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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.**

DISCLOSEABLE TRANSACTION WITH CITIC FINANCIAL LEASING CO., LTD.

On 30 June 2017, the Group entered into the following agreements with Citic Financial Leasing (an independent third party of the Company):

- (1) the Funing Finance Lease Agreements, pursuant to which (i) Citic Financial Leasing shall purchase the Funing Leased Assets from Funing GCL (an indirect wholly-owned subsidiary of the Company) at a consideration of RMB98,000,000 (equivalent to approximately HK\$112,562,800); and (ii) following the acquisition, Citic Financial Leasing as lessor shall lease the Funing Leased Assets back to Funing GCL as lessee for a term of 10 years at an aggregate estimated rent of RMB135,914,366 (equivalent to approximately HK\$156,111,241). In addition, pursuant to the Funing Finance Lease Agreements, Funing GCL engaged Citic Financial Leasing to provide certain consulting services for an aggregate fee of RMB1,274,000 (equivalent to approximately HK\$1,463,316); and
- (2) the Guanyun Finance Lease Agreements, pursuant to which (i) Citic Financial Leasing shall purchase the Guanyun Leased Assets from Guanyun GCL (an indirect wholly-owned subsidiary of the Company) at a consideration of RMB62,000,000 (equivalent to approximately HK\$71,213,200); and (ii) following the acquisition, Citic Financial Leasing as lessor shall lease the Guanyun Leased Assets back to Guanyun GCL as lessee for a term of 10 years at an aggregate estimated rent of RMB85,986,640 (equivalent to approximately HK\$98,764,255). In addition, pursuant to the Guanyun Finance Lease Agreements, Guanyun GCL engaged Citic Financial Leasing to provide certain consulting services for an aggregate fee of RMB806,000 (equivalent to approximately HK\$925,772),

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

In addition, the Group had also entered into the following transactions with Citic Financial Leasing in the past 12 months:

- (1) on 27 May 2017, the Group, through its subsidiaries, entered into the Haifeng Finance Lease Agreements III, pursuant to which (i) Citic Financial Leasing shall purchase the Haifeng Leased Assets III from Nanjing GCL New Energy at a consideration of RMB206,500,000 (equivalent to approximately HK\$237,185,900); and (ii) following the acquisition, Citic Financial Leasing as lessor leased the Haifeng Leased Assets III to Haifeng GCL as lessee for a term of 9.5 years at an aggregate estimated rent of RMB279,798,494 (equivalent to approximately HK\$321,376,550). In addition, pursuant to the Haifeng Finance Lease Agreements III, Haifeng GCL engaged Citic Financial Leasing to provide (i) certain asset management consulting services for an aggregate fee of RMB9,912,000 (equivalent to approximately HK\$11,384,923) and (ii) certain consulting services for a fee of RMB4,956,000 (equivalent to approximately HK\$5,692,462);
- (2) as disclosed in the Company's announcement dated 26 May 2017 (the "**May Announcement**"), the Group had also entered into the Nantong Finance Lease Agreements, the Huai'an Linji Finance Lease Agreements, the Huai'an Ronggao Finance Lease Agreements, the Haifeng Finance Lease Agreements II and the Chengde Finance Lease Agreements (as defined in the May Announcement, together, the "**Previous Discloseable Transactions**"); and
- (3) as disclosed in the Company's announcements dated 23 February 2017 and 20 December 2016 (the "**February and December Announcements**") and the Company's circular dated 16 March 2017 (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 February and December Announcements and the Circular, together the "**Previous Major Transactions**").

LISTING RULES IMPLICATIONS

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

As disclosed in the May Announcement, the Previous Discloseable Transactions constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules. The entering into of the Haifeng Finance Lease Agreements III and the Previous Discloseable Transactions (in aggregate) did not trigger a classification higher than a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

As disclosed in the Circular, the Previous Major Transactions 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 Previous Major Transactions. Accordingly, the Shareholders' approval requirement was deemed to have been fulfilled in respect of the Previous Major Transactions and no separate general meeting was convened for approving the Previous Major Transactions. The entering into of the Haifeng Finance Lease Agreements III, the Previous Discloseable Transactions and the Previous Major Transactions (the "**Previous Transactions**") (in aggregate) did not trigger a classification higher than a major transaction for the Company under Chapter 14 of the Listing Rules.

