

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**GCL-Poly Energy Holdings Limited**

**保利協鑫能源控股有限公司**

*(Incorporated in the Cayman Islands  
with limited liability)*

**(Stock code: 3800)**



**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 CINDA FINANCIAL LEASING CO., LTD**

On 19 January 2017 (after trading hours), the GNE Group entered into the Ruzhou Finance Lease Agreements, pursuant to which (i) Cinda Financial Leasing shall purchase from Nanjing GCL New Energy (an indirect subsidiary of GCL-Poly and an indirect wholly-owned subsidiary of GNE) the Ruzhou Leased Assets at a consideration of RMB504,523,164.36 (equivalent to approximately HK\$570,716,603.52) and (ii) following the acquisition, Cinda Financial Leasing as lessor shall lease the Ruzhou Leased Assets to Ruzhou GCL (an indirect subsidiary of GCL-Poly and an indirect wholly-owned subsidiary of GNE) as lessee for a term of 8 years at an aggregate estimated rent of RMB538,005,073.40 (equivalent to approximately HK\$608,591,339.03). In addition, pursuant to the Ruzhou Finance Lease Agreements, Ruzhou GCL agreed to pay Cinda Financial Leasing a finance lease service fee of RMB21,072,000.00 (equivalent to approximately HK\$23,836,646.40).

In addition, the GNE Group entered into the following agreements with Cinda Financial Leasing in the past 12 months ("**Past Finance Lease Agreements**"):

- (i) the Taigu Finance Lease Agreements, pursuant to which (i) Cinda Financial Leasing had purchased from Taigu Fengguang (an indirect subsidiary of GCL-Poly and an indirect wholly-owned subsidiary of GNE) the Taigu Leased Assets at a consideration of RMB120,000,000.00 (equivalent to approximately HK\$135,744,000.00) and (ii) following the acquisition, Cinda Financial Leasing as lessor had leased the Taigu Leased Assets to Taigu Fengguang as lessee for a term of 8 years at an aggregate estimated rent of RMB147,000,786.76 (equivalent to approximately HK\$166,287,289.98). In addition, pursuant to the Taigu Finance Lease Agreements, Taigu Fengguang agreed to pay Cinda Financial Leasing a finance lease service fee of RMB5,760,000.00 (equivalent to approximately HK\$6,515,712.00);

- (ii) the Shanggao Finance Lease Agreements, pursuant to which (i) Cinda Financial Leasing had purchased from Shanggao County Lifeng (an indirect subsidiary of GCL-Poly and an indirect wholly-owned subsidiary of GNE) the Shanggao Leased Assets at a consideration of RMB120,000,000.00 (equivalent to approximately HK\$135,744,000.00) and (ii) following the acquisition, Cinda Financial Leasing as lessor had leased the Shanggao Leased Assets to Shanggao County Lifeng as lessee for a term of 8 years at an aggregate estimated rent of RMB147,062,890.23 (equivalent to approximately HK\$166,357,541.43). In addition, pursuant to the Shanggao Finance Lease Agreements, the GNE Group agreed to pay Cinda Financial Leasing a finance lease service fee of RMB5,760,000.00 (equivalent to approximately HK\$6,515,712.00);
- (iii) the Meng Finance Lease Agreements, pursuant to which (i) Cinda Financial Leasing had purchased from Meng County Puyang (an indirect subsidiary of GCL-Poly and an indirect subsidiary of GNE) the Meng Leased Assets at a consideration of RMB180,000,000.00 (equivalent to approximately HK\$203,616,000.00) and (ii) following the acquisition, Cinda Financial Leasing as lessor had leased the Meng Leased Assets to Meng County Puyang as lessee for a term of 8 years at an aggregate estimated rent of RMB220,594,335.35 (equivalent to approximately HK\$249,536,312.15). In addition, pursuant to the Meng Finance Lease Agreements, the GNE Group agreed to pay Cinda Financial Leasing a finance lease service fee of RMB8,640,000.00 (equivalent to approximately HK\$9,773,568.00);
- (iv) the Anfu Finance Lease Agreements, pursuant to which (i) Cinda Financial Leasing had purchased the Anfu Leased Assets from Anfu GCL (an indirect subsidiary of GCL-Poly and an indirect wholly-owned subsidiary of GNE) at a consideration of RMB100,000,000.00 (equivalent to approximately HK\$113,120,000.00) and (ii) following the acquisition, Cinda Financial Leasing had leased the Anfu Leased Assets to Anfu GCL at an aggregate estimated rent of RMB118,257,935.80 (equivalent to approximately HK\$133,773,376.98) for a term of 6 years, commencing from the date that the consideration for the Anfu Leased Assets is paid by Cinda Financial Leasing. In addition, pursuant to the Anfu Finance Lease Agreements, the GNE Group agreed to pay Cinda Financial Leasing a finance lease service fee of RMB3,600,000.00 (equivalent to approximately HK\$4,072,320.00); and
- (v) the Ningxia Finance Lease Agreements, pursuant to which (i) Cinda Financial Leasing had purchased the Ningxia Leased Assets from Ningxia Haoneng and Nanjing GCL New Energy at an aggregate consideration of RMB100,000,000.00 (equivalent to approximately HK\$113,120,000.00) and (ii) following the acquisition, Cinda Financial Leasing had leased the Ningxia Leased Assets to Ningxia Green (an indirect subsidiary of GCL-Poly and an indirect subsidiary of GNE) at an aggregate estimated rent of RMB104,543,308.62 (equivalent to approximately HK\$118,259,390.71) for a term of 1.5 years, commencing from the date that the consideration for the Ningxia Leased Assets is paid by Cinda Financial Leasing. In addition, pursuant to the Ningxia Finance Lease Agreements, the GNE Group agreed to pay Cinda Financial Leasing a finance lease service fee of RMB1,500,000.00 (equivalent to approximately HK\$1,696,800.00).

## LISTING RULE IMPLICATIONS

### GCL-Poly

As none of the applicable percentage ratios in respect of the Past Finance Lease Agreements (on their own) exceeded 5% for GCL-Poly, the entering into of the Past Finance Lease Agreements did not constitute a discloseable transaction for GCL-Poly under Chapter 14 of the Listing Rules.

As the Past Finance Lease Agreements were entered into with Cinda Financial Leasing within a 12-month period prior to and inclusive of the date of the Ruzhou Finance Lease Agreements, the Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements will be aggregated as a series of transactions for GCL-Poly pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements (in aggregate) exceeds 5% but is less than 25% for GCL-Poly, the entering into of the Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements, in aggregate, constitutes a discloseable transaction of GCL-Poly and GCL-Poly shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

### GNE

As one or more of the applicable percentage ratios in respect of the Ruzhou Finance Lease Agreements exceeded 5% but is less than 25% for GNE, the entering into of the Ruzhou Finance Lease Agreements (on its own) constitutes a discloseable transaction for GNE and GNE shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As none of the applicable percentage ratios in respect of the Taigu Finance Lease Agreements exceeded 5% for GNE, the entering into of the Taigu Finance Lease Agreements (on its own) did not constitute a discloseable transaction for GNE under Chapter 14 of the Listing Rules.

As disclosed in GNE's announcement dated 7 December 2016, the entering into of the Shanggao Finance Lease Agreements, the Meng Finance Lease Agreements, the Anfu Finance Lease Agreements and the Ningxia Finance Lease Agreements ("**Previously Announced Finance Lease Agreements**") (in aggregate) constituted a discloseable transaction for GNE under Chapter 14 of the Listing Rules.

As the Past Finance Lease Agreements were entered into with Cinda Financial Leasing within a 12-month period prior to and inclusive of the date of the Ruzhou Finance Lease Agreements, the Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements will be aggregated as a series of transactions for GNE pursuant to Rule 14.22 of the Listing Rules.

The entering into of the Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements (in aggregate) did not trigger a higher classification of a major transaction for GNE under Chapter 14 of the Listing Rules.

