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If you have sold or transferred all your shares in GCL New Energy Holdings Limited 協鑫新能源控股有限公司, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

MAJOR TRANSACTION WITH
CINDA FINANCIAL LEASING CO., LTD.*

Capitalised terms used in this cover shall have the same meanings as those defined in the section headed "Definitions" in this circular. A letter from the Board is set out on pages 11 to 23 of this circular.

14 May 2018

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DEFINITIONS

In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:

“associate”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Cinda Financial Leasing”	Cinda Financial Leasing Co., Ltd* (信達金融租賃有限公司), a company incorporated in the PRC
“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
“Elite Time Global”	Elite Time Global Limited, a company incorporated in British Virgin Islands with limited liability which, as at the Latest Practicable Date, holds 11,880,000,000 Shares representing approximately 62.28% of the issued share capital of the Company. Elite Time Global is a wholly-owned subsidiary of GCL-Poly
“GCL-Poly”	GCL-Poly Energy Holdings Limited (保利協鑫能源控股有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange, with stock code 3800. As at the Latest Practicable Date, GCL-Poly is interested in approximately 62.28% of the issued share capital of the Company
“GCL System Integration”	GCL System Integration Technology Co., Ltd. 協鑫集成科技股份有限公司, a company listed on the Small & Medium Enterprises Board of the Shenzhen Stock Exchange, stock code: 002506
“Group”	the Company and its subsidiaries
“GW”	Gigawatt(s)
“Huarong Electricity Fee Pledge Agreement”	the agreement dated 23 October 2017 between Cinda Financial Leasing and Huarong GCL New Energy, pursuant to which Huarong GCL New Energy pledged to Cinda Financial Leasing 100% of its right to electricity fees in relation to the Huarong Project

DEFINITIONS

“Huarong Finance Lease”	the finance lease agreement dated 23 October 2017 between Cinda Financial Leasing and Huarong GCL New Energy in relation to the leasing of the Huarong Leased Assets
“Huarong Finance Lease Agreements”	the Huarong Finance Lease, the Huarong Sale and Purchase Agreement, the Suzhou GCL Huarong Guarantee, the Nanjing GCL Huarong Guarantee, the Huarong Leased Assets Mortgage Agreement, the Huarong Land Use Rights Pledge Agreement, the Huarong Electricity Fee Pledge Agreement and the Huarong Share Pledge Agreement
“Huarong GCL New Energy”	Huarong GCL New Energy Company Limited* (華容縣協鑫光伏電力有限公司), an indirect subsidiary of the Company which is incorporated in the PRC with limited liability
“Huarong Land Use Rights Pledge Agreement”	the agreement dated 23 October 2017 between Cinda Financial Leasing and Huarong GCL New Energy, pursuant to which Huarong GCL New Energy has pledged the land use rights in relation to a piece of land owned by Huarong GCL New Energy located in Ta’xi Lake of Huarong County of Yueyang City of Hunan Province, the PRC
“Huarong Leased Assets”	certain solar modules, frames, string converters, voltage converter and cables used by Huarong GCL New Energy for the Huarong Project
“Huarong Leased Assets Mortgage Agreement”	the agreement dated 23 October 2017 between Cinda Financial Leasing and Huarong GCL New Energy, pursuant to which Huarong GCL New Energy has mortgaged the Huarong Leased Assets to Cinda Financial Leasing
“Huarong Project”	phase one (100MW) of the 200MW fishery-photovoltaic power station project located in Ta’xi Lake of Huarong County of Yueyang City of Hunan Province, the PRC
“Huarong Sale and Purchase Agreement”	the agreement dated 23 October 2017 between Cinda Financial Leasing (as purchaser), Xi’an Datang Electric (as seller), Huarong GCL New Energy (as lessee) and Nanjing GCL New Energy (as supplier) for the sale and purchase of Huarong Leased Assets used for the Huarong Project
“Huarong Security Deposit”	a refundable security deposit of RMB22,000,000 payable by Huarong GCL New Energy under the Huarong Finance Lease

DEFINITIONS

“Huarong Share Pledge Agreement”	the agreement dated 23 October 2017 between Cinda Financial Leasing and Suzhou GCL New Energy, pursuant to which Suzhou GCL New Energy has pledged 100% of the equity interest in Huarong GCL New Energy to Cinda Financial Leasing
“Jilin Yilian GCL New Energy”	Jilin Yilian New Energy Technology Limited* (吉林億聯新能源科技有限公司), an indirect subsidiary of the Company which is incorporated in the PRC with limited liability
“Latest Practicable Date”	8 May 2018, being the latest practicable date of ascertaining certain information contained in this circular prior to its publication
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Meng County Puyang”	Meng County Puyang New Energy Limited* (孟縣晉陽新能源發電有限公司), an indirect subsidiary of the Company which is incorporated in the PRC with limited liability
“Meng II Electricity Fee Pledge Agreement”	the agreement dated 27 June 2017 between Cinda Financial Lease and Meng County Puyang, pursuant to which Meng County Puyang pledged to Cinda Financial Leasing 100% of its right to electricity fees in relation to the Meng II Project
“Meng II Finance Lease”	the agreement dated 27 June 2017 between Cinda Financial Leasing and Meng County Puyang in relation to the leasing of the Meng II Leased Assets
“Meng II Finance Lease Agreements”	the Meng II Finance Lease, the Meng II Sale and Purchase Agreement, the Suzhou GCL Meng II Guarantee, the Meng II Leased Assets Mortgage Agreement, the Meng II Electricity Fee Pledge Agreement and the Meng II Repurchase Agreement
“Meng II Leased Assets”	certain solar modules, frames, combiner boxes, inverters, transformers, cables, and other photovoltaic equipment and installations used by Meng County Puyang for the Meng II Project
“Meng II Leased Assets Mortgage Agreement”	the agreement dated 27 June 2017 between Cinda Financial Leasing and Meng County Puyang, pursuant to which Meng County Puyang mortgaged the Meng II Leased Assets to Cinda Financial Leasing
“Meng II Project”	the 10MW photovoltaic power station project located in Nanxia Village in Niucun Town in Meng County, Shanxi Province, the PRC

DEFINITIONS

“Meng II Repurchase Agreement”	the agreement dated 27 June 2017 between Nanjing GCL New Energy and Cinda Financial Leasing, pursuant to which Nanjing GCL New Energy agreed to repurchase the Meng II Leased Assets upon the occurrence of certain events
“Meng II Sale and Purchase Agreement”	the agreement dated 27 June 2017 between Cinda Financial Leasing (as purchaser), Nanjing GCL New Energy (as seller) and Meng County Puyang (as lessee) for the sale and purchase of Meng II Leased Assets used for the Meng II Project
“Meng II Security Deposit”	a refundable security deposit of RMB3,840,000 payable by Meng County Puyang under the Meng II Finance Lease
“MW”	megawatt(s)
“Nanjing GCL New Energy”	Nanjing GCL New Energy Development Co., Ltd.* (南京協鑫新能源發展有限公司), an indirect subsidiary of the Company which is incorporated in the PRC with limited liability
“Nanjing GCL Huarong Guarantee”	the guarantee dated 23 October 2017 given by Nanjing GCL New Energy to Cinda Financial Leasing to secure Huarong GCL New Energy’s obligations under the Huarong Finance Lease
“Nanjing GCL Ruicheng Guarantee”	the guarantee dated 20 December 2017 given by Nanjing GCL New Energy to Cinda Financial Leasing to secure Ruicheng GCL’s obligations under the Ruicheng Finance Lease
“Nanjing GCL Tongyu Guarantee”	the guarantee dated 28 June 2017 given by Nanjing GCL New Energy to Cinda Financial Leasing to secure Tongyu County Zanjia’s obligations under the Tongyu Finance Lease
“Nanjing GCL Yilian Guarantee”	the guarantee dated 27 June 2017 given by Nanjing GCL New Energy to Cinda Financial Leasing to secure Jilin Yilian GCL New Energy’s obligations under the Yilian Finance Lease
“Nanjing GCL Yulin Guarantee”	the guarantee dated 25 April 2018 given by Nanjing GCL New Energy to Cinda Financial Leasing to secure Yulin Longyuan obligations under the Yulin Finance Lease
“Nanjing GCL Zhuanglang Guarantee”	the guarantee dated 12 January 2018 given by Nanjing GCL New Energy to Cinda Financial Leasing to secure Zhuanglang Guangyuan obligations under the Zhuanglang Finance Lease

