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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 CITIC FINANCIAL LEASING CO., LTD.

THE DISCLOSEABLE TRANSACTION

On 26 May 2017 (after trading hours), the Group entered into:

- (a) the Nantong Finance Lease Agreements, pursuant to which (i) Citic Financial Leasing shall purchase from Nantong GCL New Energy (an indirect wholly-owned subsidiary of the Company) the Nantong Leased Assets at a consideration of RMB81,000,000.00 (equivalent to approximately HK\$91,829,700.00) and (ii) following the acquisition, Citic Financial Leasing as lessor shall lease the Nantong Leased Assets to Nantong GCL New Energy as lessee for a term of 10 years at an aggregate estimated rent of RMB111,952,026.44 (equivalent to approximately HK\$126,920,012.38). In addition, pursuant to the Nantong Finance Lease Agreements, Nantong GCL New Energy engaged Citic Financial Leasing to provide certain consulting services for an aggregate fee of RMB1,053,000.00 (equivalent to approximately HK\$1,193,786.10);
- (b) the Huai'an Linji Finance Lease Agreements, pursuant to which (i) Citic Financial Leasing shall purchase from Huai'an GCL (an indirect wholly-owned subsidiary of the Company) the Huai'an Linji Leased Assets at a consideration of RMB62,000,000.00 (equivalent to approximately HK\$70,289,400.00) and (ii) following the acquisition, Citic Financial Leasing as lessor shall lease the Huai'an Linji Leased Assets to Huai'an GCL as lessee for a term of 10 years at an aggregate estimated rent of RMB85,691,674.63 (equivalent to approximately HK\$97,148,651.53). In addition, pursuant to the Huai'an Linji Finance Lease Agreements, Huai'an GCL engaged Citic Financial Leasing to provide certain consulting services for an aggregate fee of RMB806,000.00 (equivalent to approximately HK\$913,762.20); and

- (c) the Huai'an Ronggao Finance Lease Agreements, pursuant to which (i) Citic Financial Leasing shall purchase from Huai'an Ronggao (an indirect wholly-owned subsidiary of the Company) the Huai'an Ronggao Leased Assets at a consideration of RMB72,000,000.00 (equivalent to approximately HK\$81,626,400.00) and (ii) following the acquisition, Citic Financial Leasing as a lessor shall lease the Huai'an Ronggao Leased Assets to Huai'an Ronggao as lessee for a term of 10 years at an aggregate estimated rent of RMB99,512,912.38 (equivalent to approximately HK\$112,817,788.77). In addition, pursuant to the Huai'an Ronggao Finance Lease Agreements, Huai'an Ronggao engaged Citic Financial Leasing to provide certain consulting services for an aggregate fee of RMB936,000.00 (equivalent to approximately HK\$1,061,143.20)

(together the **"Finance Lease Agreements"**).

In addition, the Group entered into:

- (a) the Haifeng Finance Lease Agreements II on 23 March 2017, pursuant to which (i) Citic Financial Leasing purchased from Haifeng GCL (an indirect wholly-owned subsidiary of the Company) the Haifeng Leased Assets II at a consideration of RMB110,000,000.00 (equivalent to approximately HK\$124,707,000.00) and (ii) following the acquisition, Citic Financial Leasing as lessor leased the Haifeng Leased Assets II to Haifeng GCL as lessee for a term of 9 years at an aggregate estimated rent of RMB142,760,530.80 (equivalent to approximately HK\$161,847,613.77). In addition, pursuant to the Haifeng Finance Lease Agreements II, Haifeng GCL engaged Citic Financial Leasing to provide certain asset management consulting services for an aggregate fee of RMB6,380,000.00 (equivalent to approximately HK\$7,233,006.00); and
- (b) the Chengde Finance Lease Agreements on 18 April 2017, pursuant to which (i) Citic Financial Leasing purchased from Nanjing GCL New Energy (an indirect wholly-owned subsidiary of the Company) the Chengde Leased Assets at a consideration of RMB98,000,000.00 (equivalent to approximately HK\$111,102,600.00) and (ii) following the acquisition, Citic Financial Leasing as lessor leased the Chengde Leased Assets to Chengde GCL as lessee for a term of nine and a half years at an aggregate estimated rent of RMB130,032,523.08 (equivalent to approximately HK\$147,417,871.42). In addition, pursuant to the Chengde Finance Lease Agreements, Chengde GCL engaged Citic Financial Leasing to provide certain asset management consulting services for a service fee of RMB6,272,000.00 (equivalent to approximately HK\$7,110,566.40)

(together the **"Previous Undisclosed Finance Lease Agreements"**).

As disclosed in the Company's announcements dated 23 February 2017 and 20 December 2016 (together the **"Previous Announcements"**) and the Company's circular dated 16 March 2016 (the **"Circular"**), the Group entered into the Haifeng Finance Lease Agreements, the Shanglin Finance Lease Agreements, the Urad Finance Lease Agreements, the Jinxi Finance Lease Agreements, the

Taoyuan Finance Lease Agreements I, the Taoyuan Finance Lease Agreements II and the Taoyuan Finance Lease Agreements III (as defined in the Previous Announcements and the Circular, together the “**Previous Disclosed Finance Lease Agreements**”) with Citic Financial Leasing in the past 12 months.

LISTING RULES IMPLICATIONS

As disclosed in the Circular, the Previous Disclosed Finance Lease Agreements constituted a major transaction for the Company, and pursuant to Rule 14.44 of the Listing Rules, Elite Time Global (the controlling Shareholder) had given its written approval for the major transaction. Accordingly, the Shareholders’ approval requirement was deemed to have been fulfilled in respect of the Previous Disclosed Finance Lease Agreements and no separate general meeting was convened for approving the Previous Disclosed Finance Lease Agreements.

As none of the applicable percentage ratios in respect of the Previous Undisclosed Finance Lease Agreements (on their own) exceeded 5% for the Company, the entering into of the Previous Undisclosed Finance Lease Agreements did not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules. As the Previous Disclosed Finance Lease Agreements were entered into with Citic Financial Leasing within a 12-month period prior to and inclusive of the date of the Previous Undisclosed Finance Lease Agreements, the Previous Disclosed Finance Lease Agreements and the Previous Undisclosed Finance Lease Agreements (together, the “**Previous Agreements**”) should be aggregated as a series of transactions for the Company pursuant to Rule 14.22 of the Listing Rules. The entering into of the Previous Agreements (in aggregate) did not trigger a classification higher than a major transaction under Chapter 14 of the Listing Rules.

As the Previous Agreements were entered into with Citic Financial Leasing within a 12-month period prior to and inclusive of the date of the Finance Lease Agreements, the Finance Lease Agreements and the Previous Agreements will be aggregated as a series of transactions for the Company pursuant to Rule 14.22 of the Listing Rules. The entering into of the Finance Lease Agreements and the Previous Agreements (in aggregate) did not trigger a classification higher than a major transaction for the Company under Chapter 14 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Finance Lease Agreements and the Previous Undisclosed Finance Lease Agreements (in aggregate) exceeds 5% but is less than 25%, the entering into of the Finance Lease Agreements and the Previous Undisclosed 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 FINANCE LEASE AGREEMENTS

A. Principal terms of the Nantong Finance Lease Agreements

- (i) *Date* 26 May 2017
- (ii) *Parties*
 - (1) Seller and lessee: Nantong GCL New Energy
 - (2) Purchaser and lessor: Citic Financial Leasing
- (iii) *The Nantong Finance Lease*

Pursuant to the Nantong Finance Lease, (i) Citic Financial Leasing shall purchase from Nantong GCL New Energy (an indirect wholly-owned subsidiary of the Company) the Nantong Leased Assets at a total consideration of RMB81,000,000.00 (equivalent to approximately HK\$91,829,700.00) and (ii) following the acquisition, Citic Financial Leasing as lessor shall lease the Nantong Leased Assets to Nantong GCL New Energy as lessee for a term of ten years at an aggregate estimated rent of RMB111,952,026.44 (equivalent to approximately HK\$126,920,012.38).