## 1. PRINCIPAL TERMS OF THE RUZHOU FINANCE LEASE AGREEMENTS

- (i) **Date** 19 January 2017
- (ii) **Parties**
  - (1) Seller: Nanjing GCL New Energy
  - (2) Lessee: Ruzhou GCL
  - (3) Purchaser and lessor: Cinda Financial Leasing

### (iii) **The Ruzhou Finance Lease**

Pursuant to the Ruzhou Sale and Purchase Agreement and the Ruzhou Finance Lease, (i) Cinda Financial Leasing shall purchase the Ruzhou Leased Assets from Nanjing GCL New Energy at a consideration of RMB504,523,164.36 (equivalent to approximately HK\$570,716,603.52), of which RMB439,000,000.00 (equivalent to approximately HK\$496,596,800.00) shall be payable by Cinda Financial Leasing and the remainder shall be payable by Ruzhou GCL to Nanjing GCL New Energy, and (ii) following the acquisition, Cinda Financial Leasing shall lease the Ruzhou Leased Assets to Ruzhou GCL at an aggregate estimated rent of RMB538,005,073.40 (equivalent to approximately HK\$608,591,339.03) for a term of 8 years, commencing from the date that the Ruzhou Leased Assets are delivered to Ruzhou GCL from Nanjing GCL New Energy. Cinda Financial Leasing shall pay the relevant part of the consideration to Nanjing GCL New Energy in two instalments:

- (a) RMB395,100,000.00 (equivalent to approximately HK\$446,937,120.00) shall be paid within 30 days after signing of the Ruzhou Sale and Purchase Agreement and the Ruzhou Finance Lease, provided that the following conditions are satisfied: (i) Cinda Financial Leasing having received the corresponding portion of the finance lease service fee and the Ruzhou Security Deposit payable by Ruzhou GCL under the Ruzhou Finance Lease; (ii) Cinda Financial Leasing having received documents confirmed jointly by Ruzhou GCL, the project construction party and the project supervision party in relation to the delivery of Ruzhou Leased Assets; and (iii) Cinda Financial Leasing having received a notice of payment issued by Nanjing GCL New Energy; and
- (b) the remaining RMB43,900,000.00 (equivalent to approximately HK\$49,659,680.00) shall be paid within 12 months after all the Ruzhou Leased Assets have been delivered to the project site, provided that the following conditions are satisfied: (i) Cinda Financial Leasing having received the corresponding portion of the finance lease service fee and the Ruzhou Security Deposit payable by Ruzhou GCL under

the Ruzhou Finance Lease; (ii) Cinda Financial Leasing having received documents confirmed jointly by Ruzhou GCL, the project construction party and the project supervision party in relation to the timing of delivery of all the Ruzhou Leased Assets; and (iii) Cinda Financial Leasing having received a notice of payment issued by Nanjing GCL New Energy.

**(iv) Payment of Rent and Service Fee**

The estimated aggregate amount of rent payable by Ruzhou GCL to Cinda Financial Leasing under the Ruzhou Finance Lease Agreements is RMB538,005,073.40 (equivalent to approximately HK\$608,591,339.03) and is payable in a total of 32 quarterly instalments. Based on the commencement date of 10 February 2017, the initial two instalments will be RMB5,377,750.00 (equivalent to approximately HK\$6,083,310.80) each and each of the remaining 30 instalments will be RMB17,574,985.78 (equivalent to approximately HK\$19,880,823.91).

The estimated aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Ruzhou Finance Lease was RMB439,000,000.00 (equivalent to approximately HK\$496,596,800.00). The interest rate under the Ruzhou Finance Lease was calculated at an annualised interest rate of 4.9%, representing the current benchmark lending rate promulgated by the People's Bank of China for an 8-year term. During the term of the Ruzhou 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.

In addition, Ruzhou GCL has agreed to pay a finance lease service fee to Cinda Financial Leasing of RMB21,072,000.00 (equivalent to approximately HK\$23,836,646.40). Ruzhou GCL shall pay the service fee in equal annual instalments of RMB2,634,000.00 (equivalent to approximately HK\$2,979,580.80), the first instalment of which shall be paid to Cinda Financial Leasing as follows:

- (a) RMB2,370,600.00 (equivalent to approximately HK\$2,681,622.72) within 5 days from the signing of the Ruzhou Finance Lease; and
- (b) RMB263,400.00 (equivalent to approximately HK\$297,958.08) before Cinda Financial Leasing pays the second instalment under the Ruzhou Sale and Purchase Agreement.

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

The price for the purchase of the Ruzhou Leased Assets payable by Cinda Financial Leasing under the Ruzhou 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 and the amount of financing agreed to be provided by Cinda Financial Leasing.

**(v) Ownership of the Ruzhou Leased Assets**

During the term of the Ruzhou Finance Lease, the ownership of the Ruzhou Leased Assets shall vest in Cinda Financial Leasing and Cinda Financial Leasing shall not interfere with the normal use of the Ruzhou Leased Assets by Ruzhou GCL unless Ruzhou GCL commits a breach under the Ruzhou Finance Lease. Upon expiry of the term of the Ruzhou Finance Lease and subject to the full payment of the entire amount of the lease rent and interest and any other amounts due under the Ruzhou Finance Lease, Ruzhou GCL shall purchase the Ruzhou Leased Assets on an "as is" basis from Cinda Financial Leasing for a nominal purchase price of RMB100.00 (equivalent to approximately HK\$113.12).

**(vi) Security Arrangements for the Ruzhou Finance Lease**

Pursuant to the Ruzhou Finance Lease Agreements, Ruzhou GCL shall pay to Cinda Financial Leasing the Ruzhou Security Deposit which shall be paid prior to Cinda Financial Leasing paying the consideration for the Ruzhou Leased Assets to secure Ruzhou GCL's obligations under the Ruzhou Finance Lease. Cinda Financial Leasing shall be entitled to deduct from the Ruzhou Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Ruzhou GCL. In the event of such deduction, Ruzhou GCL shall make up for the deduction and restore the amount of the Ruzhou Security Deposit to RMB35,120,000.00 (equivalent to approximately HK\$39,727,744.00) upon notice from Cinda Financial Leasing. Following the expiry of the Ruzhou Finance Lease, any remaining balance of the Ruzhou Security Deposit shall be refunded to Ruzhou GCL. The Ruzhou Security Deposit shall not bear any interest during the term of the Ruzhou Finance Lease.

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

- (a) Suzhou GCL Ruzhou Guarantee: pursuant to the Suzhou GCL Ruzhou Guarantee, Suzhou GCL New Energy has agreed to provide a guarantee to secure Ruzhou GCL's obligations under the Ruzhou Finance Lease, including rental payments, interest, finance lease service fee, security deposit and other amounts due to Cinda Financial Leasing;



commencing from the date that the consideration for the Taigu Leased Assets is paid by Cinda Financial Leasing. The Taigu Leased Assets shall be used by Taigu Fengguang for the Taigu Project.

*(iv) Payment of Rent and Service Fee*

The estimated aggregate amount of rent payable by Taigu Fengguang to Cinda Financial Leasing under the Taigu Finance Lease Agreements is RMB147,000,786.76 (equivalent to approximately HK\$166,287,289.98) and is payable in a total of 32 quarterly instalments. Based on the commencement date of 23 December 2016, the initial two instalments will be RMB1,404,666.67 (equivalent to approximately HK\$1,588,958.94) and RMB1,470,000.00 (equivalent to approximately HK\$1,662,864.00) respectively; each of the next 29 instalments will be RMB4,804,096.34 (equivalent to approximately HK\$5,434,393.78); and the last instalment will be RMB4,807,326.23 (equivalent to approximately HK\$5,438,047.43).

The estimated aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Taigu Finance Lease was RMB120,000,000.00 (equivalent to approximately HK\$135,744,000.00). The interest rate under the Taigu Finance Lease was calculated at an annualised interest rate of 4.9%, representing the then benchmark lending rate promulgated by the People's Bank of China for an 8-year term. During the term of the Taigu 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.