As the Previous Transactions 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 Previous Transactions and the Finance Lease 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 Previous Transactions and the Finance Lease 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, the Haifeng Finance Lease Agreements III and the Previous Discloseable Transactions (in aggregate) exceeds 5% but is less than 25% for the Company, the entering into of the Finance Lease Agreements, the Haifeng Finance Lease Agreements III and the Previous Discloseable Transactions (in aggregate) 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. FINANCE LEASE AGREEMENTS

A. Principal terms of the Funing Finance Lease Agreements

(i) Date

30 June 2017

(ii) Parties

- (1) Seller and lessee: Funing GCL
- (2) Purchaser and lessor: Citic Financial Leasing

(iii) Funing Finance Lease Agreements

Pursuant to the Funing Finance Lease Agreements, (i) Citic Financial Leasing shall purchase the Funing Leased Assets from Funing GCL at a consideration of RMB98,000,000 (equivalent to approximately HK\$112,562,800); and (ii) following

the acquisition, Citic Financial Leasing as lessor shall lease the Funing Leased Assets to Funing GCL as lessee for a term of 10 years at an aggregate estimated rent of RMB135,914,366 (equivalent to approximately HK\$156,111,241).

Pursuant to the Funing Finance Lease, Citic Financial Leasing shall pay 40% of the consideration for the Funing Leased Assets by bank transfer and the remaining 60% of the consideration by way of a 7-month bank acceptance bill.

(iv) *Payment of Rent*

The estimated aggregate amount of rent payable by Funing GCL to Citic Financial Leasing under the Funing Finance Lease Agreements is RMB135,914,366 (equivalent to approximately HK\$156,111,241) and is payable in 20 six-month instalments: (a) the initial two instalments are approximately RMB2,845,985 (equivalent to approximately HK\$3,268,898) and RMB3,083,151 (equivalent to approximately HK\$3,541,307); and (b) the remaining 18 instalments are approximately RMB7,221,402 (equivalent to approximately HK\$8,294,502) each.

The interest rate under the Funing Finance Lease was calculated at an annualised interest rate of 6.223%, representing approximately 127% 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 Funing 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.

In addition, pursuant to the Funing Consulting Services Agreement, Funing GCL engaged Citic Financial Leasing to provide certain consulting services for an aggregate fee of RMB1,274,000 (equivalent to approximately HK\$1,463,316). The consulting services fee shall be paid by Funing GCL to Citic Financial Leasing upon signing the Funing Consulting Services Agreement.

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

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

(v) *Ownership of the Funing Leased Assets*

During the term of the Funing Finance Lease, the ownership of the Funing Leased Assets shall vest in Citic Financial Leasing. Upon expiry of the term of the Funing Finance Lease and subject to the full payment of all amounts due under the Funing Finance Lease, Funing GCL shall purchase the Funing Leased Assets from Citic Financial Leasing for the nominal purchase price of RMB1 (equivalent to approximately HK\$1).

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

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

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

B. Principal terms of the Guanyun Finance Lease Agreements

(i) Date

30 June 2017

(ii) Parties

- (1) Seller and lessee: Guanyun GCL
- (2) Purchaser and lessor: Citic Financial Leasing

(iii) Guanyun Finance Lease Agreements

Pursuant to the Guanyun Finance Lease Agreements, (i) Citic Financial Leasing shall purchase the Guanyun Leased Assets from Guanyun GCL (an indirect wholly-owned subsidiary of the Company) at a consideration of RMB62,000,000 (equivalent to approximately HK\$71,213,200); and (ii) following the acquisition, Citic Financial Leasing as lessor shall lease the Guanyun Leased Assets back to Guanyun GCL as lessee for a term of 10 years at an aggregate estimated rent of RMB85,986,640 (equivalent to approximately HK\$98,764,255).

Pursuant to the Guanyun Finance Lease, Citic Financial Leasing shall pay 40% of the consideration for the Guanyun Leased Assets by bank transfer and the remaining 60% of the consideration by way of a 7-month bank acceptance bill.