Citic Financial Leasing shall pay 65% of the consideration by bank transfer and 35% of the consideration by 6-month bank's acceptance bill to Nantong GCL New Energy three working days after the following conditions are satisfied:

- (1) Citic Financial Leasing having received payment of all amounts due to it under the Nantong Finance Lease from Nantong GCL New Energy;
- (2) Citic Financial Leasing having received from Nantong GCL New Energy:
 - (a) the certificate of ownership for the Nantong Leased Assets;
 - (b) a copy of the original purchase invoice of the Nantong Leased Assets (endorsed and stamped with Nantong GCL New Energy's official seal); and
 - (c) any other documents proving the ownership of the Nantong Leased Assets and/or the right to transfer or dispose of the Nantong Leased Assets as required by Citic Financial Leasing;
- (3) Nantong GCL New Energy having obtained all the internal and external approvals necessary for entering into the Nantong Finance Lease;

- (4) Citic Financial Leasing having received from the Nantong Guarantors the internal and external approvals necessary for entering into the Nantong Guarantees;
- (5) all the Nantong Guarantees and other transaction documents for the Nantong Finance Lease having been signed as required by Citic Financial Leasing, and the Nantong Finance Lease and other transaction documents being in effect and not in breach;
- (6) if the Nantong Guarantees require registration under applicable laws and regulations and Citic Financial Leasing requires such registration, Citic Financial Leasing having received documents evidencing the registration of the Nantong Guarantees;
- (7) Citic Financial Leasing having received the Notice of Transfer of Ownership and Acceptance of Leased Assets* (所有權轉移及租賃物接受書) and the Notice of Payment* (付款通知書) in relation to the payment of the purchase price for the Nantong Leased Assets signed by Nantong GCL New Energy;
- (8) Citic Financial Leasing having received the relevant documents issued by Nantong GCL New Energy evidencing that insurance has been purchased for the Nantong Leased Assets from an insurance company approved by Citic Financial Leasing;
- (9) there being no material change in the tax, financial policies and government regulations relating to finance leases in the PRC and no material change in market financing costs;
- (10) Nantong GCL New Energy having provided documents to prove that the total investment for the Nantong Project is not lower than Citic Financial Leasing's required ratio for paid-in capital funds;
- (11) there being no breach that is continuing or incapable of being remedied;
- (12) Nantong GCL New Energy having entered into the Nantong Electricity Fees Pledge Agreement with Citic Financial Leasing, having opened an account for receiving electricity fees with CITIC Bank, and signed the agreement in respect of the escrow arrangements for such account;
- (13) GCL New Energy Investment having entered into the Nantong Share Pledge Agreement with Citic Financial Leasing; and
- (14) other payment conditions as required by Citic Financial Leasing having been fulfilled.

(iv) *Payment of Rent*

The estimated aggregate amount of rent payable by Nantong GCL New Energy to Citic Financial Leasing under the Nantong Finance Lease is RMB111,952,026.44 (equivalent to approximately HK\$126,920,012.38) and is payable in a total of 20 semi-annual instalments starting from 15 November 2017 and with the last instalment payable on 30 May 2027. The first two 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, and are RMB2,338,347.37 (equivalent to approximately HK\$2,650,984.41) and RMB2,504,383.87 (equivalent to approximately HK\$2,839,219.99) respectively. The remaining 18 instalments are RMB5,950,516.40 (equivalent to approximately HK\$6,746,100.44 each and will cover the principal lease cost plus the lease interest).

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 Nantong Finance Lease was RMB81,000,000.00 (equivalent to approximately HK\$91,829,700.00). The interest rate under the Nantong Finance Lease was calculated at an annualised interest rate of 6.1495%, representing approximately 125.5% of the current benchmark lending rate promulgated by the People's Bank of China for a term of five years or more. During the term of the Nantong 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 starting from the next instalment.

(v) *Nantong Consulting Services Agreement*

Pursuant to the Nantong Consulting Services Agreement, Citic Financial Leasing agreed to provide to Nantong GCL New Energy certain consulting services, including consulting in relation to the structuring and arranging of finance leases and related financial, tax and economic issues for a total service fee of RMB1,053,000.00 (equivalent to approximately HK\$1,193,786.10) payable in one instalment on the date of the Nantong Consulting Services Agreement.

(vi) *Basis of consideration*

The terms of the Nantong Finance Lease and the Nantong Consulting Services Agreement, including the lease rent, lease interest rate, and service fee were determined after arm's length negotiation among Citic Financial Leasing and Nantong GCL New Energy with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar consulting services.

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

(vii) Ownership of the Nantong Leased Assets

During the term of the Nantong Finance Lease, the ownership of the Nantong Leased Assets shall vest in Citic Financial Leasing. During the lease period, the Nantong Leased Assets will be used by Nantong GCL New Energy for the Nantong Project. Upon expiry of the term of the Nantong Finance Lease and subject to the full payment of the entire amount of the lease rent, and any other amounts due under the Nantong Finance Lease, Nantong GCL New Energy shall purchase the Nantong Leased Assets on an "as is" basis from Citic Financial Leasing for the nominal purchase price of RMB1.00 (equivalent to approximately HK\$1.13).

(viii) Security Agreements for the Nantong Finance Lease Agreements

The obligations under the Nantong Finance Lease Agreements are secured by the following:

- (1) Nanjing GCL Nantong Guarantee: pursuant to the Nanjing GCL Nantong Guarantee, Nanjing GCL New Energy has agreed to provide a guarantee to secure, among other things, Nantong GCL New Energy's obligations under the Nantong Finance Lease and Nantong Consulting Services Agreement, including rental payments, interest, service and consulting fees and other amounts due to Citic Financial Leasing;
- (2) Suzhou GCL Nantong Guarantee: pursuant to the Suzhou GCL Nantong Guarantee, Suzhou GCL New Energy has agreed to provide a guarantee to secure, among other things, Nantong GCL New Energy's obligations under the Nantong Finance Lease and Nantong Consulting Services Agreement, including rental payments, interest, service and consulting fees and other amounts due to Citic Financial Leasing;
- (3) Nantong Share Pledge Agreement: pursuant to the Nantong Share Pledge Agreement, GCL New Energy Investment has pledged 100% of the equity interest in Nantong GCL New Energy to Citic Financial Leasing to secure all of Nantong GCL New Energy's obligations under the Nantong Finance Lease and the Nantong Consulting Services Agreement;

- (4) Nantong Leased Assets Mortgage Agreement: pursuant to the Nantong Leased Assets Mortgage Agreement, Nantong GCL New Energy has mortgaged the Nantong Leased Assets to secure all of Nantong GCL New Energy's obligations under Nantong Finance Lease and the Nantong Consulting Services Agreement; and
- (5) Nantong Electricity Fees Pledge Agreement: pursuant to the Nantong Electricity Fees Pledge Agreement, Nantong GCL New Energy has pledged its right to electricity fees and related receivables under any electricity sales agreement entered or to be entered into between Nantong GCL New Energy and Jiangsu State Grid for the Nantong Project to secure its obligations under the Nantong Finance Lease and the Nantong Consulting Services Agreement.

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

- (i) *Date* 26 May 2017
- (ii) *Parties*
 - (1) Seller and lessee: Huai'an GCL
 - (2) Purchaser and lessor: Citic Financial Leasing
- (iii) *The Huai'an Linji Finance Lease*

Pursuant to the Huai'an Linji Finance Lease, (i) Citic Financial Leasing shall purchase from Huai'an GCL (an indirect wholly-owned subsidiary of the Company) the Huai'an Linji Leased Assets at a total consideration of RMB62,000,000.00 (equivalent to approximately HK\$70,289,400.00) and (ii) following the acquisition, Citic Financial Leasing as lessor shall lease the Huai'an Linji Leased Assets to Huai'an GCL as lessee for a term of ten years at an aggregate estimated rent of RMB85,691,674.63 (equivalent to approximately HK\$97,148,651.53).

Citic Financial Leasing shall pay 65% of the consideration by bank transfer and 35% of the consideration by 6-month bank's acceptance bill to Huai'an GCL three working days after the following conditions are satisfied:

- (1) Citic Financial Leasing having received payment of all amounts due to it under the Huai'an Linji Finance Lease from Huai'an GCL;
- (2) Citic Financial Leasing having received from Huai'an GCL:
 - (a) the certificate of ownership for the Huai'an Linji Leased Assets;
 - (b) a copy of the original purchase invoice of the Huai'an Linji Leased Assets (endorsed and stamped with Huai'an GCL's official seal); and

- (c) any other documents proving the ownership of the Huai'an Linji Leased Assets and/or the right to transfer or dispose of the Huai'an Linji Leased Assets as required by Citic Financial Leasing;
- (3) Huai'an GCL having obtained all internal and external approvals necessary for the entering into of the Huai'an Linji Finance Lease;
- (4) Citic Financial Leasing having received from the Huai'an Linji Guarantors the internal and external approvals necessary for entering into the Huai'an Linji Guarantees;
- (5) all the Huai'an Linji Guarantees and other transaction documents for the Huai'an Linji Finance Lease having been signed as required by Citic Financial Leasing, and the Huai'an Linji Finance Lease and other transaction documents being in effect and not in breach;
- (6) if the Huai'an Linji Guarantees require registration under applicable laws and regulations and Citic Financial Leasing requires such registration, Citic Financial Leasing having received documents evidencing the registration of the Huai'an Linji Guarantees;
- (7) Citic Financial Leasing having received the Notice of Transfer of Ownership and Acceptance of Leased Assets* (所有權轉移及租賃物接受書) and the Notice of Payment* (付款通知書) in relation to the payment of the purchase price for the Huai'an Linji Leased Assets signed by Huai'an GCL;
- (8) Citic Financial Leasing having received the relevant documents issued by Huai'an GCL evidencing that insurance has been purchased for the Huai'an Linji Leased Assets from an insurance company approved by Citic Financial Leasing;
- (9) there being no material change in the tax, financial policies and government regulations relating to finance leases in the PRC and no material change in market financing costs;
- (10) Huai'an GCL having provided documents to prove that the total investment for the Huai'an Linji Project is not lower than Citic Financial Leasing's required ratio for paid-in capital funds;
- (11) there being no breach that is continuing or incapable of being remedied;

- (12) Huai'an GCL having entered into the Huai'an Linji Electricity Fees Pledge Agreement with Citic Financial Leasing, opened an account for receiving electricity fees with CITIC Bank, and signed the agreement in respect of the escrow arrangements for such account;
- (13) GCL New Energy Investment having entered into the Huai'an Linji Share Pledge Agreement with Citic Financial Leasing; and
- (14) other payment conditions as required by Citic Financial Leasing having been fulfilled.