In addition, Taigu Fengguang has agreed to pay a finance lease service fee to Cinda Financial Leasing of RMB5,760,000.00 (equivalent to approximately HK\$6,515,712.00). Taigu Fengguang shall pay the service fee in equal annual instalments of RMB720,000.00 (equivalent to approximately HK\$814,464.00), the first instalment of which shall be paid within five days of the Taigu Finance Lease.

The terms of the Taigu Finance Lease including the lease rent, lease interest rate and service fee were determined after arm's length negotiation between Cinda Financial Leasing and Taigu Fengguang with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar finance lease services.

The price for the purchase of the Taigu Leased Assets payable by Cinda Financial Leasing under the Taigu Finance Lease was determined through arm's length negotiation between the parties with reference to the average fair market price of similar photovoltaic power generation equipment and the amount of financing agreed to be provided by Cinda Financial Leasing.



**(v) *Ownership of the Taigu Leased Assets***

During the term of the Taigu Finance Lease, the ownership of the Taigu Leased Assets shall vest in Cinda Financial Leasing. Upon expiry of the term of the Taigu Finance Lease and subject to the full payment of the entire amount of the lease rent and interest due under the Taigu Finance Lease, Taigu Fengguang shall purchase the Taigu Leased Assets on an “as is” basis from Cinda Financial Leasing for a nominal purchase price of RMB100.00 (equivalent to approximately HK\$113.12).

**(vi) *Security Arrangements for the Taigu Finance Lease***

Pursuant to the Taigu Finance Lease Agreements, Taigu Fengguang shall pay to Cinda Financial Leasing the Taigu Security Deposit which shall be paid within five days of the Taigu Finance Lease to secure Taigu Fengguang’s obligations under the Taigu Finance Lease. Cinda Financial Leasing shall be entitled to deduct from the Taigu Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Taigu Fengguang. In the event of such deduction, Taigu Fengguang shall make up for the deduction and restore the amount of the Taigu Security Deposit to RMB8,520,000.00 (equivalent to approximately HK\$9,637,824.00) upon notice from Cinda Financial Leasing. Following the expiry of the Taigu Finance Lease, any remaining balance of the Taigu Security Deposit shall be refunded to Taigu Fengguang. The Taigu Security Deposit shall not bear any interest during the term of the Taigu Finance Lease.

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

- (1) Suzhou GCL Taigu Guarantee: pursuant to the Suzhou GCL Taigu Guarantee, Suzhou GCL New Energy has agreed to provide a guarantee to secure Taigu Fengguang’s obligations under the Taigu Finance Lease, including rental payments, interest, finance lease service fee, security deposit and other amounts due to Cinda Financial Leasing;
- (2) Nanjing GCL Taigu Guarantee: pursuant to the Nanjing GCL Taigu Guarantee, Nanjing GCL New Energy has agreed to provide a guarantee to secure Taigu Fengguang’s obligations under the Taigu Finance Lease, including rental payments, interest, finance lease service fee, security deposit and other amounts due to Cinda Financial Leasing;
- (3) Taigu Share Pledge Agreement: pursuant to the Taigu Share Pledge Agreement, Suzhou GCL New Energy has agreed to pledge 100% of the equity interest in Taigu Fengguang to secure all of Taigu Fengguang’s obligations under the Taigu Finance Lease;

- (4) Taigu Leased Assets Mortgage Agreement: pursuant to the Taigu Leased Assets Mortgage Agreement, Taigu Fengguang has agreed to mortgage the Taigu Leased Assets to secure all of its obligations under the Taigu Finance Lease; and
- (5) Taigu Electricity Fees Pledge Agreement: pursuant to the Taigu Electricity Fees Pledge Agreement, Taigu Fengguang has agreed to pledge 100% of its right to electricity fees in relation to the Taigu Project to secure its obligations under the Taigu Finance Lease.

## **B. Principal terms of the Shanggao Finance Lease Agreements**

- (i) *Date* 7 December 2016
- (ii) *Parties*
  - (1) Seller and lessee: Shanggao County Lifeng
  - (2) Purchaser and lessor: Cinda Financial Leasing
- (iii) *The Shanggao Finance Lease*

Pursuant to the Shanggao Finance Lease, (i) Cinda Financial Leasing had purchased the Shanggao Leased Assets from Shanggao County Lifeng at a consideration of RMB120,000,000.00 (equivalent to approximately HK\$135,744,000.00) and (ii) following the acquisition, Cinda Financial Leasing had leased the Shanggao Leased Assets to Shanggao County Lifeng at an aggregate estimated rent of RMB147,062,890.23 (equivalent to approximately HK\$166,357,541.43) for a term of 8 years, commencing from the date that the consideration for the Shanggao Leased Assets is paid by Cinda Financial Leasing. The Shanggao Leased Assets shall be used by Shanggao County Lifeng for the Shanggao Project.

### **(iv) *Payment of Rent and Service Fee***

The estimated aggregate amount of rent payable by Shanggao County Lifeng to Cinda Financial Leasing under the Shanggao Finance Lease Agreements is RMB147,062,890.23 (equivalent to approximately HK\$166,357,541.43) and is payable in a total of 32 quarterly instalments. Based on the commencement date of 9 December 2016, the initial two instalments will be RMB1,470,000.00 (equivalent to approximately HK\$1,662,864.00) each and each of the remaining instalments will be RMB4,804,096.34 (equivalent to approximately HK\$5,434,393.78).

The estimated aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Shanggao Finance Lease was RMB120,000,000.00 (equivalent to approximately HK\$135,744,000.00). The interest rate under the Shanggao Finance Lease was calculated at an annualised

interest rate of 4.9%, representing the then benchmark lending rate promulgated by the People's Bank of China for an 8-year term. During the term of the Shanggao 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.

In addition, Shanggao County Lifeng has agreed to pay a finance lease service fee to Cinda Financial Leasing of RMB5,760,000.00 (equivalent to approximately HK\$6,515,712.00). Shanggao County Lifeng shall pay the service fee in equal annual instalments of RMB720,000.00 (equivalent to approximately HK\$814,464.00), the first instalment of which shall be paid within five days of the Shanggao Finance Lease.

The terms of the Shanggao Finance Lease including the lease rent, lease interest rate and service fee were determined after arm's length negotiation between Cinda Financial Leasing and Shanggao County Lifeng with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar finance lease services.

The price for the purchase of the Shanggao Leased Assets payable by Cinda Financial Leasing under the Shanggao Finance Lease was determined through arm's length negotiation between the parties with reference to the average fair market price of similar photovoltaic power generation equipment and the amount of financing agreed to be provided by Cinda Financial Leasing.

**(v) *Ownership of the Shanggao Leased Assets***

During the term of the Shanggao Finance Lease, the ownership of the Shanggao Leased Assets shall vest in Cinda Financial Leasing. Upon expiry of the term of the Shanggao Finance Lease and subject to the full payment of the entire amount of the lease rent and interest due under the Shanggao Finance Lease, Shanggao County Lifeng shall purchase the Shanggao Leased Assets on an "as is" basis from Cinda Financial Leasing for a nominal purchase price of RMB100.00 (equivalent to approximately HK\$113.12).

**(vi) *Security Arrangements for the Shanggao Finance Lease***

Pursuant to the Shanggao Finance Lease Agreements, Shanggao County Lifeng shall pay to Cinda Financial Leasing the Shanggao Security Deposit which shall be paid within five days of the Shanggao Finance Lease to secure Shanggao County Lifeng's obligations under the Shanggao Finance Lease. Cinda Financial Leasing shall be entitled to deduct from the Shanggao Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Shanggao County Lifeng. In the event of such deduction, Shanggao County Lifeng shall make up for the

deduction and restore the amount of the Shanggao Security Deposit to RMB8,520,000.00 (equivalent to approximately HK\$9,637,824.00) upon notice from Cinda Financial Leasing. Following the expiry of the Shanggao Finance Lease, any remaining balance of the Shanggao Security Deposit shall be refunded to Shanggao County Lifeng. The Shanggao Security Deposit shall not bear any interest during the term of the Shanggao Finance Lease.