DEFINITIONS

“PBOC”	the People’s Bank of China
“PRC”	the People’s Republic of China
“Previous Finance Lease Agreements”	the Zhuanglang Finance Lease Agreements, the Ruicheng Finance Lease Agreements, the Huarong Finance Lease Agreements, the Tongyu Finance Lease Agreements, the Yilian Finance Lease Agreements and the Meng II Finance Lease Agreements
“RMB”	Renminbi, the lawful currency of the PRC
“Ruicheng Electricity Fee Pledge Agreement”	the agreement dated 20 December 2017 between Cinda Financial Leasing and Ruicheng GCL, pursuant to which Ruicheng GCL pledged to Cinda Financial Leasing 100% of its right to electricity fees in relation to the Ruicheng Project
“Ruicheng Finance Lease”	the finance lease agreement dated 20 December 2017 between Cinda Financial Leasing and Ruicheng GCL in relation to the leasing of the Ruicheng Leased Assets
“Ruicheng Finance Lease Agreements”	the Ruicheng Finance Lease, the Suzhou GCL Ruicheng Guarantee, the Nanjing GCL Ruicheng Guarantee, the Ruicheng Leased Assets Mortgage Agreement, the Ruicheng Share Pledge Agreement and the Ruicheng Electricity Fee Pledge Agreement
“Ruicheng GCL”	Ruicheng GCL Photovoltaic Power Co., Ltd.* (芮城縣協鑫光伏電力有限公司), an indirect subsidiary of the Company which is incorporated in the PRC with limited liability
“Ruicheng Leased Assets”	certain photovoltaic equipment and installations used for the Ruicheng Project
“Ruicheng Leased Assets Mortgage Agreement”	the agreement dated 20 December 2017 between Cinda Financial Leasing and Ruicheng GCL, pursuant to which Ruicheng GCL has mortgaged the Ruicheng Leased Assets to Cinda Financial Leasing
“Ruicheng Project”	the 100MW photovoltaic power station located in Ruicheng County, Yuncheng City, Shanxi Province, the PRC
“Ruicheng Security Deposit”	a refundable deposit of RMB36,000,000 payable by Ruicheng GCL under the Ruicheng Finance Lease
“Ruicheng Share Pledge Agreement”	the agreement dated 20 December 2017 between Cinda Financial Leasing and Suzhou GCL New Energy, pursuant to which Suzhou GCL New Energy has pledged 100% of the equity interest in Ruicheng GCL to Cinda Financial Leasing

DEFINITIONS

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended and supplemented from time to time
“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”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“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 subsidiary of the Company which is incorporated in the PRC with limited liability
“Suzhou GCL Huarong Guarantee”	the guarantee dated 23 October 2017 given by Suzhou GCL New Energy to Cinda Financial Leasing to secure Huarong GCL New Energy’s obligations under the Huarong Finance Lease
“Suzhou GCL Meng II Guarantee”	the guarantee dated 27 June 2017 given by Suzhou GCL New Energy to Cinda Financial Leasing to secure Meng County Puyang’s obligations under the Meng II Finance Lease
“Suzhou GCL Ruicheng Guarantee”	the guarantee dated 20 December 2017 from Suzhou GCL New Energy given to Cinda Financial Leasing in respect of Ruicheng GCL’s obligations under the Ruicheng Finance Lease
“Suzhou GCL Tongyu Guarantee”	the guarantee dated 28 June 2017 given by Suzhou GCL New Energy to Cinda Financial Leasing to secure Tongyu County Zanjia’s obligations under the Tongyu Finance Lease
“Suzhou GCL Yilian Guarantee”	the guarantee dated 27 June 2017 given by Suzhou GCL New Energy to Cinda Financial Leasing to secure Jilin Yilian GCL New Energy’s obligation under the Yilian Finance Lease
“Suzhou GCL Yulin Guarantee”	the guarantee dated 25 April 2018 given by Suzhou GCL New Energy to Cinda Financial Leasing to secure Yulin Longyuan obligations under the Yulin Finance Lease
“Suzhou GCL Zhuanglang Guarantee”	the guarantee dated 12 January 2018 given by Suzhou GCL New Energy to Cinda Financial Leasing to secure Zhuanglang Guangyuan obligations under the Zhuanglang Finance Lease

DEFINITIONS

“Tongyu County Zanjia”	Tongyu County Zanjia Poultry Industry Technology Company Limited* (通榆縣咱家家禽業科技有限公司), an indirect subsidiary of the Company which is incorporated in the PRC with limited liability
“Tongyu Electricity Fee Pledge Agreement”	the agreement dated 28 June 2017 between Cinda Financial Leasing and Tongyu County Zanjia, pursuant to which Tongyu County Zanjia pledged to Cinda Financial Leasing 100% of its right to electricity fees in relation to the Tongyu Project
“Tongyu Finance Lease”	the agreement dated 28 June 2017 between Cinda Financial Leasing and Tongyu County Zanjia in relation to the leasing of the Tongyu Leased Assets
“Tongyu Finance Lease Agreements”	the Tongyu Finance Lease, the Nanjing GCL Tongyu Guarantee, the Suzhou GCL Tongyu Guarantee, the Tongyu Leased Assets Mortgage Agreement, the Tongyu Electricity Fee Pledge Agreement and the Tongyu Share Pledge Agreement
“Tongyu Leased Assets”	certain solar modules, inverters, transformers, cables cabinets, monitoring systems and other photovoltaic equipment and installations used by Tongyu County Zanjia for the Tongyu Project
“Tongyu Leased Assets Mortgage Agreement”	the agreement dated 28 June 2017 between Cinda Financial Leasing and Tongyu County Zanjia, pursuant to which Tongyu County Zanjia mortgaged the Tongyu Leased Assets to Cinda Financial Leasing
“Tongyu Project”	15MW animal husbandry photovoltaic solar power station project located in Bianzhao Town in Tongyu County, Jilin Province, the PRC
“Tongyu Security Deposit”	a refundable security deposit of RMB8,400,000 payable by Tongyu County Zanjia under the Tongyu Finance Lease
“Tongyu Share Pledge Agreement”	the agreement dated 28 June 2017 between Cinda Financial Leasing and Suzhou GCL New Energy, pursuant to which Suzhou GCL New Energy pledged 100% of the equity interest in Tongyu County Zanjia to Cinda Financial Leasing
“Trust Companies”	Highexcel Investments Limited, Get Famous Investments Limited and Happy Genius Holdings Limited
“Xi’an Datang Electric”	Xi’an Datang Electric Power Design and Research Institute Co., Ltd.* (西安大唐電力設計研究院有限公司), a company incorporated in the PRC with limited liability

DEFINITIONS

“Yilian Electricity Fee Pledge Agreement”	the agreement dated 27 June 2017 between Cinda Financial Leasing and Jilin Yilian GCL New Energy, pursuant to which Jilin Yilian GCL New Energy pledged to Cinda Financial Leasing 100% of its right to electricity fees in relation to the Yilian Project
“Yilian Finance Lease”	the agreement dated 27 June 2017 between Cinda Financial Leasing and Jilin Yilian GCL New Energy in relation to the leasing of the Yilian Leased Assets
“Yilian Finance Lease Agreements”	the Yilian Finance Lease, the Suzhou GCL Yilian Guarantee, the Yilian Leased Assets Mortgage Agreement, the Yilian Electricity Fee Pledge Agreement and the Yilian Share Pledge Agreement
“Yilian Leased Assets”	certain solar modules, inverters, transformers, cables cabinets, monitoring systems and other photovoltaic equipment and installations used by Jilin Yilian GCL New Energy for the Yilian Project
“Yilian Leased Assets Mortgage Agreement”	the agreement dated 27 June 2017 between Cinda Financial Leasing and Jilin Yilian GCL New Energy, pursuant to which Jilin Yilian GCL New Energy mortgaged the Yilian Leased Assets to Cinda Financial Leasing
“Yilian Project”	the 10MW photovoltaic power station project located in Heiyupao Town in Zhenlai County, Jilin Province, the PRC
“Yilian Security Deposit”	a refundable security deposit of RMB4,800,000 payable by Jilin Yilian GCL New Energy under the Yilian Finance Lease
“Yilian Share Pledge Agreement”	the agreement dated 27 June 2017 between Cinda Financial Leasing and Jilin Yilian GCL New Energy, pursuant to which Suzhou GCL New Energy pledged 100% of the equity interest in Jilin Yilian GCL New Energy to Cinda Financial Leasing
“Yulin Electricity Fee Pledge Agreement”	the agreement dated 25 April 2018 between Cinda Financial Leasing and Yulin Longyuan, pursuant to which Yulin Longyuan pledged to Cinda Financial Leasing 100% of its right to electricity fees in relation to the Yulin Project
“Yulin Finance Lease”	the agreement dated 25 April 2018 between Cinda Financial Leasing and Yulin Longyuan in relation to the leasing of the Yulin Leased Assets