(iv) *Payment of Rent*

The estimated aggregate amount of rent payable by Huai'an GCL to Citic Financial Leasing under the Huai'an Linji Finance Lease is RMB85,691,674.63 (equivalent to approximately HK\$97,148,651.53) and is payable in a total of 20 semi-annual instalments starting from 15 November 2017 and with the last instalment payable on 30 May 2027. The first two 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, and are RMB1,789,846.14 (equivalent to approximately HK\$2,029,148.57) and RMB1,916,935.81 (equivalent to approximately HK\$2,173,230.13) respectively. The remaining 18 instalments will cover the principal lease cost plus the lease interest and are RMB4,554,716.26 (equivalent to approximately HK\$5,163,681.82) each.

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 Huai'an Linji Finance Lease was RMB62,000,000.00 (equivalent to approximately HK\$70,289,400.00). The interest rate under the Huai'an Linji Finance Lease was calculated at an annualized interest rate of 6.1495%, representing approximately 125.5% of the current benchmark lending rate promulgated by the People's Bank of China for a term of five years or more. During the term of the Huai'an Linji 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 starting from the next instalment.

(v) *Huai'an Linji Consulting Services Agreement*

Pursuant to the Huai'an Linji Consulting Services Agreement, Citic Financial Leasing agreed to provide to Huai'an GCL certain consulting services, including consulting in relation to the structuring and arranging of finance leases and related

financial, tax and economic issues for a total service fee of RMB806,000.00 (equivalent to approximately HK\$913,762.20) payable in one instalment on the date of the Huai'an Linji Consulting Services Agreement.

(vi) *Basis of consideration*

The terms of the Huai'an Linji Finance Lease and the Huai'an Linji Consulting Services Agreement, including the lease rent, lease interest rate, and service fee were determined after arm's length negotiation among Citic Financial Leasing and Huai'an GCL with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar consulting services.

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

(vii) *Ownership of the Huai'an Linji Leased Assets*

During the term of the Huai'an Linji Finance Lease, the ownership of the Huai'an Linji Leased Assets shall vest in Citic Financial Leasing. During the lease period, the Huai'an Linji Leased Assets will be used by Huai'an GCL for the Huai'an Linji Project. Upon expiry of the term of the Huai'an Linji Finance Lease and subject to the full payment of the entire amount of the lease rent, and any other amounts due under the Huai'an Linji Finance Lease, Huai'an GCL shall purchase the Huai'an Linji Leased Assets on an "as is" basis from Citic Financial Leasing for the nominal purchase price of RMB1.00 (equivalent to approximately HK\$1.13).

(viii) *Security Agreements for the Huai'an Linji Finance Lease Agreements*

The obligations under the Huai'an Linji Finance Lease Agreements are secured by the following:

- (1) Nanjing GCL Huai'an Linji Guarantee: pursuant to the Nanjing GCL Huai'an Linji Guarantee, Nanjing GCL New Energy has agreed to provide a guarantee to secure, among other things, Huai'an GCL's obligations under the Huai'an Linji Finance Lease and Huai'an Linji Consulting Services Agreement, including rental payments, interest, service and consulting fees and other amounts due to Citic Financial Leasing;

- (2) Suzhou GCL Huai'an Linji Guarantee: pursuant to the Suzhou GCL Huai'an Linji Guarantee, Suzhou GCL New Energy has agreed to provide a guarantee to secure, among other things, Huai'an GCL's obligations under the Huai'an Linji Finance Lease and Huai'an Linji Consulting Services Agreement, including rental payments, interest, service and consulting fees and other amounts due to Citic Financial Leasing;
- (3) Huai'an Linji Share Pledge Agreement: pursuant to the Huai'an Linji Share Pledge Agreement, GCL New Energy Investment has pledged 100% of the equity interest in Huai'an GCL to Citic Financial Leasing to secure all of Huai'an GCL obligations under the Huai'an Linji Finance Lease and the Huai'an Linji Consulting Services Agreement;
- (4) Huai'an Linji Leased Assets Mortgage Agreement: pursuant to the Huai'an Linji Leased Assets Mortgage Agreement, Huai'an GCL has mortgaged the Huai'an Linji Leased Assets to secure all of Huai'an GCL's obligations under Huai'an Linji Finance Lease and the Huai'an Linji Consulting Services Agreement; and
- (5) Huai'an Linji Electricity Fees Pledge Agreement: pursuant to the Huai'an Linji Electricity Fees Pledge Agreement, Huai'an GCL has pledged its right to electricity fees and related receivables under any electricity sales agreement entered or to be entered into between Huai'an GCL and Jiangsu State Grid and Jiangsu State Grid, Huai'an branch for the Huai'an Linji Project to secure its obligations under the Huai'an Linji Finance Lease and the Huai'an Linji Consulting Services Agreement.

C. Principal terms of the Huai'an Ronggao Finance Lease Agreements

- (i) ***Date*** 26 May 2017
- (ii) ***Parties***
 - (1) Seller and lessee: Huai'an Ronggao
 - (2) Purchaser and lessor: Citic Financial Leasing
- (iii) ***The Huai'an Ronggao Finance Lease***

Pursuant to the Huai'an Ronggao Finance Lease, (i) Citic Financial Leasing shall purchase from Huai'an Ronggao (an indirect wholly-owned subsidiary of the Company) the Huai'an Ronggao Leased Assets at a total consideration of RMB72,000,000.00 (equivalent to approximately HK\$81,626,400.00) and (ii) following the acquisition, Citic Financial Leasing as lessor shall lease the Huai'an

Ronggao Leased Assets to Huai'an Ronggao as lessee for a term of ten years at an aggregate estimated rent of RMB99,512,912.38 (equivalent to approximately HK\$112,817,788.77).

Citic Financial Leasing shall pay 65% of the consideration by bank transfer and 35% of the consideration by 6-month bank's acceptance bill to Huai'an Ronggao three working days after the following conditions are satisfied:

- (1) Citic Financial Leasing having received amounts due to it of all payables under the Huai'an Ronggao Finance Lease from Huai'an Ronggao;
- (2) Citic Financial Leasing having received from Huai'an Ronggao:
 - (a) the certificate of ownership for the Huai'an Ronggao Leased Assets;
 - (b) a copy of the original purchase invoice of the Huai'an Ronggao Leased Assets (endorsed and stamped with Huai'an Ronggao official seal); and
 - (c) any other documents proving the ownership of the Huai'an Ronggao Leased Assets, and/or the right to transfer or dispose of the Huai'an Ronggao Leased Assets as required by Citic Financial Leasing;
- (3) Huai'an Ronggao having obtained all internal and external approvals necessary for entering into of the Huai'an Ronggao Finance Lease;
- (4) Citic Financial Leasing having received from the Huai'an Ronggao Guarantors the internal and external approvals necessary for entering into the Huai'an Ronggao Guarantees;
- (5) all the Huai'an Ronggao Guarantees and other transaction documents for the Huai'an Ronggao Finance Lease having been signed as required by Citic Financial Leasing, and the Huai'an Ronggao Finance Lease and other transaction documents being in effect and not in breach;
- (6) if the Huai'an Ronggao Guarantees require registration under applicable laws and regulations and Citic Financial Leasing require such registration, Citic Financial Leasing having received documents evidencing the registration of the Huai'an Ronggao Guarantees;
- (7) Citic Financial Leasing having received the Notice of Transfer of Ownership and Acceptance of Leased Assets* (所有權轉移及租賃物接受書) and the Notice of Payment* (付款通知書) in relation to the payment of the purchase price for the Huai'an Ronggao Leased Assets signed by Huai'an Ronggao;

- (8) Citic Financial Leasing having received the relevant documents issued by Huai'an Ronggao evidencing that insurance has been purchased for the Huai'an Ronggao Leased Assets from an insurance company approved by Citic Financial Leasing;
- (9) there being no material change in the tax, financial policies and government regulations relating to finance leases in the PRC and no material change in market financing costs;
- (10) Huai'an Ronggao having provided documents to prove that the total investment for the Huai'an Ronggao Project is not lower than Citic Financial Leasing's required ratio for paid-in capital funds;
- (11) there being no breach that is continuing or incapable of being remedied;
- (12) Huai'an Ronggao having entered into the Huai'an Ronggao Electricity Fees Pledge Agreement with Citic Financial Leasing, opened an account for receiving electricity fees with CITIC Bank, and signed the agreement in respect of the escrow arrangements for such account;
- (13) Suzhou GCL New Energy having entered into the Huai'an Ronggao Share Pledge Agreement with Citic Financial Leasing; and
- (14) other payment conditions as required by Citic Financial Leasing having been fulfilled.

(iv) *Payment of Rent*

The estimated aggregate amount of rent payable by Huai'an Ronggao to Citic Financial Leasing under the Huai'an Ronggao Finance Lease is RMB99,512,912.38 (equivalent to approximately HK\$112,817,788.77) and is payable in a total of 20 semi-annual instalments starting from 15 November 2017 and with the last instalment payable on 30 May 2027. The first two 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, and are RMB2,078,531.00 (equivalent to approximately HK\$2,356,430.59) and RMB2,226,119.00 (equivalent to approximately HK\$2,523,751.11) respectively. The remaining 18 instalments will cover the principal lease cost plus the lease interest and are RMB5,289,347.91 (equivalent to approximately HK\$5,996,533.73) each.

