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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 HENAN HONESTY FINANCIAL LEASING CO., LTD. AND BANK OF ZHENGZHOU CO., LTD., BEIHUAN SUB-BRANCH

On 21 April 2017, the Group entered into the Credit Facility Agreements with Bank of Zhengzhou Beihuan Sub-Branch, pursuant to which Bank of Zhengzhou Beihuan Sub-Branch agreed to provide a non-revolving credit facility of an amount up to RMB330,000,000.00 (equivalent to approximately HK\$374,451,000.00) to Linzhou Xinchuang, which will be used to provide factoring arrangements for certain finance leases to be entered into by Linzhou Xinchuang as lessee.

On 26 April 2017, the Group entered into the Linzhou Finance Lease Agreements I, pursuant to which (i) Henan Honesty had purchased the Linzhou Leased Assets I from Linzhou Xinchuang at a consideration of RMB220,000,000.00 (equivalent to approximately HK\$249,634,000.00), (ii) following the acquisition, Henan Honesty as lessor had leased the Linzhou Leased Assets I to Linzhou Xinchuang for a term of 12 years at an aggregate rent of RMB280,130,043.75 (equivalent to approximately HK\$317,863,560.64), and (iii) Linzhou Xinchuang agreed to pay Henan Honesty an administrative fee of RMB5,610,000.00 (equivalent to approximately HK\$6,365,667.00). In addition, Henan Honesty entered into a non-recourse factoring agreement with Bank of Zhengzhou Beihuan Sub-Branch, pursuant to which Henan Honesty had agreed to assign its creditor's rights in relation to all account receivables under the Linzhou Finance Lease I to Bank of Zhengzhou Beihuan Sub-Branch.

On 19 May 2017, the Group further entered into the Linzhou Finance Lease Agreements II, pursuant to which (i) Henan Honesty had purchased the Linzhou Leased Assets II from Linzhou Xinchuang at a consideration of RMB70,000,000.00 (equivalent to approximately HK\$79,429,000.00), (ii) following the acquisition, Henan Honesty as lessor had leased the Linzhou Leased Assets II to Linzhou Xinchuang for a term of 12 years at an aggregate estimated rent of RMB91,313,591.24 (equivalent to approximately HK\$103,613,531.98), and (iii) Linzhou

Xinchuang agreed to pay Henan Honesty an administrative fee of RMB1,785,000.00 (equivalent to approximately HK\$2,025,439.50). In addition, Henan Honesty entered into a non-recourse factoring agreement with Bank of Zhengzhou Beihuan Sub-Branch, pursuant to which Henan Honesty had agreed to assign its creditor's rights in relation to all account receivables under the Linzhou Finance Lease II to Bank of Zhengzhou Beihuan Sub-Branch, (together with the Linzhou Finance Lease Agreements I, the "**Finance Lease Agreements**").

LISTING RULES IMPLICATIONS

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

As the Linzhou Finance Lease Agreements I were entered into with Henan Honesty and Bank of Zhengzhou Beihuan Sub-Branch within a 12-month period prior to and inclusive of the date of the Linzhou Finance Lease Agreements II, the Linzhou Finance Lease Agreements I will be aggregated with Linzhou Finance Lease Agreements II 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% for the Company, 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.

1. THE CREDIT FACILITY AGREEMENTS

On 21 April 2017, Linzhou Xinchuang (an indirect wholly-owned subsidiary of the Company) entered into the Comprehensive Credit Facility Agreement with Bank of Zhengzhou Beihuan Sub-Branch, pursuant to which Bank of Zhengzhou Beihuan Sub-Branch agreed to provide a non-revolving credit facility of an amount up to RMB330,000,000.00 (equivalent to approximately HK\$374,451,000.00) to Linzhou Xinchuang for a term of 12 months from 22 March 2017.