DEFINITIONS

“Yulin Finance Lease Agreements”	the Yulin Finance Lease, the Nanjing GCL Yulin Guarantee, the Suzhou GCL Yulin Guarantee, the Yulin Leased Assets Mortgage Agreement, the Yulin Electricity Fee Pledge Agreement and the Yulin Share Pledge Agreement
“Yulin Leased Assets”	certain solar modules, inverters, transformers, cables cabinets, monitoring systems and other photovoltaic equipment and installations used by Yulin Longyuan for the Yulin Project
“Yulin Leased Assets Mortgage Agreement”	the agreement dated 25 April 2018 between Cinda Financial Leasing and Yulin Longyuan, pursuant to which Yulin Longyuan mortgaged the Yulin Leased Assets to Cinda Financial Leasing
“Yulin Longyuan”	Yulin Longyuan Photovoltaic Power Co., Ltd.* (榆林隆源光伏電力有限公司), an indirect subsidiary of the Company which is incorporated in the PRC with limited liability
“Yulin Project”	the 200MW photovoltaic power station project located in Xiao Hao Tu Village of Yuyang County of Yulin City of Shanxi Province the PRC
“Yulin Security Deposit”	a refundable security deposit of RMB42,000,000.00 payable by Yulin Longyuan under the Yulin Finance Lease
“Yulin Share Pledge Agreement”	the agreement dated 25 April 2018 between Cinda Financial Leasing and Yulin Longyuan, pursuant to which Suzhou GCL New Energy pledged 100% of the equity interest in Yulin Longyuan to Cinda Financial Leasing
“Zhuanglang Electricity Fee Pledge Agreement”	the agreement dated 12 January 2018 between Cinda Financial Leasing and Zhuanglang Guangyuan, pursuant to which Zhuanglang Guangyuan pledged to Cinda Financial Leasing 100% of its right to electricity fees in relation to the Zhuanglang Project
“Zhuanglang Equipment Purchase Agreement”	the equipment purchase agreement dated 25 April 2018 between Zhuanglang Guangyuan, Nanjing GCL New Energy and Cinda Financial Leasing, pursuant to which Cinda Financial Leasing agreed to purchase the Zhuanglang Leased Assets from Nanjing GCL New Energy
“Zhuanglang Finance Lease”	the agreement dated 12 January 2018 between Cinda Financial Leasing and Zhuanglang Guangyuan in relation to the leasing of the Zhuanglang Leased Assets

DEFINITIONS

“Zhuanglang Finance Lease Agreements”	the Zhuanglang Finance Lease, the Zhuanglang Equipment Purchase Agreement, the Nanjing GCL Zhuanglang Guarantee, the Suzhou GCL Zhuanglang Guarantee, the Zhuanglang Leased Assets Mortgage Agreement, the Zhuanglang Electricity Fee Pledge Agreement and the Zhuanglang Share Pledge Agreement
“Zhuanglang Guangyuan”	Zhuanglang Guangyuan Photovoltaic Power Co., Ltd.* (莊浪光原光伏發電有限公司), an indirect subsidiary of the Company which is incorporated in the PRC with limited liability
“Zhuanglang Leased Assets”	certain solar modules, inverters, transformers, cables cabinets, monitoring systems and other photovoltaic equipment and installations used by Zhuanglang Guangyuan for the Zhuanglang Project
“Zhuanglang Leased Assets Mortgage Agreement”	the agreement dated 12 January 2018 between Cinda Financial Leasing and Zhuanglang Guangyuan, pursuant to which Zhuanglang Guangyuan mortgaged the Zhuanglang Leased Assets to Cinda Financial Leasing
“Zhuanglang Project”	the 35 MW photovoltaic power station project located in Wan Quan Town of Zhuanglang County of Pingliang City of Gansu Province the PRC
“Zhuanglang Security Deposit”	a refundable security deposit of RMB13,600,000 payable by Zhuanglang Guangyuan under the Zhuanglang Finance Lease
“Zhuanglang Share Pledge Agreement”	the agreement dated 12 January 2018 between Cinda Financial Leasing and Zhuanglang Guangyuan, pursuant to which Suzhou GCL New Energy pledged 100% of the equity interest in Zhuanglang Guangyuan to Cinda Financial Leasing
“%”	per cent.

* For identification purposes only.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Zhu Yufeng
Mr. Sun Xingping
Ms. Hu Xiaoyan
Mr. Tong Wan Sze

Registered office:

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2 Church Street
Hamilton HM 11
Bermuda

Non-executive Directors:

Ms. Sun Wei
Mr. Sha Hongqiu
Mr. Yeung Man Chung, Charles
Mr. He Deyong

*Head office and principal place of
business in Hong Kong:*

Unit 1701B-1702A, Level 17
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

Independent non-executive Directors:

Mr. Wang Bohua
Mr. Xu Songda
Mr. Lee Conway Kong Wai
Mr. Wang Yanguo
Dr. Chen Ying

14 May 2018

To the Shareholders

MAJOR TRANSACTION WITH CINDA FINANCIAL LEASING CO., LTD.*

INTRODUCTION

On 25 April 2018, the Group entered into the Yulin Finance Lease Agreements, pursuant to which (i) Cinda Financial Leasing conditionally agreed to purchase the Yulin Leased Assets from Yulin Longyuan at a consideration of RMB600,000,000; and (ii) following the acquisition, Cinda Financial Leasing, as the lessor, conditionally agreed to lease the Yulin Leased Assets to Yulin Longyuan, as the lessee, for a term of 9 years at an aggregated estimated rent of RMB751,913,936. In addition, pursuant to the Yulin Finance Lease Agreements, Yulin Longyuan conditionally agreed to pay Cinda Financial Leasing a finance lease service fee of RMB59,400,000.

LETTER FROM THE BOARD

The Group also entered into Previous Finance Lease Agreements with Cinda Financial Leasing in the past 12 months.

As the highest applicable percentage ratio in respect of the Yulin Finance Lease Agreements and the Previous Finance Lease Agreements (in aggregate) exceeds 25% but is less than 100%, the entering into of the Yulin Finance Lease Agreements and the Previous Finance Lease Agreements (in aggregate) constitutes a major transaction for the Company and is subject to the reporting and announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The purpose of this circular is to provide you with (i) details of the Yulin Finance Lease Agreements and the Previous Finance Lease Agreements; and (ii) financial information of the Group and other information required under the Listing Rules.

1. YULIN FINANCE LEASE AGREEMENTS

Principal terms of the Yulin Finance Lease Agreements

- (i) **Date:** 25 April 2018
- (ii) **Parties:** (1) Lessee: Yulin Longyuan
(2) Lessor: Cinda Financial Leasing

(iii) *The Yulin Finance Lease*

Pursuant to the Yulin Finance Lease, (i) Cinda Financial Leasing conditionally agreed to purchase the Yulin Leased Assets from Yulin Longyuan at a consideration of RMB600,000,000; and (ii) following the acquisition, Cinda Financial Leasing, as the lessor, conditionally agreed to lease the Yulin Leased Assets to Yulin Longyuan, as the lessees, for a term of 9 years at an aggregate estimated rent of approximately RMB751,913,936.

(iv) *Payment of Rent and Service Fee*

The estimated aggregate amount of rent payable by Yulin Longyuan to Cinda Financial Leasing under the Yulin Finance Lease Agreements is RMB751,913,936 and shall be payable in a total of 36 quarterly instalments. The interest rate under the Yulin Finance Lease was calculated at an annualised interest rate of 4.9%. During the term of the Yulin Finance Lease, if the applicable benchmark lending rate promulgated by the PBOC for a terms of nine years is adjusted, the interest rate shall be adjusted proportionally in the same direction.

In addition, Yulin Longyuan conditionally agreed to pay a finance lease service fee to Cinda Financial Leasing in the amount of RMB59,400,000 and shall be payable in a total of 9 instalments.

LETTER FROM THE BOARD

The terms of the Yulin Finance Lease including the lease rent, the lease interest rate and the finance lease service fee were determined after arm's length negotiation between Cinda Financial Leasing and the Yulin Longyuan 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 Yulin Leased Assets payable by Cinda Financial Leasing under the Yulin Finance Lease 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 Cinda Financial Leasing.

(v) *Ownership of the Yulin Leased Assets*

During the term of the Yulin Finance Lease, the ownership of the Yulin Leased Assets shall vest in Cinda Financial Leasing. Upon expiry of the term of the Yulin 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 Yulin Finance Lease, Yulin Longyuan shall have the right to purchase the Yulin Leased Assets from Cinda Financial Leasing for nominal purchase price of RMB100.

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

The obligations under the Yulin Finance Lease are secured by the Yulin Security Deposit, the Nanjing GCL Yulin Guarantee, the Suzhou GCL Yulin Guarantee, the Yulin Electricity Fee Pledge Agreement, the Yulin Share Pledge Agreement and the Yulin Leased Assets Mortgage Agreement.