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

- (1) Suzhou GCL Shanggao Guarantee: pursuant to the Suzhou GCL Shanggao Guarantee, Suzhou GCL New Energy has agreed to provide a guarantee to secure Shanggao County Lifeng's obligations under the Shanggao Finance Lease, including rental payments, interest, finance lease service fee, security deposit and other amounts due to Cinda Financial Leasing;
- (2) Nanjing GCL Shanggao Guarantee: pursuant to the Nanjing GCL Shanggao Guarantee, Nanjing GCL New Energy has agreed to provide a guarantee to secure Shanggao County Lifeng's obligations under the Shanggao Finance Lease, including rental payments, interest, finance lease service fee, security deposit and other amounts due to Cinda Financial Leasing;
- (3) Shanggao Share Pledge Agreement: pursuant to the Shanggao Share Pledge Agreement, Suzhou GCL New Energy has agreed to pledge 100% of the equity interest in Shanggao County Lifeng to secure all of Shanggao County Lifeng's obligations under the Shanggao Finance Lease;
- (4) Shanggao Leased Assets Mortgage Agreement: pursuant to the Shanggao Leased Assets Mortgage Agreement, Shanggao County Lifeng has agreed to mortgage the Shanggao Leased Assets to secure all of its obligations under the Shanggao Finance Lease; and
- (5) Shanggao Electricity Fees Pledge Agreement: pursuant to the Shanggao Electricity Fees Pledge Agreement, Shanggao County Lifeng has agreed to pledge 100% of its right to electricity fees in relation to the Shanggao Project to secure its obligations under the Shanggao Finance Lease.

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

- |                     |  |
|---------------------|--|
| <b>(i) Date</b>     | 7 December 2016  |
| <b>(ii) Parties</b> | (1) Seller and lessee: Meng County Puyang<br>(2) Purchaser and lessor: Cinda Financial Leasing |

***(iii) The Meng Finance Lease***

Pursuant to the Meng Finance Lease, (i) Cinda Financial Leasing had purchased the Meng Leased Assets from Meng County Puyang at a consideration of RMB180,000,000.00 (equivalent to approximately HK\$203,616,000.00) and (ii) following the acquisition, Cinda Financial Leasing had leased the Meng Leased Assets to Meng County Puyang at an aggregate estimated rent of RMB220,594,335.35 (equivalent to approximately HK\$249,536,312.15) for a term of 8 years, commencing from the date that the consideration for the Meng Leased Assets is paid by Cinda Financial Leasing. The Meng Leased Assets shall be used by Meng County Puyang for the Meng Project.

***(iv) Payment of Rent and Service Fee***

The estimated aggregate amount of rent payable by Meng County Puyang to Cinda Financial Leasing under the Meng Finance Lease Agreements is RMB220,594,335.35 (equivalent to approximately HK\$249,536,312.15) and is payable in a total of 32 quarterly instalments. Based on the commencement date of 9 December 2016, the initial two instalments will be RMB2,205,000.00 (equivalent to approximately HK\$2,494,296.00) each and each the remaining instalments will be RMB7,206,144.51 (equivalent to approximately HK\$8,151,590.67).

The estimated aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Meng Finance Lease was RMB180,000,000.00 (equivalent to approximately HK\$203,616,000.00). The interest rate under the Meng Finance Lease was calculated at an annualised interest rate of 4.9%, representing the then benchmark lending rate promulgated by the People's Bank of China for an 8-year term. During the term of the Meng 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.

In addition, Meng County Puyang has agreed to pay a finance lease service fee to Cinda Financial Leasing of RMB8,640,000.00 (equivalent to approximately HK\$9,773,568.00). Meng County Puyang shall pay the service fee in equal annual instalments of RMB1,080,000.00 (equivalent to approximately HK\$1,221,696.00), the first instalment of which shall be paid within five days of the Meng Finance Lease.

The terms of the Meng Finance Lease, including the lease rent, lease interest rate and service fee were determined after arm's length negotiation between Cinda Financial Leasing and Meng County Puyang with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar finance lease services.

The price for the purchase of the Meng Leased Assets payable by Cinda Financial Leasing under the Meng Finance Lease was determined through arm's length negotiation between the parties with reference to the average fair market price of similar photovoltaic power generation equipment and the amount of financing agreed to be provided by Cinda Financial Leasing.

**(v) *Ownership of the Meng Leased Assets***

During the term of the Meng Finance Lease, the ownership of the Meng Leased Assets shall vest in Cinda Financial Leasing. Upon expiry of the term of the Meng Finance Lease and subject to the full payment of the entire amount of the lease rent and interest due under the Meng Finance Lease, Meng County Puyang shall purchase the Meng Leased Assets on an "as is" basis from Cinda Financial Leasing for a nominal purchase price of RMB100.00 (equivalent to approximately HK\$113.12).

**(vi) *Security Arrangements for the Meng Finance Lease***

Pursuant to the Meng Finance Lease Agreements, Meng County Puyang shall pay to Cinda Financial Leasing the Meng Security Deposit which shall be paid prior to Cinda Financial Leasing paying the consideration for the Meng Leased Assets to secure Meng County Puyang's obligations under the Meng Finance Lease. Cinda Financial Leasing shall be entitled to deduct from the Meng Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Meng County Puyang. In the event of such deduction, Meng County Puyang shall make up for the deduction and restore the amount of the Meng Security Deposit to RMB12,780,000.00 (equivalent to approximately HK\$14,456,736.00) upon notice from Cinda Financial Leasing. Following the expiry of the Meng Finance Lease, any remaining balance of the Meng Security Deposit shall be refunded to Meng County Puyang. The Meng Security Deposit shall not bear any interest during the term of the Meng Finance Lease.

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

- (1) Suzhou GCL Meng Guarantee: pursuant to the Suzhou GCL Meng Guarantee, Suzhou GCL New Energy has agreed to provide a guarantee to secure Meng County Puyang's obligations under the Meng Finance Lease, including rental payments, interest, finance lease service fee, security deposit and other amounts due to Cinda Financial Leasing;



quarterly instalments. Based on the commencement date of 30 October 2016, the initial four instalments will be RMB1,225,000.00 (equivalent to approximately HK\$1,385,720.00) each and each of the remaining instalments will be RMB5,667,896.79 (equivalent to approximately HK\$6,411,524.85).

The estimated aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Anfu Finance Lease was RMB100,000,000.00 (equivalent to approximately HK\$113,120,000.00). The interest rate under the Anfu Finance Lease was calculated at an annualised interest rate of 4.9%, representing the then benchmark lending rate promulgated by the People's Bank of China for a 6-year term. During the term of the Anfu 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.

In addition, Anfu GCL has agreed to pay a finance lease service fee to Cinda Financial Leasing of RMB3,600,000.00 (equivalent to approximately HK\$4,072,320.00). Anfu GCL shall pay the service fee in equal annual instalments of RMB600,000.00 (equivalent to approximately HK\$678,720.00), the first instalment of which shall be paid within five days of the Anfu Finance Lease.

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

The price for the purchase of the Anfu Leased Assets payable by Cinda Financial Leasing under the Anfu Finance Lease was determined through arm's length negotiation between the parties with reference to the average fair market price of similar photovoltaic power generation equipment and the amount of financing agreed to be provided by Cinda Financial Leasing.

**(v) *Ownership of the Anfu Leased Assets***

During the term of the Anfu Finance Lease, the ownership of the Anfu Leased Assets shall vest in Cinda Financial Leasing. Upon expiry of the term of the Anfu Finance Lease and subject to the full payment of the entire amount of the lease rent and interest due under the Anfu Finance Lease, Anfu GCL shall purchase the Anfu Leased Assets on an "as is" basis from Cinda Financial Leasing for a nominal purchase price of RMB100.00 (equivalent to approximately HK\$113.12).