The credit facility shall be made available by way of Bank of Zhengzhou Beihuan Sub-Branch providing factoring arrangements for the Finance Lease Agreements to be entered into by Linzhou Xinchuang as lessee. The credit facility was secured by the following:

- (i) **Suzhou GCL Guarantee:** Suzhou GCL New Energy agreed to provide a joint and several liability guarantee to secure Bank of Zhengzhou Beihuan Sub-Branch's rights as creditor under the Finance Lease Agreements, including creditor's rights, interest, administrative

fees, damages, compensation and other amounts incurred from exercising such rights. The maximum principal amount guaranteed under the Suzhou GCL Guarantee is RMB40,000,000.00 (equivalent to approximately HK\$45,388,000.00).

- (ii) **GNE Guarantee:** the Company agreed to provide a joint and several liability guarantee to secure Linzhou Xinchuang's obligations under the Finance Lease Agreements, including but not limited to principal and interest payments, damages, compensation and other expenses incurred by Bank of Zhengzhou Beihuan Sub-Branch for the exercise of its rights under the Finance Lease Agreements.
- (iii) **Receivables Pledge Agreement:** Linzhou Xinchuang agreed to pledge all receivables in respect of electricity fees to secure Bank of Zhengzhou Beihuan Sub-Branch's rights as creditor under the Finance Lease Agreements, including creditor's rights, interest, administrative fees, damages, compensation and other amounts incurred from exercising such rights. The maximum principal amount secured under the Receivables Pledge Agreement is RMB330,000,000.00 (equivalent to approximately HK\$374,451,000.00).
- (iv) **Security Deposit Pledge Agreement:** Linzhou Xinchuang agreed to pay a security deposit of RMB4,620,000.00 (equivalent to approximately HK\$5,242,314.00), representing 1.4% of the amount of credit facility, into a security deposit account designated by Bank of Zhengzhou Beihuan Sub-Branch within three days from signing of the Security Deposit Pledge Agreement. The maximum principal amount secured under the Security Deposit Pledge Agreement is RMB330,000,000.00 (equivalent to approximately HK\$374,451,000.00).

Under the Security Deposit Pledge Agreement, Bank of Zhengzhou Beihuan Sub-Branch shall be entitled to deduct from the security deposit any unpaid principal, interest and any other amount due and payable. In the event of such deduction, when notified by Bank of Zhengzhou Beihuan Sub-Branch, Linzhou Xinchuang shall make up for the deduction and restore the amount of the security deposit.

Following the expiry of the Finance Lease Agreements and after the obligations guaranteed under the Security Deposit Pledge Agreement are fully satisfied, any remaining balance of the security deposit shall be returned, upon request, to Linzhou Xinchuang. The security deposit shall bear interest at a rate promulgated by the People's Bank of China.

- (v) **Share Pledge Agreement:** Henan GCL New Energy has agreed to pledge 100% of the equity interest in Linzhou Xinchuang to secure Bank of Zhengzhou Beihuan Sub-Branch's rights as creditor under the Finance Lease Agreements, including creditor's rights, interest, administrative fees, damages, compensation and other amounts incurred from exercising such rights. The maximum principal amount guaranteed under the Share Pledge Agreement is RMB107,000,000.00 (equivalent to approximately HK\$121,412,900.00).

2. THE FINANCE LEASE AGREEMENTS

A. Principal terms of the Linzhou Finance Lease Agreements I

Date	26 April 2017
Parties	(i) Seller and lessee: Linzhou Xinchuang
	(ii) Purchaser and lessor: Henan Honesty

Linzhou Finance Lease I

Pursuant to the Linzhou Finance Lease I, Henan Honesty has agreed to purchase the Linzhou Leased Assets I from Linzhou Xinchuang for a total consideration of RMB220,000,000.00 (equivalent to approximately HK\$249,643,000.00). The purchase price is payable within three working days upon the satisfaction of the following conditions: (i) Linzhou Xinchuang having provided to Henan Honesty a copy of the certificate of title for the Linzhou Leased Assets I; (ii) the Linzhou Leased Assets I being in possession of Linzhou Xinchuang and having passed quality inspections; and (iii) the Linzhou Leased Assets I having been registered with the Credit Reference Centre of the People's Bank of China or the national information management system for finance leasing companies.

Following the acquisition, Henan Honesty shall lease the Linzhou Leased Assets I to Linzhou Xinchuang for a term of 12 years, commencing from the day Henan Honesty pays the purchase price for the Linzhou Leased Assets I.