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 Huai'an Ronggao Finance Lease was RMB72,000,000.00 (equivalent to approximately

HK\$81,626,400.00). The interest rate under the Huai'an Ronggao Finance Lease was calculated at an annualized interest rate of 6.1495%, representing approximately 125.5% of the current benchmark lending rate promulgated by the People's Bank of China for a term of five years or more. During the term of the Huai'an Ronggao 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 starting from the next instalment.

(v) *Huai'an Ronggao Consulting Services Agreement*

Pursuant to the Huai'an Ronggao Consulting Services Agreement, Citic Financial Leasing agreed to provide to Huai'an Ronggao certain consulting services, including consulting in relation to the structuring and arranging of finance leases and related financial, tax and economic issues for a total service fee of RMB936,000.00 (equivalent to approximately HK\$1,061,143.20) payable in one instalment on the date of the Huai'an Ronggao Consulting Services Agreement.

(vi) *Basis of consideration*

The terms of the Huai'an Ronggao Finance Lease and the Huai'an Ronggao Consulting Services Agreement, including the lease rent, lease interest rate, and service fee were determined after arm's length negotiation among Citic Financial Leasing and Huai'an Ronggao with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar consulting services.

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

(vii) *Ownership of the Huai'an Ronggao Leased Assets*

During the term of the Huai'an Ronggao Finance Lease, the ownership of the Huai'an Ronggao Leased Assets shall vest in Citic Financial Leasing. During the lease period, the Huai'an Ronggao Leased Assets will be used by Huai'an Ronggao for the Huai'an Ronggao Project. Upon expiry of the term of the Huai'an Ronggao Finance Lease and subject to the full payment of the entire amount of the lease rent, and any other amounts due under the Huai'an Ronggao Finance Lease, Huai'an Ronggao shall purchase the Huai'an Ronggao Leased Assets on an "as is" basis from Citic Financial Leasing for the nominal purchase price of RMB1.00 (equivalent to approximately HK\$1.13).

(viii) Security Agreements for the Huai'an Ronggao Finance Lease Agreements

The obligations under the Huai'an Ronggao Finance Lease Agreements are secured by the following:

- (1) Nanjing GCL Huai'an Ronggao Guarantee: pursuant to the Nanjing GCL Huai'an Ronggao Guarantee, Nanjing GCL New Energy has agreed to provide a guarantee to secure, among other things, Huai'an Ronggao's obligations under the Huai'an Ronggao Finance Lease and Huai'an Ronggao Consulting Services Agreement, including rental payments, interest, service and consulting fees and other amounts due to Citic Financial Leasing;
- (2) Suzhou GCL Huai'an Ronggao Guarantee: pursuant to the Suzhou GCL Huai'an Ronggao Guarantee, Suzhou GCL New Energy has agreed to provide a guarantee to secure, among other things, Huai'an Ronggao's obligations under the Huai'an Ronggao Finance Lease and Huai'an Ronggao Consulting Services Agreement, including rental payments, interest, service and consulting fees and other amounts due to Citic Financial Leasing;
- (3) Huai'an Ronggao Share Pledge Agreement: pursuant to the Huai'an Ronggao Share Pledge Agreement, Suzhou GCL New Energy has pledged 100% of the equity interest in Huai'an Ronggao to Citic Financial Leasing to secure all of Huai'an Ronggao's obligations under the Huai'an Ronggao Finance Lease and the Huai'an Ronggao Consulting Services Agreement;
- (4) Huai'an Ronggao Leased Assets Mortgage Agreement: pursuant to the Huai'an Ronggao Leased Assets Mortgage Agreement, Huai'an Ronggao has mortgaged the Huai'an Ronggao Leased Assets to secure all of Huai'an Ronggao's obligations under Huai'an Ronggao Finance Lease and the Huai'an Ronggao Consulting Services Agreement; and
- (5) Huai'an Ronggao Electricity Fees Pledge Agreement: pursuant to the Huai'an Ronggao Electricity Fees Pledge Agreement, Huai'an Ronggao has pledged its right to electricity fees and related receivables under any electricity sales agreement entered or to be entered into between Huai'an Ronggao and Jiangsu State Grid and Jiangsu State Grid, Huai'an branch for the Huai'an Ronggao Project to secure its obligations under the Huai'an Ronggao Finance Lease and the Huai'an Ronggao Consulting Services Agreement.

2. THE PREVIOUS UNDISCLOSED FINANCE LEASE AGREEMENTS

A. Principal terms of the Haifeng Finance Lease Agreements II

- (i) *Date* 23 March 2017
- (ii) *Parties*
 - (1) Seller and lessee: Haifeng GCL
 - (2) Purchaser and lessor: Citic Financial Leasing
- (iii) *The Haifeng Finance Lease II*

Pursuant to the Haifeng Finance Lease II, (i) Citic Financial Leasing purchased from Haifeng GCL (an indirect wholly-owned subsidiary of the Company) the Haifeng Leased Assets II at a total consideration of RMB110,000,000.00 (equivalent to approximately HK\$124,707,000.00) and (ii) following the acquisition, Citic Financial Leasing as lessor leased the Haifeng Leased Assets II to Haifeng GCL as the lessee for a term of 9 years at an aggregate estimated rent of RMB142,760,530.80 (equivalent to approximately HK\$161,847,613.77).

Citic Financial Leasing shall pay the consideration by telegraphic transfer to Haifeng GCL three working days after the following conditions are satisfied:

- (1) Citic Financial Leasing having received payment of all amounts due to it under the Haifeng Finance Lease II from Haifeng GCL;
- (2) Citic Financial Leasing having received from Haifeng GCL:
 - (a) the certificate of ownership for the Haifeng Leased Assets II;
 - (b) a copy of the original purchase invoice of the Haifeng Leased Assets II (endorsed and stamped with Haifeng GCL's official seal); and
 - (c) any other documents proving the complete ownership of the Haifeng Leased Assets II and/or the right to transfer or dispose of the Haifeng Leased Assets II as required by Citic Financial Leasing;
- (3) Haifeng GCL having obtained all internal and external approvals necessary for the entering into the Haifeng Finance Lease II;
- (4) Citic Financial Leasing having received from the Haifeng Guarantors II the internal and external approvals necessary for the entering into the Haifeng Guarantees II;

- (5) all the Haifeng Guarantees II and other transaction documents of the Haifeng Finance Lease II having been signed as required by Citic Financial Leasing, and the Haifeng Finance Lease II and the transaction documents being in effect and not in breach;
- (6) if the Haifeng Guarantees II requires registration under applicable laws and regulations and Citic Financial Leasing requires such registration, Citic Financial Leasing having received documents evidencing the registration of the Haifeng Guarantees II;
- (7) Citic Financial Leasing having received the Notice of Transfer of Ownership and Acceptance of Leased Assets* (所有權轉移及租賃物接受書) and the Notice of Payment* (付款通知書) in relation to the payment of the purchase price for the Haifeng Leased Assets II signed by Haifeng GCL;
- (8) Citic Financial Leasing having received the relevant documents issued by Haifeng GCL evidencing that insurance has been purchased for the Haifeng Leased Assets II from an insurance company approved by Citic Financial Leasing;
- (9) there being no material change in the tax, financial policies and government regulations relating to finance leases in the PRC and no material change in market financing costs;
- (10) Haifeng GCL having provided documents to prove that the total investment for the Haifeng Project is not lower than Citic Financial Leasing's required ratio for paid-in capital funds;
- (11) there being no breach that is continuing or incapable of being remedied; and
- (12) other payment conditions as required by Citic Financial Leasing having been satisfied.

(iv) *Payment of Rent*

The estimated aggregate amount of rent payable by Haifeng GCL to Citic Financial Leasing under the Haifeng Finance Lease II is RMB142,760,530.80 (equivalent to approximately HK\$161,847,613.77) and is payable in a total of 36 quarterly instalments starting from 15 June 2017 and with the last instalment payable on 28 March 2026.

Each instalment will cover both the principal lease cost and the lease interest. The first two installments are RMB2,301,086.11 (equivalent to approximately HK\$2,608,741.32) and RMB2,501,414.45 (equivalent to approximately

HK\$2,835,853.56) each, and the next six instalments range from RMB2,387,925.00 (equivalent to approximately HK\$2,707,190.57) to RMB2,471,470.00 (equivalent to approximately HK\$2,801,905.54), and the remaining 26 instalments range from RMB4,324,979.90 (equivalent to approximately HK\$4,903,229.71) to RMB4,486,354.60 (equivalent to approximately HK\$5,086,180.21). The instalments are 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 estimated aggregate amount of rent was calculated based on the principal lease cost plus the lease interest rate. The principal lease cost under the Haifeng Finance Lease II was RMB110,000,000.00 (equivalent to approximately HK\$124,707,000.00). The interest rate under the Haifeng Finance Lease II was calculated at an annualised interest rate of 5.39%, representing approximately 110% of the current benchmark lending rate promulgated by the People's Bank of China for a term of five years or more. During the term of the Haifeng Finance Lease II, 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 starting from the next instalment.