*(vi) Security Arrangements for the Anfu Finance Lease*

Pursuant to the Anfu Finance Lease Agreements, Anfu GCL shall pay to Cinda Financial Leasing the Anfu Security Deposit which shall be paid within five days of the Anfu Finance Lease to secure Anfu GCL's obligations under the Anfu Finance Lease. Cinda Financial Leasing shall be entitled to deduct from the Anfu Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Anfu GCL. In the event of such deduction, Anfu GCL shall make up for the deduction and restore the amount of the Anfu Security Deposit to RMB8,000,000.00 (equivalent to approximately HK\$9,049,600.00) upon notice from Cinda Financial Leasing. Following the expiry of the Anfu Finance Lease, any remaining balance of the Anfu Security Deposit shall be refunded to Anfu GCL. The Anfu Security Deposit shall not bear any interest during the term of the Anfu Finance Lease.

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

- (1) Suzhou GCL Anfu Guarantee: pursuant to the Suzhou GCL Anfu Guarantee, Suzhou GCL New Energy has agreed to provide a guarantee to secure Anfu GCL's obligations under the Anfu Finance Lease, including rental payments, interest, finance lease service fee, security deposit and other amounts due to Cinda Financial Leasing;
- (2) Nanjing GCL Anfu Guarantee: pursuant to the Nanjing GCL Anfu Guarantee, Nanjing GCL New Energy has agreed to provide a guarantee to secure Anfu GCL's obligations under the Anfu Finance Lease, including rental payments, interest, finance lease service fee, security deposit and other amounts due to Cinda Financial Leasing;
- (3) Anfu Share Pledge Agreement: pursuant to the Anfu Share Pledge Agreement, Suzhou GCL New Energy has agreed to pledge 100% of the equity interest in Anfu GCL to secure all of Anfu GCL's obligations under the Anfu Finance Lease;
- (4) Anfu Leased Assets Mortgage Agreement: pursuant to the Anfu Leased Assets Mortgage Agreement, Anfu GCL has agreed to mortgage the Anfu Leased Assets to secure all of its obligations under the Anfu Finance Lease; and
- (5) Anfu Electricity Fees Pledge Agreement: pursuant to the Anfu Electricity Fees Pledge Agreement, Anfu GCL has agreed to pledge 100% of its right to electricity fees in relation to the Anfu Project to secure its obligations under the Anfu Finance Lease.

## **E. Principal terms of the Ningxia Finance Lease Agreements**

- (i) *Date* 20 January 2016
- (ii) *Parties*
- (1) Sellers: Ningxia Haoneng and Nanjing GCL New Energy
  - (2) Lessee: Ningxia Green
  - (3) Purchaser and lessor: Cinda Financial Leasing

### **(iii) *The Ningxia Finance Lease***

Pursuant to the Ningxia Sale and Purchase Agreement I and Ningxia Sale and Purchase Agreement II, Cinda Financial Leasing had purchased the Ningxia Leased Assets from Ningxia Haoneng and Nanjing GCL New Energy for RMB24,030,000.00 (equivalent to approximately HK\$27,182,736.00) and RMB75,970,000.00 (equivalent to approximately HK\$85,937,264.00) respectively. Pursuant to the Ningxia Finance Lease, following the acquisition, Cinda Financial Leasing had leased the Ningxia Leased Assets to Ningxia Green at an aggregate estimated rent of RMB104,543,308.62 (equivalent to approximately HK\$118,259,390.71) for a term of 1.5 years, commencing from the date that the consideration for the Ningxia Leased Assets is paid by Cinda Financial Leasing. The Ningxia Leased Assets shall be used by Ningxia Green for the Ningxia Project.

### **(iv) *Payment of Rent and Service Fee***

The estimated aggregate amount of rent payable by Ningxia Green to Cinda Financial Leasing under the Ningxia Finance Lease Agreements is RMB104,543,308.62 (equivalent to approximately HK\$118,259,390.71) and is payable in a total of 6 quarterly instalments based on the commencement date of 27 March 2016.

The estimated aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Ningxia Finance Lease was RMB100,000,000.00 (equivalent to approximately HK\$113,120,000.00). The interest rate under the Ningxia Finance Lease was calculated at an annualised interest rate of 5.225%, representing 110% of the then benchmark one-year lending rate promulgated by the People's Bank of China. During the term of the Ningxia 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.

In addition, Ningxia Green has agreed to pay a finance lease service fee to Cinda Financial Leasing of RMB1,500,000.00 (equivalent to approximately HK\$1,696,800.00) within three days of the Ningxia Finance Lease.

The terms of the Ningxia Finance Lease including the lease rent, lease interest rate and service fee were determined after arm's length negotiation between Cinda Financial Leasing and Ningxia Green with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar finance lease services.

The price for the purchase of the Ningxia Leased Assets payable by Cinda Financial Leasing under the Ningxia Finance Lease Agreements was determined through arm's length negotiation between the parties with reference to the average fair market price of similar photovoltaic power generation equipment and the amount of financing agreed to be provided by Cinda Financial Leasing.

**(v) *Ownership of the Ningxia Leased Assets***

During the term of the Ningxia Finance Lease, the ownership of the Ningxia Leased Assets shall vest in Cinda Financial Leasing. Upon expiry of the term of the Ningxia Finance Lease and subject to the full payment of the entire amount of the lease rent and interest due under the Ningxia Finance Lease, Ningxia Green shall purchase the Ningxia Leased Assets on an "as is" basis from Cinda Financial Leasing for a nominal purchase price of RMB100.00 (equivalent to approximately HK\$113.12).

**(vi) *Security Arrangements for the Ningxia Finance Lease***

Pursuant to the Ningxia Finance Lease Agreements, Ningxia Green shall pay to Cinda Financial Leasing the Ningxia Security Deposit which shall be paid within three days of the Ningxia Finance lease to secure Ningxia Green's obligations under the Ningxia Finance Lease. Cinda Financial Leasing shall be entitled to deduct from the Ningxia Security Deposit any unpaid rent, interest, default interest and any other amount due and payable by Ningxia Green. In the event of such deduction, Ningxia Green shall make up for the deduction and restore the amount of the Ningxia Security Deposit to RMB10,000,000.00 (equivalent to approximately HK\$11,312,000.00) upon notice from Cinda Financial Leasing. Following the expiry of the Ningxia Finance Lease, any remaining balance of the Ningxia Security Deposit shall be refunded to Ningxia Green. The Ningxia Security Deposit shall not bear any interest during the term of the Ningxia Finance Lease.

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

- (1) GNE Ningxia Guarantee: pursuant to the GNE Ningxia Guarantee, GNE has agreed to provide a guarantee to secure Ningxia Green's obligations under the Ningxia Finance Lease, including rental payments, interest, finance lease service fee, security deposit and other amounts due to Cinda Financial Leasing;

- (2) Suzhou GCL Ningxia Guarantee: pursuant to the Suzhou GCL Ningxia Guarantee, Suzhou GCL New Energy has agreed to provide a guarantee to secure Ningxia Green's obligations under the Ningxia Finance Lease, including rental payments, interest, finance lease service fee, security deposit and other amounts due to Cinda Financial Leasing;
- (3) Suzhou Ningxia Share Pledge Agreement: pursuant to the Suzhou Ningxia Share Pledge Agreement, Suzhou GCL New Energy has agreed to pledge 95% of the equity interest in Ningxia Green to secure all of Ningxia Green's obligations under the Ningxia Finance Lease;
- (4) Ningxia Lvju Share Pledge Agreement: pursuant to the Ningxia Lvju Share Pledge Agreement, Ningxia Lvju has agreed to pledge 5% of the equity interest in Ningxia Green to secure all of Ningxia Green's obligations under the Ningxia Finance Lease; and
- (5) Ningxia Repurchase Agreement: pursuant to the Ningxia Repurchase Agreement, Nanjing GCL New Energy has agreed to repurchase the Ningxia Leased Assets from Cinda Financial Leasing for a price equal to all outstanding rent, interest, default interest, liquidated damages and other amounts due to Cinda Financial Leasing in the event of (i) Ningxia Green failing to pay two consecutive instalments under Ningxia Finance Lease; (ii) Ningxia Green failing to pay three instalments overall under the Ningxia Finance Lease; (iii) there being an amount of RMB34,000,000.00 (equivalent to approximately HK\$38,460,800.00) due and payable under the Ningxia Finance Lease; or (iv) there being outstanding rent due upon expiry of the term of the Ningxia Finance Lease.

