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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
CHONGQING FINANCIAL LEASING CO., LTD.***

DISCLOSEABLE TRANSACTION WITH REWIN FINANCIAL LEASING

On 18 December 2017, the Group entered into the Yu Finance Lease Agreements with Rewin Financial Leasing, pursuant to which (i) Rewin Financial Leasing shall purchase the Yu Leased Assets from Yu GCL at a consideration of RMB565,000,000; and (ii) following the acquisition, Rewin Financial Leasing, as the lessor, shall lease the Yu Leased Assets to Yu GCL, as the lessee, for a term of 10 years at an aggregate estimated rent of approximately RMB706,476,271. In addition, pursuant to the Yu Finance Lease Agreements, Yu GCL shall pay Rewin Financial Leasing a finance lease consultancy fee of RMB4,000,000.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Yu Finance Lease Agreements exceeds 5% but is less than 25% for the Company, the entering into of the Yu Finance Lease Agreements constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

1. PRINCIPLE TERMS OF THE YU FINANCE LEASE AGREEMENTS

(i) Date: 18 December 2017

(ii) Parties:

(1)	Lessee and Seller:	Yu GCL
(2)	Lessor and Purchaser:	Rewin Financial Leasing

(iii) The Yu Finance Lease Agreements

Pursuant to the Yu Finance Lease Agreements, (i) Rewin Financial Leasing shall purchase the Yu Leased Assets from Yu GCL at a consideration of RMB565,000,000; and (ii) following the acquisition, Rewin Financial Leasing, as the lessor, shall lease the Yu Leased Assets to Yu GCL, as the lessee, for a term of 10 years at an aggregate estimated rent of approximately RMB706,476,271.

(iv) Payment of Rent and Financial Lease Consultancy Fee

The estimated aggregate amount of rent payable by Yu GCL to Rewin Financial Leasing under the Yu Finance Lease is RMB706,476,271 and shall be payable in a total of 40 quarterly instalments.

The interest rate under the Yu Finance Lease shall be the applicable benchmark lending rate promulgated by PBOC for a term of 10 years raised by 10%. For the avoidance of doubt, assuming that the applicable benchmark lending rate promulgated by PBOC for a term of 10 years is R , the interest rate shall be $R \times (1+10\%)$.

In addition, pursuant to the terms of the Yu Finance Lease Consultancy Agreement, Yu GCL shall pay a finance lease consultancy fee to Rewin Financial Leasing in the amount of RMB4,000,000.

The terms of the Yu Finance Lease including the lease rent, lease interest rate and the finance lease consultancy fee were determined after arm's length negotiation between Rewin Financial Leasing and Yu 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 Yu Leased Assets payable by Rewin Financial Leasing under the Yu Leased Assets Sale and Purchase Agreement was determined through arm's length negotiation between the parties with reference to the average fair market price of similar equipment and the amount of financing agreed to be provided by Rewin Financial Leasing.

(v) Ownership of the Yu Leased Assets

During the term of the Yu Finance Lease, the ownership of the Yu Leased Assets shall vest in Rewin Financial Leasing. Upon expiry of the term of the Yu Finance Lease and subject to the full payment of the entire amount of the lease rent and interest and any other amounts due under the Yu Finance Lease, Yu GCL shall have the right to purchase the Yu Leased Assets from Rewin Financial Leasing for nominal purchase price of RMB1,000.

(vi) Security Arrangements for the Yu Finance Lease

Pursuant to the Yu Security Deposit Agreement, Yu GCL shall pay to Rewin Financial Leasing the Yu Security Deposit which shall be paid prior to Rewin Financial Leasing paying the consideration for the Yu Leased Assets to secure Yu GCL's obligations under the Yu Finance Lease. Rewin Financial Leasing shall be entitled to deduct from the Yu Security Deposit any unpaid rent, interest, default interest and any other fees incidental to Rewin Financial Leasing recovering any outstanding amount under the Yu Finance Lease. In the event of such deduction, Yu GCL shall make up for the deduction and restore the amount of the Yu Security Deposit to RMB100,000,000. Following the expiry of the Yu Finance Lease, any remaining balance of the Yu Security Deposit shall be refunded to Yu GCL. The Yu Security Deposit shall not bear any interest during the term of the Yu Finance Lease.