Payment of rent

The interest rate under the Linzhou Finance Lease I was fixed at 5.145% per annum. The principal lease cost under the Linzhou Finance Lease I was RMB220,000,000.00 (equivalent to approximately HK\$249,643,000.00). The aggregate amount of rent payable by Linzhou Xinchuang to Henan Honesty under the Linzhou Finance Lease I is RMB280,130,043.75 (equivalent to approximately HK\$317,863,560.64) and is payable in a total of 48 quarterly instalments starting from 21 July 2017 and with the last instalment payable on 25 April 2029. The first five 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 43 instalments will cover the principal lease cost plus the lease interest.

Administrative fee

Pursuant to the Linzhou Finance Lease I, Linzhou Xinchuang agreed to pay to Henan Honesty an administrative fee of RMB5,610,000.00 (equivalent to approximately HK\$6,365,667.00), representing 2.55% of the principal lease cost, upon payment of the purchase price by Henan Honesty.

Ownership of the Linzhou Leased Assets I

During the term of the Linzhou Finance Lease I, the ownership of the Linzhou Leased Assets I shall vest in Henan Honesty. Upon expiry of the term of the Linzhou Finance Lease I, subject to the full payment of the entire amount of administrative fee, lease rent and any other amounts due under the Linzhou Finance Lease I, Linzhou Xinchuang is eligible to purchase the Linzhou Leased Assets I at a nominal purchase price of RMB10,000.00 (equivalent to approximately HK\$11,347.00).

Factoring arrangement

On 26 April 2017, Henan Honesty entered into a non-recourse factoring agreement with Bank of Zhengzhou Beihuan Sub-Branch, pursuant to which Henan Honesty had agreed to assign its creditor's rights in relation to all account receivables under the Linzhou Finance Lease I to Bank of Zhengzhou Beihuan Sub-Branch. The account receivables shall include rent, interest, damages, compensation and other fees payable by Linzhou Xinchuang to Henan Honesty under the Linzhou Finance Lease I.

The factoring arrangement is supplemented by the following:

- (i) **Account Receivables Transfer Confirmation Agreement I:** under the Account Receivables Transfer Confirmation Agreement I, Linzhou Xinchuang confirmed that Bank of Zhengzhou Beihuan Sub-Branch is entitled to account receivables, including principal amount of RMB220,000,000.00 (equivalent to approximately HK\$249,634,000.00), interest of RMB60,130,043.75 (equivalent to approximately HK\$68,229,560.64) and other fees payable by Linzhou Xinchuang to Henan Honesty under the Linzhou Finance Lease I. Linzhou Xinchuang agreed to pay the account receivables to the Rental Payment Account in accordance with the payment terms under the Linzhou Finance Lease I; and
- (ii) **Rental Withholding Agreement I:** under the Rental Withholding Agreement I, Bank of Zhengzhou Beihuan Sub-Branch is entitled to deduct the amount of instalment from the Rental Payment Account on the relevant instalment payment date without giving notice to or obtaining prior consent from Linzhou Xinchuang. If the balance in the Rental Payment Account is insufficient to cover the relevant instalment, Linzhou Xinchuang shall pay to Bank of Zhengzhou Beihuan Sub-

Branch a liquidated damage of 0.05% of the shortfall calculated daily and shall compensate Bank of Zhengzhou Beihuan Sub-Branch for all losses incurred in connection therewith.

The terms of the Linzhou Finance Lease Agreements I, including the lease rent, lease interest rate, purchase price and administrative fee, were determined after arm's length negotiation among Linzhou Xinchuang, Henan Honesty and Bank of Zhengzhou Beihuan Sub-Branch with reference to (i) the net asset value of the Linzhou Leased Assets I, (ii) the valuation of the Linzhou Leased Assets I as provided by third party valuers, and (iii) the prevailing market rates for finance leases for similar assets.