### **3. REASONS FOR AND BENEFITS OF THE DISCLOSEABLE TRANSACTION**

The terms of the Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements have been agreed after arm's length negotiation between the relevant parties. As a developer of photovoltaic power station projects, the GNE Group requires capital from time to time to construct its power generation projects. The Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements provide the GNE Group with additional liquidity by utilising its existing investments in its existing equipment and assets. The GNE Group will benefit from additional working capital which can be used to fund other business and operational activities.

Based on the above reasons, the GNE Directors believe and consider that the terms of the Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements are on normal commercial terms, fair and reasonable and are in the interests of GNE and the GNE Shareholders as a whole.

Based on the views of the GNE Directors and having considered all relevant factors, the GCL-Poly Directors believe and consider that the terms of the Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements are fair and reasonable and are in the interests of GCL-Poly and the GCL-Poly Shareholders as a whole.

#### **4. LISTING RULES IMPLICATIONS**

##### **GCL-Poly**

As none of the applicable percentage ratios in respect of the Past Finance Lease Agreements (on their own) exceeded 5% for GCL-Poly, the entering into of the Past Finance Lease Agreements did not constitute a discloseable transaction for GCL-Poly under Chapter 14 of the Listing Rules.

As the Past Finance Lease Agreements were entered into with Cinda Financial Leasing within a 12-month period prior to and inclusive of the date of the Ruzhou Finance Lease Agreements, the Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements will be aggregated as a series of transactions for GCL-Poly pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements (in aggregate) exceeds 5% but is less than 25% for GCL-Poly, the entering into of the Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements, in aggregate, constitutes a discloseable transaction of GCL-Poly and GCL-Poly shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

##### **GNE**

As one or more of the applicable percentage ratios in respect of the Ruzhou Finance Lease Agreements exceeded 5% but is less than 25% for GNE, the entering into of the Ruzhou Finance Lease Agreements on its own constitutes a discloseable transaction for GNE and GNE shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As none of the applicable percentage ratios in respect of the Taigu Finance Lease Agreements exceeded 5% for GNE, the entering into of the Taigu Finance Lease Agreements on its own did not constitute a discloseable transaction for GNE under Chapter 14 of the Listing Rules.

As disclosed in GNE's announcement dated 7 December 2016, the entering into of the Previously Announced Finance Lease Agreements (in aggregate) constituted a discloseable transaction for GNE under Chapter 14 of the Listing Rules.

As the Past Finance Lease Agreements were entered into with Cinda Financial Leasing within a 12-month period prior to and inclusive of the date of the Ruzhou Finance Lease Agreements, the Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements will be aggregated as a series of transactions for GNE pursuant to Rule 14.22 of the Listing Rules.

The entering into of the Ruzhou Finance Lease Agreements and the Past Finance Lease Agreements (in aggregate) did not trigger a higher classification of a major transaction for GNE under Chapter 14 of the Listing Rules.

## **5. INFORMATION ON THE PARTIES TO THE DISCLOSEABLE TRANSACTION**

### **Cinda Financial Leasing**

Cinda Financial Leasing is a company incorporated in the PRC with limited liability and it is principally engaged in finance leasing businesses.

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

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

### **Ningxia Haoneng**

Ningxia Haoneng is a company incorporated in the PRC with limited liability and it is principally engaged in power installation and construction work.

To the best of the GCL-Poly Directors' knowledge, information and belief after having made all reasonable enquiries, Ningxia Haoneng and its ultimate beneficial owner(s) are third parties independent of GCL-Poly and its connected persons.

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

### **The GCL-Poly Group**

GCL-Poly is an investment company and its subsidiaries are principally engaged in the manufacturing of polysilicon and wafers for the solar industry as well as the development, management and operation of environmentally friendly power plants.

## The GNE Group

The GNE 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:

“Anfu Electricity Fees Pledge Agreement”	the agreement dated 26 October 2016 between Cinda Financial Leasing and Anfu GCL, pursuant to which Anfu GCL has pledged to Cinda Financial Leasing 100% of its right to electricity fees in relation to the Anfu Project
“Anfu Finance Lease”	the agreement dated 26 October 2016 between Cinda Financial Leasing and Anfu GCL in relation to the leasing of the Anfu Leased Assets
“Anfu Finance Lease Agreements”	the Anfu Finance Lease, the Suzhou GCL Anfu Guarantee, the Nanjing GCL Anfu Guarantee, the Anfu Share Pledge Agreement, the Anfu Leased Assets Mortgage Agreement and the Anfu Electricity Fees Pledge Agreement
“Anfu GCL”	Anfu GCL New Energy Limited* 安福協鑫新能源有限公司, an indirect subsidiary of GCL-Poly and an indirect wholly-owned subsidiary of GNE which is incorporated in the PRC with limited liability
“Anfu Leased Assets”	certain solar modules, combiner boxes, cables, tubing, inverters, cable cabinets, fire safety equipment, power testing equipment and other photovoltaic equipment and installations used by Anfu GCL for the Anfu Project
“Anfu Leased Assets Mortgage Agreement”	the agreement dated 26 October 2016 between Cinda Financial Leasing and Anfu GCL, pursuant to which Anfu GCL has mortgaged the Anfu Leased Assets to Cinda Financial Leasing
“Anfu Project”	the 20MW photovoltaic power station project located in Anfu County in Ji’an City, Jiangxi Province, the PRC

“Anfu Security Deposit”	a refundable security deposit of RMB8,000,000.00 (equivalent to approximately HK\$9,049,600.00) payable by Anfu GCL under the Anfu Finance Lease
“Anfu Share Pledge Agreement”	the agreement dated 26 October 2016 between Cinda Financial Leasing and Suzhou GCL New Energy, pursuant to which Suzhou GCL New Energy has pledged 100% of the equity interest in Anfu GCL to Cinda Financial Leasing
“Cinda Financial Leasing”	Cinda Financial Leasing Co., Ltd 信達金融租賃有限公司, a company incorporated in the PRC
“connected persons”	has the same meaning ascribed to it under the Listing Rules
“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 GNE
“GCL-Poly Board”	the board of the GCL-Poly Directors
“GCL-Poly Director(s)”	director(s) of GCL-Poly
“GCL-Poly Group”	GCL-Poly and its subsidiaries
“GCL-Poly Share(s)”	ordinary shares of HK\$0.10 each in the share capital of GCL-Poly
“GCL-Poly Shareholder(s)”	holder(s) of the GCL-Poly Share(s)
“GNE”	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
“GNE Board”	the board of GNE
“GNE Director(s)”	director(s) of GNE
“GNE Group”	GNE and its subsidiaries



“GNE Ningxia Guarantee”	the guarantee dated 20 January 2016 given by GNE to Cinda Financial Leasing to secure Ningxia Green’s obligations under the Ningxia Finance Lease Agreements
“GNE 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 GNE
“GNE Shareholder(s)”	holder(s) of the GNE Share(s)
“Henan GCL New Energy”	Henan GCL New Energy Investment Company Limited* 河南協鑫新能源投資有限公司, an indirect subsidiary of GCL-Poly and an indirect wholly-owned subsidiary of GNE incorporated in the PRC with limited liability
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Meng County Puyang”	Meng County Puyang New Energy Limited* 孟縣晉陽新能源發電有限公司, an indirect subsidiary of GCL-Poly and an indirect subsidiary of GNE which is incorporated in the PRC with limited liability
“Meng Electricity Fees Pledge Agreement”	the agreement dated 7 December 2016 between Cinda Financial Leasing and Meng County Puyang, pursuant to which Meng County Puyang has pledged to Cinda Financial Leasing 100% of its right to electricity fees in relation to the Meng Project
“Meng Finance Lease”	the agreement dated 7 December 2016 between Cinda Financial Leasing and Meng County Puyang in relation to the leasing of the Meng Leased Assets
“Meng Finance Lease Agreements”	the Meng Finance Lease, the Suzhou GCL Meng Guarantee, the Nanjing GCL Meng Guarantee, the Meng Share Pledge Agreement, the Meng Leased Assets Mortgage Agreement and the Meng Electricity Fees Pledge Agreement