2. THE PREVIOUS FINANCE LEASE AGREEMENTS

A. Principal terms of the Zhuanglang Finance Lease Agreements

- (i) *Date:*** 12 January 2018
- (ii) *Parties:***
- | | |
|---------------------------|-------------------------|
| (1) Lessee: | Zhuanglang Guangyuan |
| (2) Lessor and Purchaser: | Cinda Financial Leasing |
| (3) Seller: | Nanjing GCL New Energy |
- (iii) *The Zhuanglang Finance Lease and the Zhuanglang Equipment Purchase Agreement***

Pursuant to the Zhuanglang Finance Lease and the Zhuanglang Equipment Purchase Agreement, (i) Cinda Financial Leasing purchased the Zhuanglang Leased Assets from Nanjing GCL New Energy at a consideration of RMB170,000,000; and (ii) following the acquisition, Cinda Financial Leasing, as the lessor, leased the Zhuanglang Leased Assets to Zhuanglang Guangyuan, as the lessee, for a term of 8 years at an aggregate estimated rent of approximately RMB207,996,335.

LETTER FROM THE BOARD

(iv) Payment of Rent and Service Fee

The estimated aggregate amount of rent payable by Zhuanglang Guangyuan to Cinda Financial Leasing under the Zhuanglang Finance Lease is RMB207,996,335, of which (i) RMB147,062,890 shall be payable in 32 quarterly installments; and (ii) RMB60,933,445 shall be payable in a total of 31 quarterly instalments. The interest rate under the Zhuanglang Finance Lease was calculated at an annualised interest rate of 4.9%. During the term of the Zhuanglang Finance Lease, if the applicable benchmark lending rate promulgated by the PBOC for a terms of eight years is adjusted, the interest rate shall be adjusted proportionally in the same direction.

In addition, Zhuanglang Guangyuan shall pay a finance lease service fee to Cinda Financial Leasing in the amount of RMB13,475,000 and shall be payable in a total of 8 instalments.

The terms of the Zhuanglang Finance Lease including the lease rent, lease interest rate and the finance lease service fee were determined after arm's length negotiation between Cinda Financial Leasing and Zhuanglang Guangyuan 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 Zhuanglang Leased Assets payable by Cinda Financial Leasing under the Zhuanglang Equipment 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 Cinda Financial Leasing.

(v) Ownership of the Zhuanglang Leased Assets

During the term of the Zhuanglang Finance Lease, the ownership of the Zhuanglang Leased Assets shall vest in Cinda Financial Leasing. Upon expiry of the term of the Zhuanglang 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 Zhuanglang Finance Lease, Zhuanglang Guangyuan shall have the right to purchase the Zhuanglang Leased Assets from Cinda Financial Leasing for nominal purchase price of RMB100.

(vi) Security Arrangements for the Zhuanglang Finance Lease

The obligations of Zhuanglang Guangyuan under the Zhuanglang Finance Lease is secured by the Zhuanglang Security Deposit, the Nanjing GCL Zhuanglang Guarantee, the Suzhou GCL Zhuanglang Guarantee, the Zhuanglang Electricity Fee Pledge Agreement, the Zhuanglang Share Pledge Agreement and the Zhuanglang Leased Assets Mortgage Agreement.

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B. Principal terms of the Ruicheng Finance Lease Agreements

- (i) *Date:* 20 December 2017
- (ii) *Parties:* (1) Lessee and Seller: Ruicheng GCL
(2) Lessor and Purchaser: Cinda Financial Leasing
- (iii) *The Ruicheng Finance Lease*

Pursuant to the Ruicheng Finance Lease, (i) Cinda Financial Leasing purchased the Ruicheng Leased Assets from Ruicheng GCL at a consideration of RMB450,000,000; and (ii) following the acquisition, Cinda Financial Leasing, as the lessor, leased the Ruicheng Leased Assets to Ruicheng GCL, as the lessee, for a term of 8 years at an aggregate estimated rent of approximately RMB551,485,838.

(iv) *Payment of Rent and Service Fee*

The estimated aggregate amount of rent payable by Ruicheng GCL to Cinda Financial Leasing under the Ruicheng Finance Lease is RMB551,485,838 and shall be payable in a total of 32 quarterly instalments.

The interest rate under the Ruicheng Finance Lease was calculated at an annualized interest rate of 4.9%. During the term of the Ruicheng Finance Lease, if the applicable benchmark lending rate promulgated by the PBOC for a term of eight years is adjusted, the interest rate shall be adjusted proportionally in the same direction.

In addition, Ruicheng GCL shall pay a finance lease service fee to Cinda Financial Leasing in the amount of RMB36,000,000 and shall be payable in 8 instalments.

The terms of the Ruicheng Finance Lease including the lease rent, lease interest rate and the finance lease service fee were determined after arm's length negotiation between Cinda Financial Leasing and Ruicheng 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 Ruicheng Leased Assets payable by Cinda Financial Leasing under the Ruicheng Finance Lease 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 Cinda Financial Leasing.

(v) *Ownership of the Ruicheng Leased Assets*

During the term of the Ruicheng Finance Lease, the ownership of the Ruicheng Leased Assets shall vest in Cinda Financial Leasing. Upon expiry of the term of the Ruicheng Finance Lease and subject to the full payment of the entire amount of the lease rent and interest and

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any other amounts due under the Ruicheng Finance Lease, Ruicheng GCL shall have the right to purchase the Ruicheng Leased Assets from Cinda Financial Leasing for nominal purchase price of RMB100.

(vi) Security Arrangements for the Ruicheng Finance Lease

The obligations under the Ruicheng Finance Lease are secured by the Ruicheng Security Deposit, the Suzhou GCL Ruicheng Guarantee, the Nanjing GCL Ruicheng Guarantee, the Ruicheng Leased Assets Mortgage Agreement, the Ruicheng Share Pledge Agreement and the Ruicheng Electricity Fee Pledge Agreement.

C. Principal terms of the Huarong Finance Lease Agreements

(i) Date: 23 October 2017

(ii) Parties:

(1) Lessee and Seller:	Huarong GCL New Energy
(2) Lessor and Purchaser:	Cinda Financial Leasing
(3) Seller:	Xi'an Datang Electric
(4) Supplier:	Nanjing GCL New Energy

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

Pursuant to the Huarong Finance Lease and the Huarong Sale and Purchase Agreement, (i) Cinda Financial Leasing purchased the Huarong Leased Assets from Xi'an Datang Electric at a consideration of RMB554,597,773, of which RMB550,000,000 shall be payable by Cinda Financial Leasing and the remainder shall be payable by Huarong GCL New Energy; (ii) following the acquisition, Cinda Financial Leasing, as the lessor, leased the Huarong Leased Assets to Huarong GCL New Energy, as the lessee, for a term of 8 years at an aggregate estimated rent of RMB676,642,770.

(iv) Payment of Rent and Service Fee

The estimated aggregate amount of rent payable by Huarong GCL New Energy to Cinda Financial Leasing under the Huarong Finance Lease Agreements is RMB676,642,770 and shall be payable in a total of 32 quarterly instalments.

The interest rate under the Huarong Finance Lease was calculated at an annualised interest rate of 4.998%. During the term of the Huarong Finance Lease, if the applicable benchmark lending rate promulgated by the PBOC for a term of eight years is adjusted, the interest rate shall be adjusted proportionally in the same direction.

In addition, Huarong GCL New Energy has agreed to pay a finance lease service fee to Cinda Financial Leasing of RMB48,400,000 and shall be payable in 8 instalments.

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The terms of the Huarong Finance Lease including the lease rent, lease interest rate and finance lease service fee were determined after arm's length negotiation between Cinda Financial Leasing and Huarong GCL New Energy 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 Huarong Leased Assets payable by Cinda Financial Leasing and Huarong GCL New Energy under the Huarong 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 Cinda Financial Leasing.

(v) *Ownership of the Huarong Leased Assets*

During the term of the Huarong Finance Lease, the ownership of the Huarong Leased Assets shall vest in Cinda Financial Leasing. Upon expiry of the term of the Huarong 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 Huarong Finance Lease, Huarong GCL New Energy shall have the right to purchase the Huarong Leased Assets from Cinda Financial Leasing for nominal purchase price of RMB100.

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

The obligations under the Huarong Finance Lease are secured by the Huarong Security Deposit, the Suzhou GCL Huarong Guarantee, the Nanjing GCL Huarong Guarantee, the Huarong Leased Assets Mortgage Agreement, the Huarong Land Use Rights Pledge Agreement, the Huarong Share Pledge Agreement and the Huarong Electricity Fee Pledge Agreement.