(iv) Payment of Rent

The estimated aggregate amount of rent payable by Guanyun GCL to Citic Financial Leasing under the Guanyun Finance Lease Agreements is RMB85,986,640 (equivalent to approximately HK\$98,764,255) and is payable in 20 six-month instalments: (a) the initial two instalments are approximately RMB1,800,521 (equivalent to approximately HK\$2,068,078) and RMB1,950,565 (equivalent to approximately HK\$2,240,419); and (b) the remaining 18 instalments are approximately RMB4,568,642 (equivalent to approximately HK\$5,247,542) each.

The interest rate under the Guanyun Finance Lease was calculated at an annualised interest rate of 6.223%, representing approximately 127% 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 Guanyun 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.

In addition, pursuant to the Guanyun Consulting Services Agreement, Guanyun GCL engaged Citic Financial Leasing to provide certain consulting services for an aggregate fee of RMB806,000 (equivalent to approximately HK\$925,772). The consulting services fee shall be paid by Guanyun GCL to Citic Financial Leasing upon signing the Guanyun Consulting Services Agreement.

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

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

(v) *Ownership of the Guanyun Leased Assets*

During the term of the Guanyun Finance Lease, the ownership of the Guanyun Leased Assets shall vest in Citic Financial Leasing. Upon expiry of the term of the Guanyun Finance Lease and subject to the full payment of all amounts due under the Guanyun Finance Lease, Guanyun GCL shall purchase the Guanyun Leased Assets from Citic Financial Leasing for the nominal purchase price of RMB1 (equivalent to approximately HK\$1).

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

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

- (1) Nanjing GCL Guanyun Guarantee: pursuant to the Nanjing GCL Guanyun Guarantee, Nanjing GCL New Energy has agreed to guarantee the obligations of Guanyun GCL under the Guanyun Finance Lease and the Guanyun Consulting Services Agreement, including rental payments, interest, fees and other amounts due to Citic Financial Leasing;
- (2) Suzhou GCL Guanyun Guarantee: pursuant to the Suzhou GCL Guanyun Guarantee, Suzhou GCL New Energy has agreed to guarantee the obligations of Guanyun GCL under the Guanyun Finance Lease and the Guanyun Consulting Services Agreement, including rental payments, interest, fees and other amounts due to Citic Financial Leasing;

- (3) Guanyun Share Pledge Agreement: pursuant to the Guanyun Share Pledge Agreement, Jiangsu GCL has pledged 100% of the equity interest in Guanyun GCL to secure all of Guanyun GCL's obligations under the Guanyun Finance Lease and the Guanyun Consulting Services Agreement;
- (4) Guanyun Leased Assets Mortgage Agreement: pursuant to the Guanyun Leased Assets Mortgage Agreement, Guanyun GCL has mortgaged the Guanyun Leased Assets to secure all of Guanyun GCL's obligations under Guanyun Finance Lease and the Guanyun Consulting Services Agreement; and
- (5) Guanyun Electricity Fees Pledge Agreement: pursuant to the Guanyun Electricity Fees Pledge Agreement, Guanyun GCL has pledged its right to electricity fees and related receivables under any electricity sales agreement entered or to be entered into between Guanyun GCL and Jiangsu State Grid for the Guanyun Project to secure its obligations under the Guanyun Finance Lease and the Guanyun Consulting Services Agreement.

2. THE PREVIOUS TRANSACTIONS

Please refer to (i) the May Announcement, and (ii) the February and December Announcements and the Circular for the principal terms of the Previous Discloseable Transactions and the Previous Major Transactions, respectively.

Principal terms of the Haifeng Finance Lease Agreements III

(i) *Date*

27 May 2017

(ii) *Parties*

- (1) Seller: Nanjing GCL New Energy
- (2) Purchaser and lessor: Citic Financial Leasing
- (3) Lessee: Haifeng GCL

(iii) *Haifeng Finance Lease Agreements III*

Pursuant to the Haifeng Finance Lease Agreements III, (i) Citic Financial Leasing shall purchase the Haifeng Leased Assets III from Nanjing GCL New Energy at a consideration of RMB206,500,000 (equivalent to approximately HK\$237,185,900); and (ii) following the acquisition, Citic Financial Leasing as lessor leased the Haifeng Leased Assets III to Haifeng GCL as lessee for a term of 9.5 years at an aggregate estimated rent of RMB279,798,494 (equivalent to approximately HK\$321,376,550).