“Meng Leased Assets”	certain solar modules, frames, combiner boxes, inverters, cables, and other photovoltaic equipment and installations used by Meng County Puyang for the Meng Project
“Meng Leased Assets Mortgage Agreement”	the agreement dated 7 December 2016 between Cinda Financial Leasing and Meng County Puyang, pursuant to which Meng County Puyang has mortgaged the Meng Leased Assets to Cinda Financial Leasing
“Meng Project”	the second phase 30MW photovoltaic power station project located in Meng County in Yangquan City, Shanxi Province, the PRC
“Meng Security Deposit”	a refundable security deposit of RMB12,780,000.00 (equivalent to approximately HK\$14,456,736.00) payable by Meng County Puyang under the Meng Finance Lease
“Meng Share Pledge Agreement”	the agreement dated 7 December 2016 between Cinda Financial Leasing and Suzhou GCL New Energy, pursuant to which Suzhou GCL New Energy has pledged 48.89% of the equity interest in Meng County Puyang to Cinda Financial Leasing
“MW”	megawatt(s)
“Nanjing GCL Anfu Guarantee”	the guarantee dated 26 October 2016 given by Nanjing GCL New Energy to Cinda Financial Leasing to secure Anfu GCL’s obligations under the Anfu Finance Lease
“Nanjing GCL Meng Guarantee”	the guarantee dated 7 December 2016 given by Nanjing GCL New Energy to Cinda Financial Leasing to secure Meng County Puyang’s obligations under the Meng Finance Lease
“Nanjing GCL New Energy”	Nanjing GCL New Energy Development Co., Ltd. 南京協鑫新能源發展有限公司, an indirect subsidiary of GCL-Poly and an indirect wholly-owned subsidiary of GNE incorporated in the PRC with limited liability
“Nanjing GCL Shanggao Guarantee”	the guarantee dated 7 December 2016 given by Nanjing GCL New Energy to Cinda Financial Leasing to secure Shanggao County Lifeng’s obligations under the Shanggao Finance Lease

“Nanjing GCL Taigu Guarantee”	the guarantee dated 20 December 2016 given by Nanjing GCL New Energy to Cinda Financial Leasing to secure Taigu Fengguang’s obligations under the Taigu Finance Lease
“Ningxia Finance Lease”	the agreement dated 20 January 2016 between Cinda Financial Leasing and Ningxia Green in relation to the leasing of the Ningxia Leased Assets
“Ningxia Finance Lease Agreements”	the Ningxia Finance Lease, the Ningxia Sale and Purchase Agreement I, the Ningxia Sale and Purchase Agreement II, the GNE Ningxia Guarantee, the Suzhou GCL Ningxia Guarantee, the Suzhou Ningxia Share Pledge Agreement, the Ningxia Lvju Share Pledge Agreement and the Ningxia Repurchase Agreement
“Ningxia Haoneng”	Ningxia Haoneng Power Limited* 寧夏昊能電力有限公司, a company incorporated in the PRC with limited liability
“Ningxia Green”	Ningxia Green Hao Photovoltaic Power Limited* 寧夏綠昊光伏發電有限公司, an indirect subsidiary of GCL-Poly and an indirect subsidiary of GNE which is incorporated in the PRC with limited liability
“Ningxia Leased Assets”	certain solar modules, frames, inverters, transformers, combiner boxes, switch gears, cables and other photovoltaic equipment and installations used by Ningxia Green for the Ningxia Project
“Ningxia Lvju”	Ningxia Lvju Energy Power Limited* 寧夏綠聚能電源有限公司, a company incorporated in the PRC with limited liability
“Ningxia Lvju Share Pledge Agreement”	the agreement dated 20 January 2016 between Cinda Financial Leasing and Ningxia Lvju, pursuant to which Ningxia Lvju has pledged 5% of the equity interest in Ningxia Green to Cinda Financial Leasing
“Ningxia Project”	the 20MW fishery photovoltaic power station project located in Shizuishan City, Ningxia Province, the PRC
“Ningxia Repurchase Agreement”	the agreement dated 20 January 2016 between Cinda Financial Leasing, Nanjing GCL New Energy and Ningxia Green in relation to the repurchase of the Ningxia Leased Assets by Nanjing GCL New Energy

“Ningxia Sale and Purchase Agreement I”	the agreement dated 20 January 2016 between Cinda Financial Leasing (as purchaser), Nanjing GCL New Energy (as seller) and Ningxia Green (as lessee) for the sale and purchase of solar modules used by Ningxia Green for the Ningxia Project
“Ningxia Sale and Purchase Agreement II”	the agreement dated 20 January 2016 between Cinda Financial Leasing (as purchaser), Ningxia Haoneng (as seller) and Ningxia Green (as lessee) for the sale and purchase of frames, inverters, transformers, combiner boxes, switch gears, cables and other photovoltaic equipment and installations used by Ningxia Green for the Ningxia Project
“Ningxia Security Deposit”	a refundable security deposit of RMB10,000,000.00 (equivalent to approximately HK\$11,312,000.00) payable by Ningxia Green under the Ningxia Finance Lease
“Past Finance Lease Agreements”	the Taigu Finance Lease Agreements, the Shanggao Finance Lease Agreements, the Meng Finance Lease Agreements, the Anfu Finance Lease Agreements and the Ningxia Finance Lease Agreements
“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
“Previously Announced Finance Lease Agreements”	the Shanggao Finance Lease Agreements, the Meng Finance Lease Agreements, the Anfu Finance Lease Agreements and the Ningxia Finance Lease Agreements
“RMB”	Renminbi, the lawful currency of the PRC
“Ruzhou GCL”	Ruzhou GCL Photovoltaic Power Company Limited* 汝州協鑫光伏電力有限公司, an indirect subsidiary of GCL-Poly and an indirect wholly-owned subsidiary of GNE which is incorporated in the PRC with limited liability
“Ruzhou Electricity Fees Pledge Agreement”	the agreement dated 19 January 2017 between Cinda Financial Leasing and Ruzhou GCL, pursuant to which Ruzhou GCL has pledged to Cinda Financial Leasing 100% of its right to electricity fees in relation to the Ruzhou Project

“Ruzhou Finance Lease”	the agreement dated 19 January 2017 between Cinda Financial Leasing and Ruzhou GCL in relation to the leasing of the Ruzhou Leased Assets
“Ruzhou Finance Lease Agreements”	the Ruzhou Finance Lease, the Ruzhou Sale and Purchase Agreement, the Suzhou GCL Ruzhou Guarantee, the Ruzhou Share Pledge Agreement, the Ruzhou Leased Assets Mortgage Agreement, the Ruzhou Electricity Fees Pledge Agreement and the Ruzhou Repurchase Agreement
“Ruzhou Leased Assets”	certain solar modules, frames, combiner boxes, inverters, cables, and other photovoltaic equipment and installations used by Ruzhou GCL for the Ruzhou Project
“Ruzhou Leased Assets Mortgage Agreement”	the agreement dated 19 January 2017 between Cinda Financial Leasing and Ruzhou GCL, pursuant to which Ruzhou GCL has mortgaged the Ruzhou Leased Assets to Cinda Financial Leasing
“Ruzhou Project”	the 80MW photovoltaic power station project located in Wangzhai County in Ruzhou City, Henan Province, the PRC
“Ruzhou Repurchase Agreement”	the agreement dated 19 January 2017 between Cinda Financial Leasing, Nanjing GCL New Energy and Ruzhou GCL in relation to the repurchase of the Ruzhou Leased Assets (or, as the case may be, Ruzhou GCL’s debts under the Ruzhou Finance Lease) by Nanjing GCL New Energy
“Ruzhou Sale and Purchase Agreement”	the agreement dated 19 January 2017 between Cinda Financial Leasing (as purchaser), Nanjing GCL New Energy (as seller) and Ruzhou GCL (as lessee) for the sale and purchase of Ruzhou Leased Assets used for the Ruzhou Project
“Ruzhou Security Deposit”	a refundable security deposit of RMB35,120,000.00 (equivalent to approximately HK\$39,727,744.00) payable by Ruzhou GCL under the Ruzhou Finance Lease
“Ruzhou Share Pledge Agreement”	the agreement dated 19 January 2017 between Cinda Financial Leasing and Henan GCL New Energy, pursuant to which Henan GCL New Energy has pledged 100% of the equity interest in Ruzhou GCL to Cinda Financial Leasing