D. Principal terms of the Meng II Finance Lease Agreements

(i) *Date:* 27 June 2017

(ii) *Parties:* (1) Lessee: Meng County Puyang
(2) Lessor: Cinda Financial Leasing

(iii) *The Meng II Finance Lease and the Meng II Sale and Purchase Agreement*

Pursuant to the terms of the Meng II Finance Lease and the Meng II Sale and Purchase Agreement, (i) Cinda Financial Leasing and Meng County Puyang purchased the Meng II Leased Assets from Nanjing GCL New Energy at a consideration of RMB48,878,699, of which RMB48,000,000 was payable by Cinda Financial Leasing and RMB878,699 was payable by Meng County Puyang; and (ii) following the acquisition, Cinda Financial Leasing, as the lessor, leased the Meng II Leased Assets to Meng County Puyang, as the lessee, for a term of 8 years at an aggregate estimated rent of RMB58,694,242.

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(iv) Payment of Rent and Service Fee

The estimated aggregate amount of rent payable by Meng County Puyang to Cinda Financial Leasing under the Meng II Finance Lease Agreements is RMB58,694,242, of which, RMB52,942,650 shall be payable in a total of 32 quarterly instalments and RMB5,751,592 shall be payable in a total of 28 quarterly instalments.

The interest rate under the Meng II Finance Lease was calculated at an annualized interest rate of 4.9%. During the term of the Meng II Finance Lease, if the applicable benchmark lending rate promulgated by the PBOC for a term of seven years and a term of eight years is adjusted, the interest rate shall be adjusted proportionally in the same direction.

In addition, Meng County Puyang agreed to pay a finance lease service fee to Cinda Financial Leasing of RMB3,792,000, of which, RMB3,456,000 shall be payable in a total of 8 instalments and RMB336,000 shall be payable in a total of 7 instalments.

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

The price for the purchase of the Meng II Leased Assets payable by Cinda Financial Leasing under the Meng II 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 Cinda Financial Leasing.

(v) Ownership of the Meng II Leased Assets

During the term of the Meng II Finance Lease, the ownership of the Meng II Leased Assets shall vest in Cinda Financial Leasing. Upon expiry of the term of the Meng II 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 Meng II Finance Lease, Meng County Puyang shall have the right to purchase the Meng II Leased Assets from Cinda Financial Leasing for nominal purchase price of RMB100.

(vi) Security Arrangements for the Meng II Finance Lease

The obligations under the Meng II Finance Lease are secured by the Meng II Security Deposit, the Suzhou GCL Meng II Guarantee, the Meng II Leased Assets Mortgage Agreement, the the Meng II Electricity Fee Pledge Agreement and the Meng II Repurchase Agreement.

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E. Principal terms of the Yilian Finance Lease Agreements

- (i) **Date:** 27 June 2017
- (ii) **Parties:** (1) Lessee: Jilin Yilian GCL New Energy
(2) Lessor: Cinda Financial Leasing

(iii) *The Yilian Finance Lease*

Pursuant to the terms of the Yilian Finance Lease, (i) Cinda Financial Leasing purchased the Yilian Leased Assets from Jilin Yilian GCL New Energy at a consideration of RMB60,000,000; and (ii) following the acquisition, Cinda Financial Leasing, as the lessor, leased the Yilian Leased Assets to Jilin Yilian GCL New Energy, as the lessee, for a term of 8 years at an aggregate estimated rent of RMB73,531,440.

(iv) *Payment of Rent and Service Fee*

The estimated aggregate amount of rent payable by Jilin Yilian GCL New Energy to Cinda Financial Leasing under the Yilian Finance Lease Agreements is RMB73,531,445 and shall be payable in a total of 32 quarterly instalments.

The interest rate under the Yilian Finance Lease was calculated at an annualized interest rate of 4.9%. During the term of the Yilian Finance Lease, if the applicable benchmark lending rate promulgated by the PBOC for a term of eight years is adjusted, the interest rate shall be adjusted proportionally in the same direction.

In addition, Jilin Yilian GCL New Energy agreed to pay a finance lease service fee to Cinda Financial Leasing of RMB4,800,000 and shall be payable in 8 instalments.

The terms of the Yilian Finance Lease including the lease rent, lease interest rate and finance lease service fee were determined after arm's length negotiation between Cinda Financial Leasing and Jilin Yilian GCL New Energy 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 Yilian Leased Assets payable by Cinda Financial Leasing under the Yilian Finance Lease 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 Cinda Financial Leasing.

(v) *Ownership of the Yilian Leased Assets*

During the term of the Yilian Finance Lease, the ownership of the Yilian Leased Assets shall vest in Cinda Financial Leasing. Upon expiry of the term of the Yilian Finance Lease and subject to the full payment of the entire amount of the lease rent and interest and any other

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amounts due under the Yilian Finance Lease, Yilian GCL New Energy shall have the right to purchase the Yilian Leased Assets from Cinda Financial Leasing for nominal purchase price of RMB100.

(vi) Security Arrangements for the Yilian Finance Lease

The obligations under the Yilian Finance Lease are secured by the Yilian Security Deposit, the Suzhou GCL Yilian Guarantee, the Nanjing GCL Yilian Guarantee, the Yilian Leased Assets Mortgage Agreement, the Yilian Share Pledge Agreement and the Yilian Electricity Fee Pledge Agreement.

F. Principal terms of the Tongyu Finance Lease Agreement

(i) Date: 28 June 2017

(ii) Parties: (1) Lessee and Seller: Tongyu County Zanjia
(2) Lessor and Purchaser: Cinda Financial Leasing

(iii) The Tongyu Finance Lease

Pursuant to the terms of the Tongyu Finance Lease, (i) Cinda Financial Leasing purchased the Tongyu Leased Assets from Tongyu County Zanjia at a consideration of RMB105,000,000; and (ii) following the acquisition, Cinda Financial Leasing, as the lessor, leased the Tongyu Leased Assets to Tongyu County Zanjia, as the lessee, for a term of 8 years at an aggregate estimated rent of RMB128,680,020.

(iv) Payment of Rent and Service Fee

The estimated aggregate amount of rent payable by Tongyu County Zanjia to Cinda Financial Leasing under the Tongyu Finance Lease Agreements is RMB128,680,020 and shall be payable in a total of 32 quarterly instalments.

The interest rate under the Tongyu Finance Lease was calculated at an annualized interest rate of 4.9%. During the term of the Tongyu Finance Lease, if the applicable benchmark lending rate promulgated by the PBOC for a term of eight years is adjusted, the interest rate shall be adjusted proportionally in the same direction.

In addition, Tongyu County Zanjia agreed to pay a finance lease service fee to Cinda Financial Leasing of RMB8,400,000 and shall be payable in 8 instalments.

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

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The price for the purchase of the Tongyu Leased Assets payable by Cinda Financial Leasing under the Tongyu Finance Lease 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 Cinda Financial Leasing.

(v) Ownership of the Tongyu Leased Assets

During the term of the Tongyu Finance Lease, the ownership of the Tongyu Leased Assets shall vest in Cinda Financial Leasing. Upon expiry of the term of the Tongyu 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 Tongyu Finance Lease, Tongyu County Zanjia shall have the right to purchase the Tongyu Leased Assets from Cinda Financial Leasing for nominal purchase price of RMB100.

(vi) Security Arrangements for the Tongyu Finance Lease

The obligations under the Tongyu Finance Lease are secured by the Tongyu Security Deposit, the Suzhou GCL Tongyu Guarantee, the Nanjing GCL Tongyu Guarantee, the Tongyu Leased Assets Mortgage Agreement, the Tongyu Share Pledge Agreement and the Tongyu Electricity Fee Pledge Agreement.

3. FINANCIAL IMPACT OF THE YULIN FINANCE LEASE AGREEMENTS AND THE PREVIOUS FINANCE LEASE AGREEMENTS

As a result of the transactions contemplated under the Yulin Finance Lease Agreements and the Previous Finance Lease Agreements which in substance are financing arrangements, it is expected that (i) the total assets of the Group will increase to reflect the sale proceeds of the Yulin Leased Assets, the Zhuanglang Leased Assets, the Ruicheng Leased Assets, the Huarong Leased Assets, the Meng II Leased Assets, the Yilian Leased Assets and the Tongyu Leased Assets of approximately RMB1,983,000,000, and there will be no financial impact on the fixed assets of the Group; and (ii) the total liabilities of the Group will increase to reflect the payment obligations of the Group under the Yulin Finance Lease Agreements and the Previous Finance Lease Agreements. The Company considers that there is no immediate material impact on the earnings of the Group as a result of the Yulin Finance Lease Agreements and the Previous Finance Lease Agreements. However, the interest elements of approximately RMB465,944,581 in aggregate and financial leasing services fees of approximately RMB174,267,000 in aggregate will be charged to the income statement of the Group over the lease period under the Yulin Finance Lease Agreements and the Previous Finance Lease Agreements. The sale of the Yulin Leased Assets, the Zhuanglang Leased Assets, the Ruicheng Leased Assets, the Huarong Leased Assets, the Meng II Leased Assets, the Yilian Leased Assets and the Tongyu Leased Assets is not expected to result in any gain or loss to the Group in its consolidated financial statements pursuant to applicable accounting principles.