Pursuant to the Haifeng Purchase Agreement III, Citic Financial Leasing shall pay the full amount of the consideration for the Haifeng Leased Assets III upon the fulfilment of the following conditions:

- (1) the Haifeng Purchase Agreement III, the Haifeng Finance Lease III and any other agreements or documents signed between the Haifeng GCL, Citic Financial Leasing and a third party in relation to the finance lease transaction having come into effect;
- (2) Haifeng GCL having received all necessary internal and external approvals in respect of the finance lease transaction;
- (3) Citic Financial Leasing having received copies of the internal and external authorisations in respect of the entities providing guarantees for the finance lease transactions;
- (4) the security documents and any ancillary documents in respect of the finance lease transaction having been signed and become effective;
- (5) if any of the security documents for the finance lease agreements are required to be registered, Citic Financial Leasing having received proof that such security documents have been registered;
- (6) Haifeng GCL having paid any deposit or administrative fee (if any) payable under the finance lease transaction;
- (7) the representations and warranties given by Haifeng GCL under the Haifeng Purchase Agreement III and the Haifeng Finance Lease III remaining true, accurate and not misleading;
- (8) there is no material change in the PRC tax, financial policies and government regulations on finance leases and no material change in market financing costs; and
- (9) other payment conditions required by Citic Financial Leasing have been fulfilled.

(iv) *Payment of Rent*

The estimated aggregate amount of rent payable by Haifeng GCL to Citic Financial Leasing under the Haifeng Finance Lease Agreements III is RMB279,798,494 (equivalent to approximately HK\$321,376,550) and is payable in 38 three-month instalments: (a) the initial two instalments are approximately RMB2,765,723 (equivalent to approximately HK\$3,176,709) and RMB3,440,290 (equivalent to approximately HK\$3,951,517); and (b) the remaining 36 instalments are in the range from approximately RMB4,765,723 (equivalent to approximately HK\$5,473,909) to RMB8,516,851 (equivalent to approximately HK\$9,782,455) each.

The interest rate under the Haifeng Finance Lease III was calculated at an annualised interest rate of 5.88%, representing approximately 120% 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 III, 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.

In addition, pursuant to the Haifeng Asset Management Agreement III, Haifeng GCL engaged Citic Financial Leasing to provide certain asset management consulting services for an aggregate fee of RMB9,912,000 (equivalent to approximately HK\$11,384,923), in six annual instalments of RMB1,652,000 (equivalent to approximately HK\$1,897,487) starting from 15 August 2019. Further, pursuant to the Haifeng Consulting Services Agreement III, Citic Financial Leasing agreed to provide consulting services for RMB4,956,000 (equivalent to approximately HK\$5,692,462), of which RMB3,304,000 (equivalent to approximately HK\$3,794,974) shall be paid on 29 May 2017 and RMB1,652,000 (equivalent to approximately HK\$1,897,487) shall be paid on 15 August 2018.

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

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

(v) *Ownership of the Haifeng Leased Assets III*

During the term of the Haifeng Finance Lease III, the ownership of the Haifeng Leased Assets III shall vest in Citic Financial Leasing. Upon expiry of the term of the Haifeng Finance Lease III and subject to the full payment of all amounts due under the Haifeng Finance Lease III, Haifeng GCL shall purchase the Haifeng Leased Assets III from Citic Financial Leasing for the nominal purchase price of RMB100 (equivalent to approximately HK\$115).

(vi) *Security Arrangements for the Haifeng Finance Lease III*

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

to deduct from the Haifeng Security Deposit III 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 III to RMB4,130,000 (equivalent to approximately HK\$4,743,718) upon notice from Citic Financial Leasing. Following the expiry of the Haifeng Finance Lease, any remaining balance of the Haifeng Security Deposit III shall be used to offset the amounts due from Haifeng GCL. The Haifeng Security Deposit III shall not bear any interest during the term of the Haifeng Finance Lease III.