(v) ***Haifeng Asset Management Agreement II***

Pursuant to the Haifeng Asset Management Agreement II, Citic Financial Leasing agreed to provide Haifeng GCL certain asset management services, including asset inspection, operational monitoring and related consulting services for an aggregate service fee of RMB6,380,000.00 (equivalent to approximately HK\$7,233,006.00).

Under the Haifeng Asset Management Agreement II, Haifeng GCL shall pay a total service fee in eight annual instalments beginning 31 March 2017, of which the first instalment will be RMB1,760,000.00 (equivalent to approximately HK\$1,995,312.00) and the final seven annual instalments will be RMB660,000.00 (equivalent to approximately HK\$748,242.00) each.

(vi) ***Basis of consideration***

The terms of the Haifeng Finance Lease II and the Haifeng Asset Management Agreement II, including the lease rent, lease interest rate, and service fee were determined after arm's length negotiation among Citic Financial Leasing and Haifeng GCL with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar asset management services.

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

(vii) Ownership of Haifeng Leased Assets II

During the term of the Haifeng Finance Lease II, the ownership of the Haifeng Leased Assets II shall vest in Citic Financial Leasing. During the lease period, the Haifeng Leased Assets II will be used by Haifeng GCL for the Haifeng Project. Upon expiry of the term of the Haifeng Finance Lease II and subject to the full payment of the entire amount of the lease rent, and any other amounts due under the Haifeng Finance Lease II, Haifeng GCL shall purchase the Haifeng Leased Assets II on an "as is" basis from Citic Financial Leasing for the nominal purchase price of RMB1.00 (equivalent to approximately HK\$1.13).

(viii) Security Agreements for the Haifeng Finance Lease Agreements II

Pursuant to the Haifeng Finance Lease Agreements II, Haifeng GCL shall pay to Citic Financial Leasing the Haifeng Security Deposit II which shall be paid prior to Citic Financial Leasing paying the consideration for the Haifeng Leased Assets II to secure Haifeng GCL's obligations under the Haifeng Finance Lease II. Citic Financial Leasing shall be entitled to deduct from the Haifeng Security Deposit II any unpaid rent, interest, default interest and any other amount due and payable by Haifeng GCL. In the event of such deduction, Haifeng GCL shall make up for the deduction and restore the amount of the Haifeng Security Deposit to RMB2,200,000.00 (equivalent to approximately HK\$2,494,140.00) upon notice from Citic Financial Leasing. Following the expiry of the Haifeng Finance Lease II, any remaining balance of the Haifeng Security Deposit II shall be used to offset amounts due from Haifeng GCL. The Haifeng Security Deposit II shall not bear any interest during the term of the Haifeng Finance Lease II.

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

- (1) Suzhou GCL Haifeng Guarantee II: pursuant to the Suzhou GCL Haifeng Guarantee II, Suzhou GCL New Energy has agreed to provide a guarantee to secure, among other things, Haifeng GCL's obligations under the Haifeng Finance Lease II and the Haifeng Asset Management Agreement II, including rental payments, interest, asset management fees and other amounts due to Citic Financial Leasing;

- (2) Nanjing GCL Haifeng Guarantee II: pursuant to Nanjing GCL Haifeng Guarantee II, Nanjing GCL New Energy has agreed to provide a guarantee to secure, among other things, Haifeng GCL's obligations under the Haifeng Finance Lease II and the Haifeng Asset Management Agreement II, including rental payments, interest, asset management fees and other amounts due to Citic Financial Leasing;
- (3) Haifeng Share Pledge Agreement II: pursuant to the Haifeng Share Pledge Agreement II, Suzhou GCL New Energy has pledged 100% of the equity interest in Haifeng GCL to secure all of Haifeng GCL's obligations under any finance lease and asset management agreements entered or to be entered into between Haifeng GCL and Citic Financial Leasing in relation to the Haifeng Project between 21 February 2017 and 31 January 2018, including Haifeng Finance Lease I, Haifeng Finance Lease II, Haifeng Asset Management Agreement I and Haifeng Asset Management Agreement II, with the cap of the amount secured being RMB1,055,397,591.47 (equivalent to HK\$1,196,504,249.44);
- (4) Haifeng Leased Assets Mortgage Agreement II: pursuant to the Haifeng Leased Assets Mortgage Agreement II, Haifeng GCL has mortgaged the Haifeng Leased Assets II to secure all of Haifeng GCL's obligations under the Haifeng Finance Lease II and the Haifeng Asset Management Agreement II; and
- (5) Haifeng Electricity Fees Pledge Agreement II: pursuant to Haifeng Electricity Fees Pledge Agreement II, Haifeng GCL has pledged its right to electricity fees and related receivables under any electricity sales agreement entered or to be entered into between Haifeng GCL and Guangdong Power Grid for the Haifeng Project to secure its obligations under any finance lease and asset management agreements entered or to be entered into between Haifeng GCL and Citic Financial Leasing in relation to the Haifeng Project between 21 February 2017 and 31 January 2018, including Haifeng Finance Lease I, Haifeng Finance Lease II, Haifeng Asset Management Agreement I and Haifeng Asset Management Agreement II, with the cap of the amount secured being RMB1,055,397,591.47 (equivalent to approximately HK\$1,196,504,249.44).

B. Principal terms of the Chengde Finance Lease Agreements

- | | |
|---------------------|--|
| <i>(i) Date</i> | 18 April 2017 |
| <i>(ii) Parties</i> | <ol style="list-style-type: none"> (1) Seller: Nanjing GCL New Energy (2) Lessee: Chengde GCL (3) Purchaser and lessor: Citic Financial Leasing |

(iii) The Chengde Finance Lease and the Chengde Sale and Purchase Agreement

Pursuant to the Chengde Finance Lease and the Chengde Sale and Purchase Agreement, (i) Citic Financial Leasing purchased the Chengde Leased Assets from Nanjing GCL New Energy at a consideration of RMB98,000,000.00 (equivalent to approximately HK\$111,102,600.00); and (ii) following the acquisition, Citic Financial Leasing leased the Chengde Leased Asset to Chengde GCL at an aggregate estimated rent of RMB130,032,523.08 (equivalent to approximately HK\$147,417,871.42) for a term of nine and a half years.

Citic Financial Leasing shall either (i) first pay the consideration in a lump sum to a designated bank account opened by Chengde GCL, which shall be used exclusively for the purchase of the Chengde Leased Assets, and then subsequently authorize Chengde GCL to pay Nanjing GCL New Energy the relevant sum in instalments from the designated bank account; or (ii) pay the consideration in a lump sum to Nanjing GCL New Energy directly pursuant to the Chengde Sale and Purchase Agreement.

Citic Financial Leasing shall pay the consideration with either way on a date to be agreed between Citic Financial Leasing and Chengde GCL after the following conditions are satisfied:

- (1) all transaction documents for the transaction contemplated under the Chengde Finance Lease being in effect and not in breach;
- (2) Chengde GCL having obtained all approvals for the transaction;
- (3) copies of all corporate authorisations for the security given under the Chengde Finance Lease having been provided to Citic Financial Leasing;
- (4) all security documents have been signed and Chengde GCL not being in breach of such security documents;
- (5) Citic Financial Leasing having received evidence showing that all security documents requiring registration have been registered;
- (6) Citic Financial Leasing having received the Chengde Security Deposit;
- (7) all representations and warranties under the Chengde Finance Lease and the Chengde Sale and Purchase Agreement being true, accurate and not misleading;

- (8) there is no material change in the tax, financial policies and government regulations relating to finance leases in the PRC and no material change in market financing costs;
- (9) Citic Financial Leasing having received the supporting documents showing the progress of supplying the Chengde Leased Assets, including the time and amount of payment made for the purchase of the Chengde Leased Assets. When a payment request being made by Chengde GCL to Citic Financial Leasing, Citic Financial Leasing will only pay up to four times the amount already paid by Chengde GCL for the Chengde Leased Assets at the time;
- (10) Citic Financial Leasing having received from Chengde GCL any documents proving the complete ownership of the Chengde Leased Assets and/or the right to transfer or dispose of the Chengde Leased Assets as required by Citic Financial Leasing, such as the original procurement agreement, the original purchase invoice, proof of delivery or the certificate of ownership of the Chengde Leased Assets; and
- (11) other payment conditions required by Citic Financial Leasing having been fulfilled.

(iv) *Payment of Rent*

The estimated aggregate amount of rent payable by Chengde GCL to Citic Financial Leasing under the Chengde Finance Lease Agreements is RMB130,032,523.08 (equivalent to approximately HK\$147,417,871.42) and is payable in a total of 38 quarterly instalments starting from 15 July 2017 and with the last instalment payable on 20 October 2026. The initial two instalments will only cover the lease interest and are RMB1,353,630.44 (equivalent to approximately HK\$1,534,610.83) and RMB1,526,769.22 (equivalent to approximately HK\$1,730,898.26) each, the next 36 installments will cover both the principal lease cost and the lease interest and range from RMB3,241,202.67 (equivalent to approximately HK\$3,674,551.47) to RMB3,603,274.64 (equivalent to approximately HK\$4,085,032.46).