B. Principal terms of the Linzhou Finance Lease Agreements II

Date 19 May 2017

Parties (i) Seller and lessee: Linzhou Xinchuang

(ii) Purchaser and lessor: Henan Honesty

Linzhou Finance Lease II

Pursuant to the Linzhou Finance Lease II, Henan Honesty has agreed to purchase the Linzhou Leased Assets II from Linzhou Xinchuang for a total consideration of RMB70,000,000.00 (equivalent to approximately HK\$79,429,000.00). The purchase price is payable within three working days upon the satisfaction of the following conditions: (i) Linzhou Xinchuang having provided to Henan Honesty a copy of the certificate of title for the Linzhou Leased Assets II; (ii) the Linzhou Leased Assets II being in possession of Linzhou Xinchuang and having passed quality inspections; and (iii) the Linzhou Leased Assets II having been registered with the Credit Reference Centre of the People's Bank of China or the national information management system for finance leasing companies.

Following the acquisition, Henan Honesty shall lease the Linzhou Leased Assets II to Linzhou Xinchuang for a term of 12 years, commencing from the day Henan Honesty pays the purchase price for the Linzhou Leased Assets II.

Payment of rent

The interest rate under the Linzhou Finance Lease II was fixed at 5.145% per annum. The principal lease cost under the Linzhou Finance Lease II was RMB70,000,000.00 (equivalent to approximately HK\$79,429,000.00). The aggregate estimated amount of rent payable by Linzhou Xinchuang to Henan Honesty under the Linzhou Finance Lease II is RMB91,313,591.24 (equivalent to approximately HK\$103,613,531.98) and is payable in a total of 48 quarterly instalments starting from 21 August 2017 and with the last

instalment payable on 18 May 2029. The first five 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 43 instalments will cover the principal lease cost plus the lease interest.

Administrative fee

Pursuant to the Linzhou Finance Lease II, Linzhou Xinchuang agreed to pay to Henan Honesty an administrative fee of RMB1,785,000.00 (equivalent to approximately HK\$2,025,439.50), representing 2.55% of the principal lease cost, upon payment of the purchase price by Henan Honesty.

Ownership of the Linzhou Leased Assets II

During the term of the Linzhou Finance Lease II, the ownership of the Linzhou Leased Assets II shall vest in Henan Honesty. Upon expiry of the term of the Linzhou Finance Lease II, subject to the full payment of the entire amount of administrative fee, lease rent and any other amounts due under the Linzhou Finance Lease II, Linzhou Xinchuang is eligible to purchase the Linzhou Leased Assets II at a nominal purchase price of RMB10,000.00 (equivalent to approximately HK\$11,347.00).

Factoring arrangement

On 19 May 2017, Henan Honesty entered into a non-recourse factoring agreement with Bank of Zhengzhou Beihuan Sub-Branch, pursuant to which Henan Honesty had agreed to assign its creditor's rights in relation to all account receivables under the Linzhou Finance Lease II to Bank of Zhengzhou Beihuan Sub-Branch. The account receivables shall include rent, interest, damages, compensation and other fees payable by Linzhou Xinchuang to Henan Honesty under the Linzhou Finance Lease II.

The factoring arrangement is supplemented by the following:

- (i) **Account Receivables Transfer Confirmation Agreement II:** under the Account Receivables Transfer Confirmation Agreement II, Linzhou Xinchuang confirmed that Bank of Zhengzhou Beihuan Sub-Branch is entitled to account receivables, including principal amount of RMB70,000,000.00 (equivalent to approximately HK\$79,429,000.00), interest of RMB21,313,591.23 (equivalent to approximately HK\$24,184,531.97) and other fees payable by Linzhou Xinchuang to Henan Honesty under the Linzhou Finance Lease II. Linzhou Xinchuang agreed to pay the account receivables to the Rental Payment Account in accordance with the payment terms under the Linzhou Finance Lease II; and

- (ii) **Rental Withholding Agreement II:** under the Rental Withholding Agreement II, Bank of Zhengzhou Beihuan Sub-Branch is entitled to deduct the amount of instalment from the Rental Payment Account on the relevant instalment payment date without giving notice to or obtaining prior consent from Linzhou Xinchuang. If the balance in the Rental Payment Account is insufficient to cover the relevant instalment, Linzhou Xinchuang shall pay to Bank of Zhengzhou Beihuan Sub-Branch a liquidated damage of 0.05% of the shortfall calculated daily and shall compensate Bank of Zhengzhou Beihuan Sub-Branch for all losses incurred in connection therewith.

