited* (貴陽欣銳志電力設備有限公司), a company incorporated in the PRC with limited liability
“Guizhou Zhongxinneng”	Guizhou Zhongxinneng New Energy Development Company Limited* (貴州中新能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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC

“Huai’an Administrative Fee Agreement”	the agreement dated 20 December 2016 entered into between Huai’an Ronggao and China Financial in relation to the administrative fee payable by Huai’an Ronggao to China Financial
“Huai’an Commencement Date”	the date on which China Financial pays the purchase price for the Huai’an Photovoltaic Power Generation Equipment under the Huai’an Finance Lease
“Huai’an Finance Lease”	the agreement dated 20 December 2016 entered into between China Financial and Huai’an Ronggao in relation to the sale, purchase and the leasing of the Huai’an Photovoltaic Power Generation Equipment
“Huai’an Finance Lease Agreements”	Huai’an Finance Lease, Huai’an Administrative Fee Agreement, Huai’an Rental Deposit Agreement, Huai’an Suzhou GCL Guarantee, Huai’an Receivables Pledge Agreement, Huai’an Share Pledge Agreement and Huai’an Obligation Transfer Agreement
“Huai’an Main Agreements”	Huai’an Finance Lease and Huai’an Administrative Fee Agreement
“Huai’an Obligation Transfer Agreement”	the agreement dated 20 December 2016 entered into between Nanjing GCL New Energy and China Financial, pursuant to which Nanjing GCL New Energy has agreed to assume Huai’an Ronggao’s obligations in the event of a material breach by Huai’an Ronggao of the terms of the Huai’an Finance Lease
“Huai’an Photovoltaic Power Generation Equipment”	certain photovoltaic modules, transformers, inverters, combiner boxes, cables, cable accessories, cold shrink cable terminals, copper-aluminum transit joints, aluminum alloy cables, frames, surveillance systems, grounding transformers, small resistance equipment sets, high and low voltage switchgears, reactive power compensation devices, ladder type frames, security systems and certain other photovoltaic power generation equipment previously owned by Huai’an Ronggao



“Huai’an Receivables Pledge Agreement”	the agreement dated 20 December 2016 entered into between Huai’an Ronggao and China Financial in relation to the pledge of receivables in respect of income arising from the photovoltaic power station relating to the Huai’an Photovoltaic Power Generation Equipment
“Huai’an Rental Deposit Agreement”	the agreement dated 20 December 2016 entered into between China Financial and Huai’an Ronggao in relation to the payment of a rental deposit to secure Huai’an Ronggao’s obligations under the Huai’an Finance Lease
“Huai’an Ronggao”	Huai’an Ronggao Photovoltaic Power Company Limited* (淮安融高光伏發電有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Huai’an Share Pledge Agreement”	the agreement dated 20 December 2016 entered into between Suzhou GCL New Energy and China Financial, pursuant to which Suzhou GCL New Energy has pledged 100% of its equity interest in Huai’an Ronggao to China Financial
“Huai’an Suzhou GCL Guarantee”	the agreement dated 20 December 2016 entered into between China Financial and Suzhou GCL New Energy in connection with the guarantee provided by Suzhou GCL New Energy to China Financial in respect of Huai’an Ronggao’s obligations under the Huai’an Main Agreements
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mao’an New Energy”	Anlong County Mao’an New Energy Development Company Limited* (安龍縣茂安新能源發展有限公司), a company incorporated in the PRC with limited liability and an indirect subsidiary of the Company
“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”	certain finance lease arrangements entered into by the Group with China Financial as disclosed in the Previous Announcements
“Previous Announcements”	the Company’s announcements dated 29 April 2016 and 19 October 2016
“Qinzhou Administrative Fee Agreement”	the agreement dated 20 December 2016 entered into between Qinzhou Xinjin and China Financial in relation to the administrative fee payable by Qinzhou Xinjin to China Financial
“Qinzhou Commencement Date”	the date on which the photovoltaic power station relating to the Qinzhou Photovoltaic Power Generation Equipment is accepted for grid connection
“Qinzhou Finance Lease”	the agreement dated 20 December 2016 entered into between China Financial and Qinzhou Xinjin in relation to the leasing of the Qinzhou Photovoltaic Power Generation Equipment
“Qinzhou Finance Lease Agreements”	Qinzhou Sale and Purchase Agreement, Qinzhou Finance Lease, Qinzhou Administrative Fee Agreement, Qinzhou Rental Deposit Agreement, Qinzhou Suzhou GCL Guarantee, Qinzhou Receivables Pledge Agreement, Qinzhou Share Pledge Agreement and Qinzhou Obligation Transfer Agreement
“Qinzhou Main Agreements”	Qinzhou Sale and Purchase Agreement, Qinzhou Finance Lease and Qinzhou Administrative Fee Agreement
“Qinzhou Obligation Transfer Agreement”	the agreement dated 20 December 2016 entered into between Nanjing GCL New Energy and China Financial, pursuant to which Nanjing GCL New Energy has agreed to assume Qinzhou Xinjin’s obligations in the event of a material breach by Qinzhou Xinjin of the terms of the Qinzhou Finance Lease

“Qinzhou Photovoltaic Power Generation Equipment”	certain photovoltaic modules, inverters, transformers, frames, combiner boxes, power distribution cabinets, cables, image surveillance sub-system, photovoltaic operation transmission system, outdoors PASS equipment, capacitor voltage transformers, arresters, switchboards, grounding transformers, cable cabinets, retractive power compensation device, small resistance equipment sets and certain other photovoltaic power generation equipment previously owned by Nanjing GCL New Energy
“Qinzhou Receivables Pledge Agreement”	the agreement dated 20 December 2016 entered into between Qinzhou Xinjin and China Financial in relation to the pledge of receivables in respect of income arising from the photovoltaic power station relating to the Qinzhou Photovoltaic Power Generation Equipment
“Qinzhou Rental Deposit Agreement”	the agreement dated 20 December 2016 entered into between China Financial and Qinzhou Xinjin in relation to the payment of a rental deposit to secure Qinzhou Xinjin’s obligations under the Qinzhou Finance Lease
“Qinzhou Sale and Purchase Agreement”	the agreement dated 20 December 2016 entered into between Nanjing GCL New Energy as seller and China Financial as purchaser in relation to the sale and purchase of the Qinzhou Photovoltaic Power Generation Equipment
“Qinzhou Share Pledge Agreement”	the agreement dated 20 December 2016 entered into between Suzhou GCL New Energy and China Financial, pursuant to which Suzhou GCL New Energy has pledged 100% of its equity interest in Qinzhou Xinjin to China Financial
“Qinzhou Suzhou GCL Guarantee”	the agreement dated 20 December 2016 entered into between China Financial and Suzhou GCL New Energy in connection with the guarantee provided by Suzhou GCL New Energy to China Financial in respect of Qinzhou Xinjin’s obligations under the Qinzhou Main Agreements
“Qinzhou Xinjin”	Qinzhou Xinjin Photovoltaic Power Company Limited* (欽州鑫金光伏電力有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“RMB”	Renminbi, the lawful currency of the PRC

“Share(s)”	ordinary shares of one-two-hundred-fortieth (1/240) of a Hong Kong dollar each (equivalent to HK\$0.00416) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“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
“%”	per cent.

*This announcement contains translation between Renminbi and Hong Kong dollar amounts at RMB1 = HK\$1.1181, being the exchange rate prevailing on 20 December 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, 20 December 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.*