Furthermore, the obligations under the Yu Finance Lease is secured by the GCL New Energy Investment Yu Guarantee.

2. REASONS FOR AND BENEFITS OF THE YU FINANCE LEASE AGREEMENTS

The terms of the Yu Finance Lease Agreements have been agreed upon after arm's length negotiations between the relevant parties. As a developer of photovoltaic power station projects, the Company requires capital from time to time to construct its photovoltaic power station projects. The Directors believe that the Group will be able to derive additional liquidity through the finance lease arrangements under the Yu Finance Lease Agreements and benefit from the 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 Yu Finance Lease Agreements are on normal commercial terms, fair and reasonable and are in the interest of the Company and its Shareholders as a whole.

3. LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Yu Finance Lease Agreements exceeds 5% but is less than 25% for the Company, the entering into of the Yu Finance Lease Agreements constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

4. INFORMATION ON THE PARTIES TO THE YU FINANCE LEASE AGREEMENTS

Rewin Financial Leasing

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

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

The Company

The Company is principally engaged in the development, construction, operation and management of photovoltaic power stations.

5. DEFINITIONS

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

“Board”	the board of Directors
“Company”	GCL New Energy Holdings Limited (協鑫新能源控股有限公司), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange, with stock code 451
“connected persons”	has the same meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“GCL New Energy Investment”	GCL New Energy Investment (China) Co., Ltd.* (協鑫新能源投資(中國)有限公司), an indirect wholly-owned subsidiary of the Company which is incorporated in the PRC with limited liability
“GCL New Energy Investment Yu Guarantee”	the guarantee dated 18 December 2017 from GCL New Energy Investment given to Rewin Financial Leasing in respect of Yu GCL's obligations under the Yu Finance Lease
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MW”	megawatt(s)

“PBOC”	the People’s Bank of China
“PRC”	the People’s Republic of China
“Rewin Financial Leasing”	Chongqing Rewin Financial Leasing Co., Ltd.* (重慶潤銀融資租賃有限公司), a company incorporated in the PRC
“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 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
“Yu Finance Lease”	the finance lease agreement dated 18 December 2017 between Rewin Financial Leasing and Yu GCL in relation to the leasing of the Yu Leased Assets
“Yu Finance Lease Agreements”	the Yu Finance Lease, the Yu Leased Assets Sale and Purchase Agreement, the Yu Security Deposit Agreement, the Yu Finance Lease Consultancy Agreement and the GCL New Energy Investment Yu Guarantee
“Yu Finance Lease Consultancy Agreement”	the finance lease consultancy agreement dated 18 December 2017 entered into between Yu GCL and Rewin Financial Leasing in relation to the provision of finance lease consultancy services in relation to the Yu Finance Lease
“Yu GCL”	Yu GCL Photovoltaic Power Company Limited* (孟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
“Yu Leased Assets”	certain photovoltaic equipment and installations used for the Yu Yangquan Project

“Yu Leased Assets Sale and Purchase Agreement”	the sale and purchase agreement dated 18 December 2017 entered into between Yu GCL and Rewin Financial Leasing in relation to the sale and purchase of the Yu Leased Assets used for the Yu Yangquan Project
“Yu Yangquan Project”	the 100MW photovoltaic power station located in Yangquan City, Shanxi Province in the PRC
“Yu Security Deposit”	a refundable deposit of RMB100,000,000 payable by Yu GCL to Rewin Financial Leasing
“Yu Security Deposit Agreement”	the agreed dated 18 December 2017 entered into between Yu GCL and Rewin Financial Leasing in relation to the payment of the Yu Security Deposit
“%”	per cent.

* *for identification purpose only*

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, 18 December 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.