The Directors consider that the consideration received for the Yulin Leased Assets, the Zhuanglang Leased Assets, the Ruicheng Leased Assets, the Huarong Leased Assets, the Meng II Leased Assets, the Yilian Leased Assets and the Tongyu Leased Assets will improve the liquidity of the Group.

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Save as described above, the Directors do not expect that the entering into of the Yulin Finance Lease Agreements and the Previous Finance Lease Agreements would have any material adverse financial impact on the earnings, assets and liabilities of the Group.

The funds received under the Yulin Finance Lease Agreements and the Previous Finance Lease Agreements will be used for project developments.

4. REASONS FOR AND BENEFITS OF THE YULIN FINANCE LEASE AGREEMENTS AND THE PREVIOUS FINANCE LEASE AGREEMENTS

The terms of the Yulin Finance Lease Agreements and the Previous 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 Yulin Finance Lease Agreements and the Previous Finance Lease Agreements provide the Company with additional liquidity by utilising its existing investments in its existing equipment and assets. The Company will benefit from additional working capital which can be used to fund other business and operation activities of the Group.

Based on the above reasons, the Directors believe and consider that the terms of the Yulin Finance Lease Agreements and the Previous 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.

5. INFORMATION ON THE PARTIES TO THE YULIN FINANCE LEASE AGREEMENTS AND THE PREVIOUS FINANCE LEASE AGREEMENTS

The Group

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

Cinda Financial Leasing

Cinda 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, Cinda Financial Leasing and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

6. LISTING RULES IMPLICATIONS

As none of the applicable percentage ratios in respect of the Zhuanglang Finance Lease Agreements, on a standalone basis, exceeds 5%, the entering into of the Zhuanglang Finance Lease Agreements does not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

As the highest applicable percentage ratio in respect of the Yulin Finance Lease Agreements, on a standalone basis, exceeds 5% but is less than 25%, the entering into of the Yulin Finance Lease Agreements constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

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As the Group entered into Previous Finance Lease Agreements with Cinda Financial Leasing within a 12-month period prior to and inclusive of the date of the Yulin Finance Lease Agreements, the Yulin Finance Lease Agreements and the Previous Finance Lease Agreements shall be aggregated as a series of transactions for the Company pursuant to Rule 14.22 of the Listing Rules.

As the highest applicable percentage ratio in respect of the Yulin Finance Lease Agreements and the Previous Finance Lease Agreements (in aggregate) exceeds 25% but is less than 100%, the entering into of the Yulin Finance Lease Agreements and the Previous Finance Lease Agreements (in aggregate) constitutes a major transaction for the Company and is subject to the reporting and announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

7. GENERAL

Pursuant to Rule 14.44 of the Listing Rules, shareholders' approval is required for a major transaction. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, none of the Shareholders has a material interest in the major transaction and therefore none of them would be required to abstain from voting if the Company were to convene a general meeting for approving the major transaction. Elite Time Global, being the controlling Shareholder holding 11,880,000,000 Shares or approximately 62.28% of the issued Shares and the Shareholders' voting rights as at the Latest Practicable Date, has given written approval for the major transaction. Pursuant to Rule 14.44 of the Listing Rules, the Shareholders' approval requirement is deemed to have been fulfilled and hence no separate general meeting will need to be convened for approving the major transaction.

8. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

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

1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for the year ended 31 December 2015, the audited consolidated financial statements of the Group for the year ended 31 December 2016 and the audited consolidated financial statements of the Group for the year ended 31 December 2017 together with the relevant notes thereto are disclosed in the following documents, which were published on both HKEx's website (www.hkexnews.hk) and the Company's website (www.gclnewenergy.com):

- the annual report of the Company for the year ended 31 December 2015 published on 20 April 2016 (pages 59-169);
- the annual report of the Company for the year ended 31 December 2016 published on 13 April 2017 (pages 79-186);
- the annual report of the Company for the year ended 31 December 2017 published on 16 April 2018 (pages 81-196);

2. STATEMENT OF INDEBTEDNESS AND CONTINGENT LIABILITIES OF THE GROUP

At the close of business on 31 March 2018, being the latest practicable date for the purpose of this indebtedness statement, the Group had the following outstanding borrowings:

	Secured	The Group Unsecured	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Carrying amount of bank and other borrowings	28,613,706	2,278,262	30,891,968
Carrying amount of bonds payable	–	4,029,050	4,029,050
Principal amount of convertible bonds	–	781,348	781,348
Principal amount of loans from fellow subsidiaries	–	1,069,169	1,069,169
	<u>28,613,706</u>	<u>8,157,829</u>	<u>36,771,535</u>

The Group's secured bank and other borrowings were secured by (i) the Group's property, plant and equipment; (ii) the Group's land use rights situated in the PRC; (iii) pledged bank and other deposits as at 31 March 2018; (iv) certain subsidiaries' trade receivables and fee collection rights in relation to the sales of electricity; (v) equity interest of fellow subsidiaries; and (vi) equity interests in some project companies.

At 31 March 2018, certain bank and other borrowings and bonds payable of the Group amounting to RMB32,425,822,000 are guaranteed individually or in combination by (i) fellow subsidiaries, (ii) the ultimate holding company, and (iii) entities within the Group. All other borrowings amounting to RMB4,345,713,000 are not guaranteed.

The Group's convertible bonds were issued on 27 May 2015 and 20 July 2015 at a nominal value of HK\$775,100,000 and HK\$200,000,000, respectively. The bonds mature three years from the date of issuance at its nominal value or can be converted into ordinary shares of the Company at a conversion price of HK\$0.754 per Share as adjusted pursuant to the terms of the convertible bonds. The convertible bonds are interest bearing at 6% per annum and carried at fair value. Unless previously redeemed, converted or purchased and cancelled, the Company will redeem all the principal amount of the convertible bonds outstanding on the maturity date at 112% of the outstanding principal amounts.

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables in the ordinary course of business, as at the close of business on 31 March 2018, the Group did not have any debt securities authorised or otherwise created but unissued, or any term loans, other borrowings or indebtedness in the nature of borrowing including bank overdrafts, loans, liabilities under acceptances (other than normal trade bills), acceptance credits, hire purchase commitments, mortgages or charges, material contingent liabilities or guarantees outstanding.

To the best of the knowledge of the Directors, having made all reasonable enquiries, there has been no material change in the level of indebtedness of the Group since 31 March 2018.

3. WORKING CAPITAL STATEMENT

According to the Group's cash flow projections, as at 31 March 2018, the total committed capital expenditures relating to the acquisition and construction of solar power plants to be settled in the coming 14 months ending 31 May 2019 amounted to approximately RMB9,499,531,000. As at 31 March 2018, the Group's total borrowings comprising bank and other borrowings, bonds payable, convertible bonds and loan from fellow subsidiaries amounted to approximately RMB36,771,535,000. In addition, the Group, subject to the availability of further financial resources, is currently looking for further opportunities to increase the scale of its solar power plant operations through mergers and acquisitions. In the event that the Group is successful in securing more solar power plant investments or expanding the investments in the existing solar power plants in the coming twelve months from the date of this circular, significant additional cash outflows will be required to settle further committed capital expenditures. The Group expects that such amounts will be funded through the following resources and/or measures which will generate adequate financing and operating cash flows for the Group.

The Directors have reviewed the Group's cash flow projections which cover a period of not less than twelve months from the date of this circular. They are of the opinion that the Group will have sufficient working capital to meet its financial obligations, including those committed capital expenditures relating to the solar power plants, that will be due in the coming twelve months from the date of this circular based on the Group's existing resources and upon successful implementation of the following measures which will generate adequate financing and operating cash inflows for the Group:

- (i) The management is continuously changing the Group's debt profile in obtaining long-term debts to repay the short-term borrowing or other current liabilities;
- (ii) On 23 January 2018, the Group issued senior notes of US\$500 million (equivalent to RMB3,376 million), which bear interest at 7.1% and mature on 30 January 2021. The net proceeds of the notes issuance, after deduction of underwriting discounts and commissions and

other expenses, amounted to approximately US\$493 million (equivalent to RMB3,221 million), have been used for the development of the Group's business operations, repayment of borrowings and other general corporate purposes. The Group is also negotiating with other private investors for additional financing in the form of equity or debt or a combination of both;

- (iii) The Group is implementing business strategies, among others, to transform its heavy-asset business model to a light-asset model by (i) partnering with other third-party strategic investors by setting up joint ventures for divesting certain of its existing wholly-owned power plant projects in exchange for cash proceeds or co-investing into new projects to reduce future capital expenditure requirement to the Group; (ii) divesting certain of its existing power plant projects to third parties under built-transfer-operate model; and (iii) striving for providing plant operation and maintenance services to those divested power plants for additional operating cashflow to the Group;
- (iv) The Group is currently negotiating with several banks in both Hong Kong and the PRC for additional financing. It has received detailed proposals from certain banks for banking facilities with repayment periods for more than one year. The Group also received letters of intent from certain other financial institutions which indicated that these financial institutions preliminarily agreed to offer credit facilities to the Group. The Group is also seeking other form of financing to improve liquidity;
- (v) On 20 November 2017, the Company entered into a non-legally binding co-operation framework agreement with Taiping Financial Holdings Company Limited, an overseas investment platform of China Taiping Insurance Group, pursuant to which Taiping Financial Holdings Company Limited agreed that it or its affiliate companies will lead the establishment of an investment fund with a fund size of approximately HK\$8,000 million (equivalent to RMB6,410 million), for the purpose of investing in the Company; and
- (vi) As at 31 March 2018, the Group has completed the construction of 167 solar power plants with approval for on-grid connection and it also has few solar power plants under construction targeting to achieve on-grid connection within the coming twelve months from the date of this circular. The abovementioned solar power plants have an aggregate installed capacity of approximately 6.3GW and are expected to generate operating cash inflows to the Group.