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 Chengde Finance Lease was RMB 98,000,000.00 (equivalent to approximately HK\$111,102,600.00). The interest rate under the Chengde Finance Lease was calculated at an annualized interest rate of 5.782%, representing 118% of the current benchmark lending rate promulgated by the People's Bank of China for a term of five years or more. During the term of the Chengde Finance Lease Agreements, 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 starting from the next instalment.

(v) *Chengde Asset Management Agreement*

Pursuant to the Chengde Asset Management Agreement, Citic Financial Leasing agreed to provide Chengde GCL with certain asset management services, including asset inspection, operational monitoring and related consulting services for a service fee of RMB6,272,000.00 (equivalent to approximately HK\$7,110,566.40). Chengde GCL shall pay the service fee in seven annual instalments beginning on 20 April 2017, of which the first instalment is RMB1,568,000.00 (equivalent to approximately HK\$1,777,641.61) and the remaining six instalments are in equal amounts of RMB784,000.00 (equivalent to approximately HK\$888,820.80) each.

(vi) *Basis of consideration*

The terms of the Chengde Finance Lease and the Chengde Asset Management Agreement, including the lease rent, lease interest rate, and service fee were determined after arm's length negotiation among Citic Financial Leasing and Chengde GCL with reference to the prevailing market rates for (i) finance leases for similar assets and (ii) similar asset management services.

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

(vii) *Ownership of the Chengde Leased Assets*

During the term of the Chengde Finance Lease, the ownership of the Chengde Leased Assets shall vest in Citic Financial Leasing. During the lease period, the Chengde Leased Assets will be used by Chengde GCL for the Chengde Project.

Upon expiry of the term of the Chengde Finance Lease and subject to the full payment of the entire amount of the lease rent, and any other amounts due under the Chengde Finance Lease, Chengde GCL shall purchase the Chengde Leased Assets on an "as is" basis from Citic Financial Leasing for the nominal purchase price of RMB100.00 (equivalent to approximately HK\$113.37).

(viii) *Security Agreements for Chengde Finance Lease Agreements*

Pursuant to the Chengde Finance Lease Agreements, Chengde GCL shall pay to Citic Financial Leasing the Chengde Security Deposit which shall be paid prior to Citic Financial Leasing paying the consideration for the Chengde Leased Assets to secure Chengde GCL's obligations under the Chengde Finance Lease. Citic Financial Leasing shall be entitled to deduct from the Chengde Security Deposit

any unpaid rent, interest, default interest and any other amount due and payable by Chengde GCL. In the event of such deduction, Chengde GCL shall make up for the deduction and restore the amount of the Chengde Security Deposit to RMB980,000.00 (equivalent to approximately HK\$1,111,026.00) upon notice from Citic Financial Leasing. Following the expiry of the Chengde Finance Lease, any remaining balance of the Chengde Security Deposit shall be used to offset amounts due from Chengde GCL. The Chengde Security Deposit shall not bear any interest during the term of the Chengde Finance Lease.

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

- (1) Suzhou GCL Chengde Guarantee: pursuant to the Suzhou GCL Chengde Guarantee, Suzhou GCL New Energy has agreed to provide a guarantee to secure, among other things, Chengde GCL's obligations under the Chengde Finance Lease and the Chengde Asset Management Agreement, including rental payments, interest, asset management fees and other amounts due to Citic Financial Leasing;
- (2) Nanjing GCL Chengde Guarantee: pursuant to Nanjing GCL Chengde Guarantee, Nanjing GCL New Energy has agreed to provide a guarantee to secure, among other things, Chengde GCL's obligations under the Chengde Finance Lease and the Chengde Asset Management Agreement, including rental payments, interest, asset management fees and other amounts due to Citic Financial Leasing;
- (3) Chengde Share Pledge Agreement: pursuant to the Chengde Share Pledge Agreement, Hebei GCL New Energy has pledged 100% of the equity interest in Chengde GCL to secure all of Chengde GCL's obligations under the Chengde Finance Lease and the Chengde Asset Management Agreement;
- (4) Chengde Leased Assets Mortgage Agreement: pursuant to the Chengde Leased Assets Mortgage Agreement, Chengde GCL has mortgaged the Chengde Leased Assets to secure all of Chengde GCL's obligations under the Chengde Finance Lease and the Chengde Asset Management Agreement; and
- (5) Chengde Electricity Fees Pledge Agreement: pursuant to Chengde Electricity Fees Pledge Agreement, Chengde GCL has pledged its right to electricity fees and related receivables under any electricity sales agreement entered or to be entered into between Chengde GCL and Jibei State Grid for the Chengde Project to secure its obligations under the Chengde Finance Lease and the Chengde Asset Management Agreement.

3. THE PREVIOUS DISCLOSED FINANCE LEASE AGREEMENTS

Please refer to the Previous Announcements and the Circular for the principal terms of the Previous Disclosed Finance Lease Agreements.

4. REASONS FOR AND BENEFITS OF THE DISCLOSEABLE TRANSACTION

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

Based on the above reasons, the Directors believe and consider the terms of the Finance Lease Agreements and the Previous Undisclosed Finance Lease Agreements are on normal commercial terms, fair and reasonable and are in the interests of the Group and the Shareholders as a whole.

5. LISTING RULES IMPLICATIONS

As disclosed in the Circular, the Previous Disclosed Finance Lease Agreements constituted a major transaction for the Company, and pursuant to Rule 14.44 of the Listing Rules, Elite Time Global (the controlling Shareholder) had given its written approval for the major transaction. Accordingly, the Shareholders' approval requirement was deemed to have been fulfilled in respect of the Previous Disclosed Finance Lease Agreements and no separate general meeting was convened for approving the Previous Disclosed Finance Lease Agreements.

As none of the applicable percentage ratios in respect of the Previous Undisclosed Finance Lease Agreements (on their own) exceeded 5% for the Company, the entering into of the Previous Undisclosed Finance Lease Agreements did not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules. As the Previous Disclosed Finance Lease Agreements were entered into with Citic Financial Leasing within a 12-month period prior to and inclusive of the date of the Previous Undisclosed Finance Lease Agreements, the Previous Agreements should be aggregated as a series of transactions for the Company pursuant to Rule 14.22 of the Listing Rules. The entering into of the Previous Agreements (in aggregate) did not trigger a classification higher than a major transaction under Chapter 14 of the Listing Rules.

As the Previous Agreements were entered into with Citic Financial Leasing within a 12-month period prior to and inclusive of the date of the Finance Lease Agreements, the Finance Lease Agreements and the Previous Agreements will be aggregated as a series of transactions for the

Company pursuant to Rule 14.22 of the Listing Rules. The entering into of the Finance Lease Agreements and the Previous Agreements (in aggregate) did not trigger a classification higher than a major transaction for the Company under Chapter 14 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Finance Lease Agreements and the Previous Undisclosed Finance Lease Agreements (in aggregate) exceeds 5% but is less than 25%, the entering into of the Finance Lease Agreements and the Previous Undisclosed 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.

6. INFORMATION ON THE PARTIES TO THE DISCLOSEABLE TRANSACTION

Citic Financial Leasing

Citic Financial Leasing is a company incorporated in the PRC with limited liability and it is principally engaged in finance lease and other leasing business.

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

The Group

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

7. DEFINITIONS

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

- “Board” the board of Directors
- “Chengde Asset Management Agreement” the agreement dated 18 April 2017 between Citic Financial Leasing and Chengde GCL in relation to certain asset management services to be provided by Citic Financial Leasing to Chengde GCL

“Chengde Electricity Fees Pledge Agreement”	the agreement dated 18 April 2017 between Citic Financial Leasing and Chengde GCL, pursuant to which Chengde GCL has pledged to Citic Financial Leasing 100% of its right to electricity fees and related receivables under any electricity sales agreement entered or to be entered into between Chengde GCL and Jibei State Grid for the Chengde Project
“Chengde Finance Lease”	the agreement dated 18 April 2017 entered into between Citic Financial Leasing and Chengde GCL in relation to the leasing of the Chengde Leased Assets
“Chengde Finance Lease Agreements”	together, the Chengde Finance Lease, Chengde Asset Management Agreement, Nanjing GCL Chengde Guarantee, Suzhou GCL Chengde Guarantee, Chengde Share Pledge Agreement, Chengde Leased Assets Mortgage Agreement and Chengde Electricity Fees Pledge Agreement
“Chengde GCL”	Chengde GCL Photovoltaic Power Co., Ltd.* (承德協鑫御陽光伏電力有限公司), an indirect wholly-owned subsidiary of the Company incorporated in the PRC with limited liability
“Chengde Leased Assets”	certain solar modules, frames, solar energy tracking systems, inverters, transformers, combiner boxes, distributors, cables, and other photovoltaic equipment to be used for the Chengde Project
“Chengde Leased Assets Mortgage Agreement”	the agreement dated 18 April 2017 between Citic Financial Leasing and Chengde GCL, pursuant to which Chengde GCL has mortgaged the Chengde Leased Assets to Citic Financial Leasing
“Chengde Project”	a 20MW photovoltaic power station project located in Yudaokou Pasture, Chengde Town, Weichang Manchu and Mongol Autonomous County, Hebei Province, the PRC (河北省承德市圍場滿族蒙古族自治縣御道口牧場大草場)
“Chengde Sale and Purchase Agreement”	the agreement dated 18 April 2017 among Nanjing GCL New Energy (as seller), Citic Financial Leasing (as purchaser) and Chengde GCL (as lessee) in relation to the sale and purchase of the Chengde Leased Assets
“Chengde Security Deposit”	a refundable security deposit of RMB980,000.00 (equivalent to approximately HK\$1,111,026.00) payable by Chengde GCL under the Chengde Finance Lease