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

- (1) Nanjing GCL Haifeng Guarantee III: pursuant to the Nanjing GCL Haifeng Guarantee III, Nanjing GCL New Energy has agreed to guarantee the obligations of Haifeng GCL under the Haifeng Finance Lease III, the Haifeng Asset Management Agreement III and the Haifeng Consulting Services Agreement III, including rental payments, interest, administrative fees and other amounts due to Citic Financial Leasing;
- (2) Suzhou GCL Haifeng Guarantee III: pursuant to the Suzhou GCL Haifeng Guarantee III, Suzhou GCL New Energy has agreed to guarantee the obligations of Haifeng GCL under the Haifeng Finance Lease III, the Haifeng Asset Management Agreement III and the Haifeng Consulting Services Agreement III, including rental payments, interest, administrative fees and other amounts due to Citic Financial Leasing; and
- (3) Haifeng Leased Assets Mortgage Agreement III: pursuant to the Haifeng Leased Assets Mortgage Agreement III, Haifeng GCL has mortgaged the Haifeng Leased Assets III to secure all of Haifeng GCL's obligations under the Haifeng Finance Lease III, the Haifeng Asset Management Agreement III and Haifeng Consulting Services Agreement III.

3. REASONS FOR AND BENEFITS OF THE TRANSACTION

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

Based on the above reasons, the Directors believe and consider that the terms of the Finance Lease Agreements and the Previous Transactions 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 Haifeng Finance Lease Agreements III (on their own) exceeded 5% for the Company, the entering into of the Haifeng Finance Lease Agreements III did not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

As disclosed in the May Announcement, the Previous Discloseable Transactions constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules. The entering into of the Haifeng Finance Lease Agreements III and the Previous Discloseable Transactions (in aggregate) did not trigger a classification higher than a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

As disclosed in the Circular, the Previous Major Transactions 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 Previous Major Transactions. Accordingly, the Shareholders' approval requirement was deemed to have been fulfilled in respect of the Previous Major Transactions and no separate general meeting was convened for approving the Previous Major Transactions. The entering into of the Previous Transactions (in aggregate) did not trigger a classification higher than a major transaction for the Company under Chapter 14 of the Listing Rules.

As the Previous Transactions 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 Previous Transactions and the Finance Lease 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 Previous Transactions and the Finance Lease 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, the Haifeng Finance Lease Agreements III and the Previous Discloseable Transactions (in aggregate) exceeds 5% but is less than 25% for the Company, the entering into of the Finance Lease Agreements, the Haifeng Finance Lease Agreements III and the Previous Discloseable Transactions (in aggregate) 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 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.

6. DEFINITIONS

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

“Board”	the board of the Directors
“Circular”	the Company's circular dated 16 March 2017 in relation to the Previous Major Transactions
“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 persons”	has the same meaning ascribed to it under the Listing Rules
“Director”	director(s) of the Company
“Donggou Town Project”	the 15MW agricultural solar power station project located in Donggou town of Jiangsu Province, PRC
“Elite Time Global”	Elite Time Global Limited, a company incorporated in British Virgin Islands with limited liability which, as at the date of this announcement, holds 11,880,000,000 Shares of the Company representing approximately 62.28% of the issued share capital of the Company
“February and December Announcements”	the Company's announcements dated 23 February 2017 and 20 December 2016 in relation to the Previous Major Transactions