“Shanggao County Lifeng”	Shanggao County Lifeng New Energy Limited* 上高縣利豐新能源有限公司, an indirect subsidiary of GCL-Poly and an indirect wholly-owned subsidiary of GNE incorporated in the PRC with limited liability
“Shanggao Electricity Fees Pledge Agreement”	the agreement dated 7 December 2016 between Cinda Financial Leasing and Shanggao County Lifeng, pursuant to which Shanggao County Lifeng has pledged to Cinda Financial Leasing 100% of its right to electricity fees in relation to the Shanggao Project
“Shanggao Finance Lease”	the agreement dated 7 December 2016 between Cinda Financial Leasing and Shanggao County Lifeng in relation to the leasing of the Shanggao Leased Assets
“Shanggao Finance Lease Agreements”	the Shanggao Finance Lease, the Suzhou GCL Shanggao Guarantee, the Nanjing GCL Shanggao Guarantee, the Shanggao Share Pledge Agreement, the Shanggao Leased Assets Mortgage Agreement and the Shanggao Electricity Fees Pledge Agreement
“Shanggao Leased Assets”	certain solar modules, inverters, transformers, combiner boxes, frames, cables and other photovoltaic equipment and installations used by Shanggao County Lifeng for the Shanggao Project
“Shanggao Leased Assets Mortgage Agreement”	the agreement dated 7 December 2016 between Cinda Financial Leasing and Shanggao County Lifeng, pursuant to which Shanggao County Lifeng has mortgaged the Shanggao Leased Assets to Cinda Financial Leasing
“Shanggao Project”	The 20MW photovoltaic power station project located in Shanggao County in Yichun City, Jiangxi Province, the PRC
“Shanggao Security Deposit”	a refundable security deposit of RMB8,520,000.00 (equivalent to approximately HK\$9,637,824.00) payable by Shanggao County Lifeng under the Shanggao Finance Lease
“Shanggao Share Pledge Agreement”	the agreement dated 7 December 2016 between Cinda Financial Leasing and Suzhou GCL New Energy, pursuant to which Suzhou GCL New Energy has pledged 100% of the equity interest in Shanggao County Lifeng to Cinda Financial Leasing

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“Suzhou GCL Anfu Guarantee”	the guarantee dated 26 October 2016 from Suzhou GCL New Energy given to Cinda Financial Leasing in respect of Anfu GCL’s obligations under the Anfu Finance Lease
“Suzhou GCL Meng Guarantee”	the guarantee dated 7 December 2016 given by Suzhou GCL New Energy to Cinda Financial Leasing to secure Meng County Puyang’s obligations under the Meng 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, an indirect subsidiary of GCL-Poly and an indirect wholly-owned subsidiary of GNE incorporated in the PRC with limited liability
“Suzhou GCL Ningxia Guarantee”	the guarantee dated 20 January 2016 given by Suzhou GCL New Energy to Cinda Financial Leasing to secure Ningxia Green’s obligations under the Ningxia Finance Lease
“Suzhou GCL Ruzhou Guarantee”	the guarantee dated 19 January 2017 given by Suzhou GCL New Energy to Cinda Financial Leasing to secure Ruzhou GCL’s obligations under the Ruzhou Finance Lease
“Suzhou GCL Shanggao Guarantee”	the guarantee dated 7 December 2016 given by Suzhou GCL New Energy to Cinda Financial Leasing to secure Shanggao County Lifeng’s obligations under the Shanggao Finance Lease
“Suzhou GCL Taigu Guarantee”	the guarantee dated 20 December 2016 given by Suzhou GCL New Energy to Cinda Financial Leasing to secure Taigu Fengguang’s obligations under the Taigu Finance Lease
“Suzhou Ningxia Share Pledge Agreement”	the agreement dated 20 January 2016 between Cinda Financial Leasing and Suzhou GCL New Energy, pursuant to which Suzhou GCL New Energy has pledged 95% of the equity interest in Ningxia Green to Cinda Financial Leasing
“Taigu Fengguang”	Taigu County Fengguang Power Company Limited* 太谷縣風光發電有限公司, an indirect subsidiary of GCL-Poly and an indirect wholly-owned subsidiary of GNE incorporated in the PRC with limited liability

“Taigu Electricity Fees Pledge Agreement”	the agreement dated 20 December 2016 between Cinda Financial Leasing and Taigu Fengguang, pursuant to which Taigu Fengguang has pledged to Cinda Financial Leasing 100% of its right to electricity fees in relation to the Taigu Project
“Taigu Finance Lease”	the agreement dated 20 December 2016 between Cinda Financial Leasing and Taigu Fengguang in relation to the leasing of the Taigu Leased Assets
“Taigu Finance Lease Agreements”	the Taigu Finance Lease, the Suzhou GCL Taigu Guarantee, the Nanjing GCL Taigu Guarantee, the Taigu Share Pledge Agreement, the Taigu Leased Assets Mortgage Agreement and the Taigu Electricity Fees Pledge Agreement
“Taigu Leased Assets”	certain solar modules, inverters, transformers, combiner boxes, frames, cables and other photovoltaic equipment and installations used by Taigu Fengguang for the Taigu Project
“Taigu Leased Assets Mortgage Agreement”	the agreement dated 20 December 2016 between Cinda Financial Leasing and Taigu Fengguang, pursuant to which Taigu Fengguang has mortgaged the Taigu Leased Assets to Cinda Financial Leasing
“Taigu Project”	the 20MW photovoltaic power station project located in Taigu County in Jinzhong City, Shanxi Province, the PRC
“Taigu Security Deposit”	a refundable security deposit of RMB8,520,000.00 (equivalent to approximately HK\$9,637,824.00) payable by Taigu Fengguang under the Taigu Finance Lease
“Taigu Share Pledge Agreement”	the agreement dated 20 December 2016 between Cinda Financial Leasing and Suzhou GCL New Energy, pursuant to which Suzhou GCL New Energy has pledged 100% of the equity interest in Taigu Fengguang to Cinda Financial Leasing
“%”	per cent.

*This announcement contains translation between Renminbi and Hong Kong dollar amounts at RMB1= HK\$1.1312, being the exchange rate prevailing on 19 January 2017. 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 purposes 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 GCL-Poly Board  
**GCL-Poly Energy Holdings Limited**  
**保利協鑫能源控股有限公司**  
**Zhu Gongshan**  
*Chairman*

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

Hong Kong, 19 January 2017

*As at the date of this announcement, the GCL-Poly Board comprises Mr. Zhu Gongshan (Chairman), Mr. Zhu Zhanjun, Mr. Ji Jun, Mr. Zhu Yufeng, Ms. Sun Wei, Mr. Yeung Man Chung, Charles, Mr. Jiang Wenwu and Mr. Zheng Xiongjiu as executive GCL-Poly Directors; Ir. Dr. Ho Chung Tai, Raymond, Mr. Yip Tai Him, Dr. Shen Wenzhong and Mr. Wong Man Chung, Francis as independent non-executive GCL-Poly Directors.*

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