The terms of the Linzhou Finance Lease Agreements II, including the lease rent, lease interest rate, purchase price and administrative fee, were determined after arm's length negotiation among Linzhou Xinchuang, Henan Honesty and Bank of Zhengzhou Beihuan Sub-Branch with reference to (i) the net asset value of the Linzhou Leased Assets II, (ii) the valuation of the Linzhou Leased Assets II as provided by third party valuers, and (iii) the prevailing market rates for finance leases for similar assets.

3. REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Directors believe that the Credit Facility Agreements can further enhance the business of the Group and its competitiveness by broadening its source of funding. Therefore, the Board is of the view that the entering into of the Credit Facility Agreements is in the interests of the Company and its shareholders as a whole.

The terms of the Finance Lease Agreements have been agreed on 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 fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

4. LISTING RULES IMPLICATIONS

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

As the Linzhou Finance Lease Agreements I were entered into with Henan Honesty and Bank of Zhengzhou Beihuan Sub-Branch within a 12-month period prior to and inclusive of the date of the Linzhou Finance Lease Agreements II, the Linzhou Finance Lease Agreements I will be aggregated with Linzhou Finance Lease Agreements II 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% for the Company, 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.

5. INFORMATION ON THE PARTIES TO THE FINANCE LEASE AGREEMENTS

Henan Honesty

Henan Honesty is a company incorporated in the PRC with limited liability. Henan Honesty is principally engaged in financial leasing, operating leasing and asset leasing. Henan Honesty has established cooperation relationships with Bank of Zhengzhou Beihuan Sub-Branch with regards to factoring and assignment of credit.

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

Bank of Zhengzhou Beihuan Sub-Branch

Bank of Zhengzhou Beihuan Sub-Branch is a sub-branch of Bank of Zhengzhou Co., Ltd., a joint stock company incorporated in the PRC with limited liability. Bank of Zhengzhou Beihuan Sub-Branch is principally engaged in personal savings, issuing short-term, mid-term and long-term loans, domestic settlement, discounting of bills, issuance of financial bonds, agency services and underwriting government bonds, safe deposit box services, etc.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Bank of Zhengzhou Beihuan Sub-Branch 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 projects 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:

“Account Receivables Transfer Confirmation Agreement I”	the agreement dated 26 April 2017 entered into between Linzhou Xinchuang and Bank of Zhengzhou Beihuan Sub-Branch in relation to the account receivables under Linzhou Finance Lease I
“Account Receivables Transfer Confirmation Agreement II”	the agreement dated 19 May 2017 entered into between Linzhou Xinchuang and Bank of Zhengzhou Beihuan Sub-Branch in relation to the account receivables under Linzhou Finance Lease II
“Bank of Zhengzhou Beihuan Sub-Branch”	Bank of Zhengzhou Co., Ltd., Beihuan Road Sub-Branch* (鄭州銀行股份有限公司北環路支行), a sub-branch of Bank of Zhengzhou Co. Ltd., a joint stock company incorporated in the PRC with limited liability
“Board”	the board of the Directors
“Company”	GCL New Energy Holdings Limited (協鑫新能源控股有限公司), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange, with stock code 451
“Comprehensive Credit Facility Agreement”	the agreement dated 21 April 2017 entered into between Linzhou Xinchuang and Bank of Zhengzhou Beihuan Sub-Branch in relation to the grant of a comprehensive credit facility to Linzhou Xinchuang
“connected persons”	has the same meaning ascribed to it under the Listing Rules
“Credit Facility Agreements”	the Comprehensive Credit Facility Agreement, the Suzhou GCL Guarantee, the GNE Guarantee, the Receivables Pledge Agreement, the Security Deposit Pledge Agreement and the Share Pledge Agreement