“Finance Lease Agreements”	together, (i) the Funing Finance Lease Agreements; and (ii) the Guanyun Finance Lease Agreements
“Funing Consulting Services Agreement”	the agreement dated 30 June 2017 between Citic Financial Leasing and Funing GCL in relation to certain consulting services to be provided by Citic Financial Leasing to Funing GCL
“Funing Electricity Fees Pledge Agreement”	the agreement dated 30 June 2017 between Citic Financial Leasing and Guanyun GCL, pursuant to which Guanyun GCL has pledged to Citic Financial Leasing its right to electricity fees and related receivables under any electricity sales agreement entered or to be entered into between Guanyun GCL and Jiangsu State Grid for the Donggou Town Project
“Funing Finance Lease”	the agreement dated 30 June 2017 between Citic Financial Leasing and Funing GCL in relation to the leasing of the Funing Leased Assets
“Funing Finance Lease Agreements”	together, (i) the Funing Finance Lease, (ii) the Funing Consulting Services Agreement, (iii) the Suzhou GCL Funing Guarantee, (iv) the Nanjing GCL Funing Guarantee, (v) the Funing Share Pledge Agreement, (vi) the Funing Leased Assets Mortgage Agreement and (vii) the Funing Electricity Fees Pledge Agreement
“Funing GCL”	Funing Xinyuan Photovoltaic Power Limited* (阜寧縣鑫源光伏電力有限公司), an indirect wholly-owned subsidiary of the Company which is incorporated in the PRC with limited liability
“Funing Leased Assets”	the control tower, BOS equipment, fabricated cabinets, inverters, and polysilicon modules used for the Donggou Town Project
“Funing Leased Assets Mortgage Agreement”	the agreement dated 30 June 2017 between Citic Financial Leasing and Funing GCL, pursuant to which Funing GCL has mortgaged the Funing Leased Assets to Citic Financial Leasing
“Funing Share Pledge Agreement”	the agreement dated 30 June 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 Funing GCL to Citic Financial Leasing

“Group”	the Company and its subsidiaries
“Guanyun Consulting Services Agreement”	the agreement dated 30 June 2017 between Citic Financial Leasing and Guanyun GCL in relation to certain consulting services to be provided by Citic Financial Leasing to Guanyun GCL
“Guanyun Electricity Fees Pledge Agreement”	the agreement dated 30 June 2017 between Citic Financial Leasing and Guanyun GCL, pursuant to which Guanyun GCL has pledged to Citic Financial Leasing its right to electricity fees and related receivables under any electricity sales agreement entered or to be entered into between Guanyun GCL and Jiangsu State Grid for the Guanyun Project
“Guanyun Finance Lease”	the agreement dated 30 June 2017 between Citic Financial Leasing and Guanyun GCL in relation to the leasing of the Guanyun Leased Assets
“Guanyun Finance Lease Agreements”	together, (i) the Guanyun Finance Lease, (ii) the Guanyun Consulting Services Agreement, (iii) the Suzhou GCL Guanyun Guarantee, (iv) the Nanjing GCL Guanyun Guarantee, (v) the Guanyun Share Pledge Agreement, (vi) the Guanyun Leased Assets Mortgage Agreement and (vii) the Guanyun Electricity Fees Pledge Agreement
“Guanyun GCL”	Guanyun County GCL Photovoltaic Power Limited* (灌雲縣協鑫光伏電力有限公司), an indirect wholly-owned subsidiary of the Company which is incorporated in the PRC with limited liability
“Guanyun Leased Assets”	the photovoltaic modules, frames, combiner boxes, inverters, transformers, cables, switches, switch cabinets and other photovoltaic equipment used for the Guanyun Project
“Guanyun Leased Assets Mortgage Agreement”	the agreement dated 30 June 2017 between Citic Financial Leasing and Guanyun GCL, pursuant to which Guanyun GCL has mortgaged the Guanyun Leased Assets to Citic Financial Leasing
“Guanyun Project”	the 10 MW agricultural photovoltaic solar power plant located in Guanyun County, Jiangsu Province, the PRC

“Guanyun Share Pledge Agreement”	the agreement dated 30 June 2017 between Citic Financial Leasing and Jiangsu GCL, pursuant to which Suzhou GCL New Energy has pledged 100% of the equity interest in Funing GCL to Citic Financial Leasing
“Haifeng Asset Management Agreement III”	the agreement dated 27 May 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 Consulting Services Agreement III”	the agreement dated 27 May 2017 between Citic Financing Leasing and Haifeng GCL in relation to certain consulting services to be provided by Citic Financial Leasing to Haifeng GCL
“Haifeng Finance Lease III”	the agreement dated 27 May 2017 between Citic Financial Leasing and Haifeng GCL in relation to the leasing of the Haifeng Leased Assets III
“Haifeng Finance Lease Agreements III”	together, (i) the Haifeng Finance Lease III, (ii) the Haifeng Purchase Agreement III, (iii) the Haifeng Asset Management Agreement III, (iv) the Haifeng Consulting Services Agreement III, (v) the Nanjing GCL Haifeng Guarantee III, (vi) the Suzhou GCL Haifeng Guarantee III and (vii) the Haifeng Leased Assets Mortgage Agreement III
“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 Leased Assets III”	the photovoltaic modules used for the Haifeng Project III
“Haifeng Leased Assets Mortgage Agreement III”	the agreement dated 27 May 2017 between Citic Financial Leasing and Haifeng GCL, pursuant to which Haifeng GCL has mortgaged the Haifeng Leased Assets III to Citic Financial Leasing
“Haifeng Project III”	the 100MW photovoltaic power plant located in Haifeng County, Shanwei City, Guangdong Province, the PRC