After taking into account the Group's business prospects, internal resources, and the available committed and uncommitted financing facilities and arrangements, equity issuance and transformation to light-asset model as mentioned above, the Directors are satisfied that, the Group has sufficient working capital for its present requirements for at least the next twelve months from the date of this circular.

Notwithstanding the above, significant uncertainties exist as to whether the Group can achieve the plans and measures described above. The sufficiency of the Group's working capital to satisfy its present requirements for at least the next twelve months from the date of this circular is highly dependent on the Group's ability to generate adequate financing and operating cash flows through successful renewal of its borrowings upon expiry, compliance with the covenants under the borrowing agreements or obtaining waiver from the relevant banks if the Group is not able to satisfy any of the covenant requirements, successful

securing of the financing from banks with repayment terms beyond twelve months from the date of this circular and other short-term or long-term financing; and the completion of the construction of the solar power plants to generate adequate cash inflows as scheduled.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Company since 31 December 2017, being the date to which the latest published audited financial results of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS

For the year ended 31 December 2017, the Group recorded a total revenue from continuing operations of approximately RMB3,942 million, whilst the total revenue from continuing operations for the year ended 31 December 2016 (the “**Prior Year**”) was approximately RMB2,246 million. Gross profit for the year ended 31 December 2017 was approximately RMB2,653 million and gross profit margin was approximately 67.3% whilst the gross profit and gross profit margin for Prior Year was approximately RMB1,571 million and 69.9%, respectively. Profit attributable to owners of the Company from continuing operations for the year ended 31 December 2017 amounted to approximately RMB764 million as compared to the profit attributable to owners of the Company from continuing operations of RMB299 million for Prior Year.

The Solar Energy Business, being the continuing operations of the Group, is the growth driver of the Group. As at 31 December 2017, the Group operated 162 solar power plants, compared to 90 plants in the same period of last year, spanning across different provinces in China and overseas. Total capacity reached approximately 5,990MW (31 December 2016: approximately 3,516MW), representing a year-on-year growth of approximately 70%. Grid-connected capacity has also significantly increased by approximately 75%, from 3,138MW as at 31 December 2016 to approximately 5,503MW as at 31 December 2017, and total sales of electricity was approximately 5,347 million kWh, a significant rise of approximately 92% compared to the same period of last year.

For the year ended 31 December 2017, the Group’s solar energy business delivered remarkable results by significantly adding an installed capacity of approximately 2,474MW. We are optimistic and confidence in the development of the solar energy industry. In 2018, the Group is aiming to increase its attributable installed capacity by 1 to 1.5GW.

Projects that completed on-grid power connection as at 31 December 2017:

	Tariff Zones	Number of solar power plant	Aggregate Installed Capacity ⁽¹⁾ (MW)	Grid-connected Capacity ⁽¹⁾ (MW)
Subsidiaries				
Inner Mongolia	1	11	391	391
Ningxia	1	5	252	201
Qinghai	1	3	107	107
Xinjiang	1	2	80	80
Sub-total	Zone 1	21	830	779
Shaanxi	2	13	822	822
Hebei	2	3	224	224
Qinghai	2	4	141	127
Shanxi	2	1	100	20
Yunnan	2	3	98	87
Sichuan	2	2	85	85
Gansu	2	2	55	25
Liaoning	2	2	40	40
Jilin	2	3	36	36
Xinjiang	2	1	21	21
Sub-total	Zone 2	34	1,622	1,487
Henan	3	11	513	493
Anhui	3	11	397	369
Shanxi	3	6	385	377
Jiangsu	3	29	331	320
Hubei	3	5	268	262
Hebei	3	8	213	208
Hunan	3	4	213	208
Jiangxi	3	4	192	171
Guangdong	3	5	176	66
Guizhou	3	3	174	171
Shandong	3	5	132	132
Guangxi	3	2	120	62
Zhejiang	3	2	62	62
Hainan	3	2	50	50
Fujian	3	1	40	14
Shanghai	3	1	7	7
Sub-total	Zone 3	99	3,273	2,972
PRC Sub-total		154	5,725	5,238
US		1	83	83
Japan		1	4	4
Subsidiaries total		156	5,812	5,325
Joint ventures				
PRC		3	173	173
Overseas		3	5	5
Total		162	5,990	5,503

- (1) Aggregate installed capacity represents the maximum capacity that approved by the local government authorities while grid-connected capacity represents that the actual capacity connected to the State Grid.

As a leading solar enterprise, the Group will continue to expand its business in China while increasing its overseas presence through a prudence approach to selectively allocate resources to unlock the enormous potentials in countries along the “One Belt, One Road” route.

Led by a strong management team, the Group will strive to reduce costs of construction, development, operations and maintenance and grow its business through its in-house development capabilities to build a sound model for sustainable development, while honing its long-term competitiveness. The Group’s revenue and profit are expected to grow in step with its development.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(i) Interests of Directors and chief executives of the Company

As at the Latest Practicable Date, the interests and short positions of each Director and chief executive of the Company in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning in Part XV of the SFO) which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of SFO); (ii) required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

(a) Long positions in the Shares

Name of Director	Beneficiary of a trust	Personal interests	Number of Shares		Approximate percentage of issued Shares
			Number of underlying Shares (Note 1)	Total	
Mr. ZHU Yufeng			3,523,100	3,523,100	0.02%
	1,909,978,301 (Note 2)			1,909,978,301	10.01%
Mr. SUN Xingping			16,105,600	16,105,600	0.08%
Ms. HU Xiaoyan			19,125,400	19,125,400	0.10%
Mr. TONG Wan Sze			8,052,800	8,052,800	0.04%
Ms. SUN Wei			27,178,200	27,178,200	0.14%
Mr. SHA Hongqiu		3,000,000	8,052,800	11,052,800	0.06%
Mr. YEUNG Man Chung, Charles			15,099,000	15,099,000	0.08%
Mr. WANG Bohua			2,617,160	2,617,160	0.01%
Mr. XU Songda			2,617,160	2,617,160	0.01%
Mr. LEE Conway Kong Wai			2,617,160	2,617,160	0.01%
Mr. WANG Yanguo			1,006,600	1,006,600	0.01%
Dr. CHEN Ying			1,006,600	1,006,600	0.01%

Notes:

- Adjustments have been made to the number of underlying Shares as a result of the rights issue with effect from 2 February 2016. Details can be referred to in the announcement of the Company dated 2 February 2016.
- 1,909,978,301 Shares were beneficially owned by Dongsheng Photovoltaic Technology (Hong Kong) Limited. Dongsheng Photovoltaic Technology (Hong Kong) Limited is wholly-owned by GCL System Integration which is controlled by Asia Pacific Energy Fund Limited. Asia Pacific Energy Fund Limited is held under a discretionary trust with Credit Suisse Trust Limited as trustee and Mr. Zhu Yufeng and his family members as beneficiaries.