“Chengde Share Pledge Agreement”	the agreement dated 18 April 2017 between Citic Financial Leasing and Hebei GCL New Energy, pursuant to which Hebei GCL New Energy has pledged 100% of the equity interest in Chengde GCL to Citic Financial Leasing
“Circular”	the Company’s circular dated 16 March 2017
“Citic Financial Leasing”	Citic Financial Leasing Co., Ltd.* (中信金融租賃有限公司), a company incorporated in the PRC with limited liability
“Company”	GCL New Energy Holdings Limited (協鑫新能源控股有限公司), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange, with stock code 451
“connected person”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Elite Time Global”	Elite Time Global Limited, a company incorporated in British Virgin Islands with limited liability, a wholly-owned subsidiary of GCL-Poly which, as at the date of this announcement, holds 11,880,000,000 Shares, representing approximately 62.28% of the issued share capital of the Company
“Finance Lease Agreements”	together, the Huai’an Linji Lease Agreements, the Huai’an Ronggao Lease Agreements and the Nantong Lease Agreements
“GCL New Energy Investment”	GCL New Energy Investment (China) Company Limited* (協鑫新能源投資(中國)有限公司), an indirect wholly-owned subsidiary of the Company incorporated in the PRC with limited liability
“Group”	the Company and its subsidiaries
“Guangdong Power Grid”	Guangdong Power Grid Company Limited* (廣東電網有限責任公司), a company incorporated in the PRC
“Haifeng Asset Management Agreement II”	the agreement dated 23 March 2017 between Citic Financing Leasing and Haifeng GCL in relation to certain asset management services to be provided by Citic Financial Leasing to Haifeng GCL

“Haifeng Electricity Fees Pledge Agreement II”	the agreement dated 23 March 2017 between Citic Financial Leasing and Haifeng GCL, pursuant to which Haifeng GCL has pledged to Citic Financial Leasing 100% of its right to electricity fees and related receivables under any electricity sales agreement entered or to be entered into between Haifeng GCL and Guangdong Power Grid for the Haifeng Project
“Haifeng Finance Lease II”	the agreement dated 23 March 2017 entered into between Citic Financial Leasing and Haifeng GCL in relation to the leasing of Haifeng Leased Assets II
“Haifeng Finance Lease Agreements II”	together, the Haifeng Finance Lease II, Haifeng Asset Management Agreement II, Nanjing GCL Haifeng Guarantee II, Suzhou GCL Haifeng Guarantee II, Haifeng Share Pledge Agreement II, Haifeng Leased Assets Mortgage Agreement II and Haifeng Electricity Fees Pledge Agreement II
“Haifeng GCL”	Haifeng GCL Photovoltaic Power Company Limited* (海豐縣協鑫光伏電力有限公司), an indirect wholly-owned subsidiary of the Company incorporated in the PRC with limited liability
“Haifeng Guarantees II”	Nanjing GCL Haifeng Guarantee II and Suzhou GCL Haifeng Guarantee II
“Haifeng Guarantors II”	Nanjing GCL New Energy and Suzhou GCL New Energy
“Haifeng Leased Assets II”	certain solar modules, frames, solar energy tracking systems, inverters, transformers, combiner boxes, distributors, cables and other photovoltaic equipment to be used for the Haifeng Project
“Haifeng Leased Assets Mortgage Agreement II”	the agreement dated 23 March 2017 between Citic Financial Leasing and Haifeng GCL, pursuant to which Haifeng GCL has mortgaged the Haifeng Leased Assets II to Citic Financial Leasing
“Haifeng Project”	a 100MW photovoltaic power station project located in Gongping Town, Haifeng County, Shanwei City, the PRC
“Haifeng Security Deposit II”	a refundable security deposit of RMB2,200,000.00 (equivalent to approximately HK\$2,494,140.00) payable by Haifeng GCL under the Haifeng Finance Lease II

“Haifeng Share Pledge Agreement”	the agreement dated 23 March 2017 between Citic Financial Leasing and Suzhou GCL New Energy, pursuant to which Suzhou GCL New Energy has pledged 100% of the equity interest in Haifeng GCL to Citic Financial Leasing
“Hebei GCL New Energy”	Hebei GCL New Energy Co., Ltd.* (河北協鑫新能源有限公司), an indirect wholly-owned subsidiary of the Company incorporated in the PRC with limited liability
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Huai’an GCL”	Huai’an GCL Photovoltaic Power Co., Ltd.* (淮安鑫源光伏電力有限公司), an indirect wholly-owned subsidiary of the Company incorporated in the PRC with limited liability
“Huai’an Linji Consulting Services Agreement”	the agreement dated 26 May 2017 between Citic Financial Leasing and Huai’an GCL in relation to certain consulting services to be provided by Citic Financial Leasing to Huai’an GCL for RMB806,000.00 (equivalent to approximately HK\$913,762.20)
“Huai’an Linji Electricity Fees Pledge Agreement”	the agreement dated 26 May 2017 between Citic Financial Leasing and Huai’an GCL, pursuant to which Huai’an GCL has pledged to Citic Financial Leasing 100% of its right to electricity fees and related receivables under any electricity sales agreement entered or to be entered into between Huai’an GCL and Jiangsu State Grid and Jiangsu State Grid, Huai’an branch for the Huai’an Linji Project
“Huai’an Linji Finance Lease”	the agreement dated 26 May 2017 entered into between Citic Financial Leasing and Huai’an GCL in relation to the leasing of the Huai’an Linji Leased Assets
“Huai’an Linji Finance Lease Agreements”	together, the Huai’an Linji Finance Lease, Huai’an Linji Consulting Services Agreement, Huai’an Linji Guarantees, Huai’an Linji Share Pledge Agreement, Huai’an Linji Leased Assets Mortgage Agreement and Huai’an Linji Electricity Fees Pledge Agreement
“Huai’an Linji Guarantees”	Nanjing GCL Huai’an Linji Guarantee and Suzhou GCL Huai’an Linji Guarantee
“Huai’an Linji Guarantors”	Nanjing GCL New Energy and Suzhou GCL New Energy

“Huai’an Linji Leased Assets”	certain solar modules, frames, solar energy tracking systems, inverters, transformers, combiner boxes, distributors, cables, and other photovoltaic equipment to be used for the Huai’an Linji Project
“Huai’an Linji Leased Assets Mortgage Agreement”	the agreement dated 26 May 2017 between Citic Financial Leasing and Huai’an GCL, pursuant to which Huai’an GCL has mortgaged the Huai’an Linji Leased Assets to Citic Financial Leasing
“Huai’an Linji Project”	the 10MW photovoltaic power station projects located in Xiao Li Zhuang village, Linji Town, Huai’an District, Huai’an, Jiangsu Province, the PRC (江蘇省淮安市淮安區林集鎮小李莊村)
“Huai’an Linji Share Pledge Agreement”	the agreement dated 26 May 2017 between Citic Financial Leasing and GCL New Energy Investment, pursuant to which GCL New Energy Investment has pledged 100% of the equity interest in Huai’an GCL to Citic Financial Leasing
“Huai’an Ronggao”	Huai’an Ronggao Photovoltaic Power Co., Ltd.* (淮安融高光伏發電有限公司), an indirect wholly-owned subsidiary of the Company incorporated in the PRC with limited liability
“Huai’an Ronggao Consulting Services Agreement”	the agreement dated 26 May 2017 between Citic Financial Leasing and Huai’an Ronggao in relation to certain consulting services to be provided by Citic Financial Leasing to Huai’an Ronggao for RMB936,000.00 (equivalent to approximately HK\$1,061,143.20)
“Huai’an Ronggao Electricity Fees Pledge Agreement”	the agreement dated 26 May 2017 between Citic Financial Leasing and Huai’an Ronggao, pursuant to which Huai’an Ronggao has pledged to Citic Financial Leasing 100% of its right to electricity fees and related receivables under any electricity sales agreement entered or to be entered into between Huai’an Ronggao and Jiangsu State Grid and Jiangsu State Grid, Huai’an branch for the Huai’an Ronggao Project
“Huai’an Ronggao Finance Lease”	the agreement dated 26 May 2017 entered into between Citic Financial Leasing and Huai’an Ronggao in relation to the leasing of the Huai’an Ronggao Leased Assets