“Haifeng Purchase Agreement III”	the agreement dated 27 May 2017 between Citic Financial Leasing, Haifeng GCL and Nanjing GCL New Energy, pursuant to which Citic Financial Leasing agreed to purchase the Haifeng Leased Assets III from Nanjing GCL New Energy
“Haifeng Security Deposit III”	a refundable security deposit of RMB4,130,000 (equivalent to approximately HK\$4,743,718) payable by Haifeng GCL under the Haifeng Finance Lease III
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Jiangsu GCL”	Jiangsu GCL New Energy Limited* (江蘇協鑫新能源有限公司), an indirect wholly-owned subsidiary of the Company which is incorporated in the PRC with limited liability
“Jiangsu State Grid”	Jiangsu State Grid Corporation of China* (國網江蘇省電力公司), a company incorporated in the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“May Announcement”	the Company’s announcement dated 26 May 2017 in relation to the Previous Discloseable Transactions
“MW”	megawatt(s)
“Nanjing GCL Funing Guarantee”	the agreement dated 30 June 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 Funing GCL’s obligations under the Funing Finance Lease and the Funing Consulting Services Agreement
“Nanjing GCL Guanyun Guarantee”	the agreement dated 30 June 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 Guanyun GCL’s obligations under the Guanyun Finance Lease and the Guanyun Consulting Services Agreement

“Nanjing GCL Haifeng Guarantee III”	the agreement dated 27 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 Haifeng GCL’s obligations under the Haifeng Finance Lease III, the Haifeng Asset Management Agreement III and the Haifeng Consulting Services Agreement III
“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 which is incorporated in the PRC with limited liability
“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 Discloseable Transactions”	together, (i) the Nantong Finance Lease Agreements, (ii) the Huai’an Linji Finance Lease Agreements, (iii) the Huai’an Ronggao Finance Lease Agreements, (iv) the Haifeng Finance Lease Agreements II and (v) the Chengde Finance Lease Agreements as defined and disclosed in the May Announcement
“Previous Major Transactions”	together, (i) the Haifeng Finance Lease Agreements, (ii) the Shanglin Finance Lease Agreements, (iii) the Urad Finance Lease Agreements, (iv) the Jinxi Finance Lease Agreements, (v) the Taoyuan Finance Lease Agreements I, (vi) the Taoyuan Finance Lease Agreements II and (vii) the Taoyuan Finance Lease Agreements III as defined and disclosed in the February and December Announcements and the Circular
“Previous Transactions”	together, (i) the Haifeng Finance Lease Agreements III; (ii) the Previous Discloseable Transactions and (iii) the Previous Major Transactions
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary shares of one-two-hundred-fortieth (1/240) of a Hong Kong dollar each (equivalent to HK\$0.00416) in the share capital of the Company

“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“Suzhou GCL Funing Guarantee”	the agreement dated 30 June 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 Funing GCL’s obligations under the Funing Finance Lease and the Funing Consulting Services Agreement
“Suzhou GCL Guanyun Guarantee”	the agreement dated 30 June 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 Guanyun GCL’s obligations under the Guanyun Finance Lease and the Guanyun Consulting Services Agreement
“Suzhou GCL Haifeng Guarantee III”	the agreement dated 27 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 Haifeng GCL’s obligations under the Haifeng Finance Lease III, the Haifeng Asset Management Agreement III and the Haifeng Consulting Services Agreement III
“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 which is incorporated in the PRC with limited liability
“%”	per cent.

This announcement contains translations between Renminbi and Hong Kong dollar amounts at RMB1= HK\$1.1486, being the exchange rate prevailing on 29 June 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, 30 June 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.