“Credit Reference Centre of the People’s Bank of China”	The Unified Registration System of Chattel Financing of the Credit Reference Centre of the People’s Bank of China*(中國人民銀行徵信中心動產融資統一登記系統)
“Director(s)”	director(s) of the Company
“Finance Lease Agreements”	Linzhou Finance Lease Agreements I and Linzhou Finance Lease Agreements II
“GNE Guarantee”	the letter of guarantee dated 26 April 2017 provided by the Company to Bank of Zhengzhou Beihuan Sub-Branch
“Group”	the Company and its subsidiaries
“Henan GCL New Energy”	Henan GCL New Energy Investment Company Limited* (河南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
“Henan Honesty”	Henan Honesty Financial Leasing Co., Ltd.* (河南恒立信融資租賃有限公司), a company 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
“Linzhou Finance Lease I”	the agreement dated 26 April 2017 entered into between Henan Honesty and Linzhou Xinchuang in relation to the leasing of the Linzhou Leased Assets I
“Linzhou Finance Lease II”	the agreement dated 19 May 2017 entered into between Henan Honesty and Linzhou Xinchuang in relation to the leasing of the Linzhou Leased Assets II
“Linzhou Finance Lease Agreements I”	the Linzhou Finance Lease I, the Account Receivables Transfer Confirmation Agreement I and the Rental Withholding Agreement I

“Linzhou Finance Lease Agreements II”	the Linzhou Finance Lease II, the Account Receivables Transfer Confirmation Agreement II and the Rental Withholding Agreement II
“Linzhou Leased Assets I”	certain 310-watt photovoltaic modules, balance-of-system equipment and other photovoltaic equipment previously owned by Linzhou Xinchuang
“Linzhou Leased Assets II”	certain 300-watt and 310-watt photovoltaic modules previously owned by Linzhou Xinchuang
“Linzhou Xinchuang”	Linzhou City Xinchuang Solar Company Limited* (林州市新創太陽能有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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
“Receivables Pledge Agreement”	the agreement dated 25 April 2017 entered into between Linzhou Xinchuang and Bank of Zhengzhou Beihuan Sub-Branch in relation to the pledge of receivables in respect of electricity fees to secure Bank of Zhengzhou Beihuan Sub-Branch’s rights as creditor under the Finance Lease Agreements
“Rental Payment Account”	a designated account opened by Linzhou Xinchuang with Bank of Zhengzhou Beihuan Sub-Branch for the purpose of withholding rental payments
“Rental Withholding Agreement I”	the agreement dated 26 April 2017 entered into between Linzhou Xinchuang, Henan Honesty and Bank of Zhengzhou Beihuan Sub-Branch in relation to the deduction of rental payment under the Linzhou Finance Lease I from the Rental Payment Account

“Rental Withholding Agreement II”	the agreement dated 19 May 2017 entered into between Linzhou Xinchuang, Henan Honesty and Bank of Zhengzhou Beihuan Sub-Branch in relation to the deduction of rental payment under the Linzhou Finance Lease II from the Rental Payment Account
“RMB”	Renminbi, the lawful currency of the PRC
“Security Deposit Pledge Agreement”	the agreement dated 26 April 2017 entered into between Linzhou Xinchuang and Bank of Zhengzhou Beihuan Sub-Branch in relation to the payment of a security deposit to secure Bank of Zhengzhou Beihuan Sub-Branch’s rights as creditor under the Finance Lease Agreements
“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)
“Share Pledge Agreement”	the agreement dated 22 March 2017 entered into between Henan GCL New Energy and Bank of Zhengzhou Beihuan Sub-Branch, pursuant to which Henan GCL New Energy has pledged 100% of the equity interest in Linzhou Xinchuang to Bank of Zhengzhou Beihuan Sub-Branch
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“Suzhou GCL Guarantee”	the agreement dated 18 May 2017 entered into between Suzhou GCL New Energy and Bank of Zhengzhou Beihuan Sub-Branch in connection with the guarantee provided by Suzhou GCL New Energy to secure Bank of Zhengzhou Beihuan Sub-Branch’s rights as creditor under the Finance Lease Agreements

“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\$1.1347, being the exchange rate prevailing on 18 May 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 purpose only and may not necessarily be the official English translations of the corresponding Chinese titles or names. If there is any inconsistency between the English translations and the Chinese titles or names, the Chinese titles or names shall prevail.*

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

Hong Kong, 19 May 2017

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.