“Huai’an Ronggao Finance Lease Agreements”	together, the Huai’an Ronggao Finance Lease, the Huai’an Ronggao Consulting Services Agreement, the Huai’an Ronggao Guarantees, the Huai’an Ronggao Share Pledge Agreement, the Huai’an Ronggao Leased Assets Mortgage Agreement and the Huai’an Ronggao Electricity Fees Pledge Agreement
“Huai’an Ronggao Guarantees”	Nanjing GCL Huai’an Ronggao Guarantee and Suzhou GCL Huai’an Ronggao Guarantee
“Huai’an Ronggao Guarantors”	Nanjing GCL New Energy and Suzhou GCL New Energy
“Huai’an Ronggao Leased Assets”	certain solar modules, frames, solar energy tracking systems, inverters, transformers, combiner boxes, distributors, cables, and other photovoltaic equipment to be used for the Huai’an Ronggao Project
“Huai’an Ronggao Leased Assets Mortgage Agreement”	the agreement dated 26 May 2017 between Citic Financial Leasing and Huai’an Ronggao, pursuant to which Huai’an Ronggao has mortgaged the Huai’an Ronggao Leased Assets to Citic Financial Leasing
“Huai’an Ronggao Project”	the 10MW photovoltaic power station projects located in East Fishing Area, Fuxing Town, Huai’an District, Huai’an, Jiangsu Province, the PRC (江蘇省淮安市淮安區復興鎮東漁場)
“Huai’an Ronggao Share Pledge Agreement”	the agreement dated 26 May 2017 between Citic Financial Leasing and Suzhou GCL New Energy, pursuant to which Suzhou GCL New Energy has pledged 100% of the equity interest in Huai’an Ronggao to Citic Financial Leasing
“Jiangsu State Grid”	Jiangsu State Grid Corporation of China* (國網江蘇省電力公司), a company incorporated in the PRC
“Jiangsu State Grid, Huai’an branch”	Jiangsu State Grid Corporation of China, Huai’an branch* (國網江蘇省電力公司淮安供電公司), a company incorporated in the PRC and a branch of Jiangsu State Grid
“Jibei State Grid”	State Grid Jibei Electric power Company* (國網冀北電力有限公司), a company incorporated in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“MW”	megawatt(s)
“Nanjing GCL Chengde Guarantee”	the agreement dated 18 April 2017 between Citic Financial Leasing and Nanjing GCL New Energy in connection with the guarantee provided by Nanjing GCL New Energy to Citic Financial Leasing in respect of Chengde GCL’s obligations under the Chengde Finance Lease and Chengde Asset Management Agreement
“Nanjing GCL Haifeng Guarantee II”	the agreement dated 23 March 2017 between Citic Financial Leasing and Nanjing GCL New Energy in connection with the guarantee provided by Nanjing GCL New Energy to Citic Financial Leasing in respect of Haifeng GCL’s obligations under the Haifeng Finance Lease II and Haifeng Asset Management Agreement II
“Nanjing GCL Huai’an Linji Guarantee”	the agreement dated 26 May 2017 between Citic Financial Leasing and Nanjing GCL New Energy in connection with the guarantee provided by Nanjing GCL New Energy to Citic Financial Leasing in respect of Huai’an GCL’s obligations under the Huai’an Linji Finance Lease and Huai’an Linji Consulting Services Agreement
“Nanjing GCL Huai’an Ronggao Guarantee”	the agreement dated 26 May 2017 between Citic Financial Leasing and Nanjing GCL New Energy in connection with the guarantee provided by Nanjing GCL New Energy to Citic Financial Leasing in respect of Huai’an Ronggao’s obligations under the Huai’an Ronggao Finance Lease and Huai’an Ronggao Consulting Services Agreement
“Nanjing GCL Nantong Guarantee”	the agreement dated 26 May 2017 between Citic Financial Leasing and Nanjing GCL New Energy in connection with the guarantee provided by Nanjing GCL New Energy to Citic Financial Leasing in respect of Nantong GCL New Energy’s obligations under the Nantong Finance Lease and Nantong Consulting Services Agreement
“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 wholly-owned subsidiary of the Company incorporated in the PRC with limited liability

“Nantong Consulting Services Agreement”	the agreement dated 26 May 2017 between Citic Financial Leasing and Nantong GCL New Energy in relation to certain consulting services to be provided by Citic Financial Leasing to Nantong GCL New Energy for RMB1,053,000.00 (equivalent to approximately HK\$1,193,786.10)
“Nantong Electricity Fees Pledge Agreement”	the agreement dated 26 May 2017 between Citic Financial Leasing and Nantong GCL New Energy, pursuant to which Nantong GCL New Energy has pledged to Citic Financial Leasing 100% of its right to electricity fees and related receivables under any electricity sales agreement entered or to be entered into between Nantong GCL New Energy and Jiangsu State Grid Corporation of China for the Nantong Project
“Nantong Finance Lease”	the agreement dated 26 May 2017 entered into between Citic Financial Leasing and Nantong GCL New Energy in relation to the leasing of the Nantong Leased Assets
“Nantong Finance Lease Agreements”	together, the Nantong Finance Lease, Nantong Consulting Services Agreement, Nantong Guarantees, Nantong Share Pledge Agreement, Nantong Leased Assets Mortgage Agreement and Nantong Electricity Fees Pledge Agreement
“Nantong GCL New Energy”	Nantong GCL New Energy Co., Ltd.* (南通協鑫新能源有限公司), an indirect wholly-owned subsidiary of the Company incorporated in the PRC with limited liability
“Nantong Guarantees”	Nanjing GCL Nantong Guarantee and Suzhou GCL Nantong Guarantee
“Nantong Guarantors”	Nanjing GCL New Energy and Suzhou GCL New Energy
“Nantong Leased Assets”	certain solar modules, frames, solar energy tracking systems, inverters, transformers, combiner boxes, distributors, cables, and other photovoltaic equipment to be used for the Nantong Project
“Nantong Leased Assets Mortgage Agreement”	the agreement dated 26 May 2017 between Citic Financial Leasing and Nantong GCL New Energy, pursuant to which Nantong GCL New Energy has mortgaged the Nantong Leased Assets to Citic Financial Leasing

“Nantong Project”	the 15MW photovoltaic power station projects located in Dong’an Town breeding area, Nantong Binhai Park, the PRC (南通濱海園區東安鎮養殖區域)
“Nantong Share Pledge Agreement”	the agreement dated 26 May 2017 between Citic Financial Leasing and GCL New Energy Investment, pursuant to which GCL New Energy Investment has pledged 100% of the equity interest in Nantong GCL New Energy to Citic Financial Leasing
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Previous Agreements”	together, the Previous Disclosed Finance Lease Agreements and the Previous Undisclosed Finance Lease Agreements
“Previous Announcements”	together, the Company’s announcements dated 23 February 2017 and 20 December 2016
“Previous Disclosed Finance Lease Agreements”	together, the Haifeng Finance Lease Agreements, the Shanglin Finance Lease Agreements, the Urad Finance Lease Agreements, the Jinxi Finance Lease Agreements, the Taoyuan Finance Lease Agreements I, the Taoyuan Finance Lease Agreements II and the Taoyuan Finance Lease Agreements III as defined and disclosed in the Previous Announcements
“Previous Undisclosed Finance Lease Agreements”	together, the Chengde Finance Lease Agreements and the Haifeng Finance Lease Agreements II
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of one-two-hundred-fortieth (1/240) of one Hong Kong dollar each (equivalent to HK\$0.00416) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules

“Suzhou GCL Chengde Guarantee”	the agreement dated 18 April 2017 between Citic Financial Leasing and Suzhou GCL New Energy in connection with the guarantee provided by Suzhou GCL New Energy to Citic Financial Leasing in respect of Chengde GCL’s obligations under the Chengde Finance Lease and Chengde Asset Management Agreement
“Suzhou GCL Haifeng Guarantee II”	the agreement dated 23 March 2017 between Citic Financial Leasing and Suzhou GCL New Energy in connection with the guarantee provided by Suzhou GCL New Energy to Citic Financial Leasing in respect of Haifeng GCL’s obligations under the Haifeng Finance Lease II and Haifeng Asset Management Agreement II
“Suzhou GCL Huai’an Linji Guarantee”	the agreement dated 26 May 2017 between Citic Financial Leasing and Suzhou GCL New Energy in connection with the guarantee provided by Suzhou GCL New Energy to Citic Financial Leasing in respect of Huai’an GCL’s obligations under the Huai’an Linji Finance Lease and Huai’an Linji Consulting Services Agreement
“Suzhou GCL Huai’an Ronggao Guarantee”	the agreement dated 26 May 2017 between Citic Financial Leasing and Suzhou GCL New Energy in connection with the guarantee provided by Suzhou GCL New Energy to Citic Financial Leasing in respect of Huai’an Ronggao’s obligations under the Huai’an Ronggao Finance Lease and Huai’an Ronggao Consulting Services Agreement
“Suzhou GCL Nantong Guarantee”	the agreement dated 26 May 2017 between Citic Financial Leasing and Suzhou GCL New Energy in connection with the guarantee provided by Suzhou GCL New Energy to Citic Financial Leasing in respect of Nantong GCL New Energy’s obligations under the Nantong Finance Lease and Nantong Consulting Services Agreement
“Suzhou GCL New Energy”	Suzhou GCL New Energy Investment Co., Ltd.* (蘇州協鑫新能源投資有限公司), an indirect wholly-owned subsidiary of the Company incorporated in the PRC with limited liability
“%”	per cent

This announcement contains translations between Renminbi and Hong Kong dollar amounts at RMB1 = HK\$1.1337, being the exchange rate prevailing on 25 May 2017. The translations should not be taken as a representation that the Renminbi could actually be converted into Hong Kong dollars at that rate or at all.

** All of the English titles or names of the PRC 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, 26 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.