(b) Long positions in shares of associated corporation*GCL-Poly*

Name of Director	Number of ordinary shares in GCL-Poly				Total	Approximate percentage of issued shares
	Beneficiary of a trust	Corporate interests	Personal interests	Number of underlying shares		
Mr. ZHU Yufeng	6,197,054,822 <i>(Note 1)</i>	-	-	175,851,259 <i>(Notes 1, 2 & 3)</i>	6,372,906,081	34.28%
Ms. SUN Wei	-	-	5,723,000	3,222,944 <i>(Note 2)</i>	8,945,944	0.05%
Mr. YEUNG Man Chung, Charles	-	-	-	1,700,000 <i>(Note 2)</i>	1,700,000	0.01%

Notes:

- Mr. Zhu Yufeng is beneficially interested in a trust as to 6,370,388,156 shares in GCL-Poly. Of these interest of 6,370,388,156 shares in GCL-Poly, 366,880,131 shares in GCL-Poly, 13,200,000 shares in GCL-Poly and 5,990,308,025 shares in GCL-Poly are legally held by each of the Trust Companies, respectively. Each of the Trust Companies is wholly-owned by Golden Concord Group Limited, which in turn is wholly-owned by Asia Pacific Energy Holdings Limited. Asia Pacific Energy Holdings Limited is in turn wholly-owned by Asia Pacific Energy Fund Limited, which itself is held under a discretionary trust with Credit Suisse Trust Limited as trustee and Mr. Zhu Gongshan (a director and the chairman of GCL-Poly) and his family (including Mr. Zhu Yufeng, a director of GCL-Poly and the son of Mr. Zhu Gongshan) as beneficiaries. Of the 6,370,388,156 shares in GCL-Poly as stated above, 242,666,667 shares in GCL-Poly are legally held by PAA as the shares in GCL-Poly borrowed by it from Happy Genius Holdings Limited pursuant to the securities lending agreement dated 27 November 2013 (as amended by a number of agreements) entered into between Happy Genius Holdings Limited as lender and PAA as borrower. On 7 April 2017, 69,333,333 shares in GCL-Poly lent under the said securities lending agreement have been returned. Accordingly, 173,333,334 shares in GCL-Poly are held by Happy Genius Holdings Limited in long position.

2. These are share options granted by GCL-Poly to the eligible persons, pursuant to the pre-IPO share option scheme and the share option scheme of GCL-Poly, both adopted by the shareholders of GCL-Poly on 22 October 2007. Such granted share options can be exercised by the eligible persons at various intervals during the period from 1 April 2009 to 28 March 2026 at an exercise price of HK\$0.586, HK\$1.160 or HK\$1.324 per share.
3. The 175,851,259 underlying shares of GCL-Poly comprises the long position of 173,333,334 shares of GCL-Poly held by Happy Genius Holdings Limited under Note (1) and 2,517,925 share options mentioned under Note (2) above.

Save as disclosed above, as at the Latest Practicable Date, none of the other Directors or the chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning in Part XV of the SFO) which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of SFO); (ii) required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Listing Rules to be notified to the Company and the Stock Exchange.

(ii) Interests of substantial Shareholders

As at the Latest Practicable Date, so far as is known to the Directors, the following persons (other than a Director or chief executive of the Company) had interest in the Shares of the Company as recorded in the register required to be kept by the Company under section 336 of the Part XV of the SFO:

Long positions in the Shares

Name	Nature of interest	Number of Shares	Approximate percentage in issued Shares
Elite Time Global (Note 1)	Beneficial owner	11,880,000,000	62.28%
GCL-Poly (Note 1)	Corporate interest	11,880,000,000	62.28%
Asia Pacific Energy Fund Limited (Note 2)	Corporate interest	1,909,978,301	10.01%
Asia Pacific Energy Holdings Limited (Note 2)	Corporate interest	1,909,978,301	10.01%
Credit Suisse Trust Limited (Note 2)	Corporate interest	1,909,978,301	10.01%
Dongsheng Photovoltaic Technology (Hong Kong) Limited (Note 2)	Corporate interest	1,909,978,301	10.01%
Golden Concord Group Limited (Note 2)	Corporate interest	1,909,978,301	10.01%
Golden Concord Group Management Limited (Note 2)	Corporate interest	1,909,978,301	10.01%
Zhu Gongshan (Note 2)	Beneficial owner	1,909,978,301	10.01%
上海其印投資管理有限公司 (Note 2)	Corporate interest	1,909,978,301	10.01%
協鑫新能科技(深圳)有限公司 (Note 2)	Corporate interest	1,909,978,301	10.01%
協鑫集團有限公司 (Note 2)	Corporate interest	1,909,978,301	10.01%
協鑫集成科技股份有限公司 (Note 2)	Corporate interest	1,909,978,301	10.01%
江蘇東昇光伏科技有限公司 (Note 2)	Corporate interest	1,909,978,301	10.01%
江蘇協鑫建設管理有限公司 (Note 2)	Corporate interest	1,909,978,301	10.01%
China Orient Asset Management Co., Ltd. (Note 3)	Corporate interest	1,027,984,084	5.39%

Notes:

1. Elite Time Global is wholly-owned by GCL-Poly.
2. Dongsheng Photovoltaic Technology (Hong Kong) Limited is wholly-owned by 江蘇東昇光伏科技有限公司, which is in turn wholly-owned by GCL System Integration. GCL System Integration is 50.59% owned by 協鑫集團有限公司. 協鑫集團有限公司 is wholly-owned by 江蘇協鑫建設管理有限公司, which in turn wholly-owned by 協鑫新能科技(深圳)有限公司. 協鑫新能科技(深圳)有限公司 is wholly-owned by GOLDEN CONCORD GROUP MANAGEMENT LIMITED which in turn wholly-owned by GOLDEN CONCORD GROUP LIMITED. GOLDEN CONCORD GROUP LIMITED is in turn wholly-owned by Asia Pacific Energy Holdings Limited which is in turn wholly-owned by Asia Pacific Energy Fund Limited. Asia Pacific Energy Fund Limited is held under a discretionary trust with Credit Suisse Trust Limited as trustee and Mr. Zhu Yufeng and his family members, including Mr. Zhu Gongshan as beneficiaries. 上海其印投資管理有限公司 is a concert party with 協鑫集團有限公司.
3. Talent Legend Holdings Ltd. holds outstanding convertible bonds in the aggregate principal amount of HK\$775,100,000 due on 27 May 2018. Talent Legend Holdings Ltd. is indirectly wholly-owned by China Orient Asset Management Co., Ltd.

Save as disclosed herein, as at the Latest Practicable Date, according to the register of interests required to be kept by the Company under section 336 of the SFO, the Company is not aware of any other persons who had any interest or short position in the Shares or underlying Shares.

3. DISCLOSURE OF OTHER INTERESTS OF THE DIRECTORS**(i) Interests in competing interests**

Each of the companies in the Concord Group (a general reference to the companies in which Mr. Zhu Yufeng and his family members have a direct or indirect interest) operates within its own legal, corporate and financial framework. As at the Latest Practicable Date, the Concord Group might have had or developed interests in business similar to those of the Group and there was a chance that such businesses might have competed with the businesses of the Group.

The Directors are fully aware of, and have been discharging, their fiduciary duty to the Company. The Company and the Directors would comply with the relevant requirements of the by-laws of the Company and the Listing Rules whenever a Director has any conflict of interest in the transaction(s) with the Company. Therefore, the Directors believe that the Company is capable of carrying out its business independently of, and at arm's length from the Concord Group.

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors and their respective close associates (has the same meaning ascribed to it under the Listing Rules) are considered to have interests in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group required to be disclosed under the Listing Rules.

(ii) Interests in contracts or arrangements

As at the Latest Practicable Date, none of the Directors was materially interested, directly or indirectly, in any subsisting contract or arrangement which was significant in relation to the business of the Group.

(iii) Interests in assets

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by, or leased to, or which were proposed to be acquired or disposed of by, or leased to, any member of the Group since 31 December 2017 (being the date to which the latest published audited consolidated financial statements of the Group were made up).

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered, or been proposed to enter, into any service contract with the Company or any other member of the Group which is not expiring or may not be terminable by the Group within one year without payment of compensation (other than statutory compensation).

5. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within the two years immediately preceding the Latest Practicable Date which are or may be material:

- (i) the underwriting agreement dated 18 July 2016 entered into between Suzhou GCL New Energy and Guotai Junan Securities Co. Ltd.* (國泰君安證券股份有限公司) in relation to the issuance of non-public corporate bonds to qualifying investors in the maximum principal amount of RMB2,000,000,000 on the Shanghai Stock Exchange (上海證券交易所) and certain other arrangements in respect of the non-public corporate bonds with a term of up to 3 years;
- (ii) the perpetual notes agreement dated 18 November 2016 entered into between Nanjing GCL New Energy and GCL-Poly (Suzhou) New Energy Co., Ltd.* (保利協鑫(蘇州)新能源有限公司), Jiangsu GCL Silicon Material Technology Development Co., Ltd. (江協鑫硅材料科技發展有限公司), Suzhou GCL Photovoltaic Technology Co., Ltd. (蘇州協鑫光伏科技有限公司) and Taicang GCL Photovoltaic Technology Co., Ltd. (太倉協鑫光伏科技有限公司) in relation to perpetual notes in the maximum amount of RMB1,800,000,000 with an indefinite term;
- (iii) the agreements in relation to the issuance of non-public green bonds by Suzhou GCL New Energy on 7 December 2016 in the PRC in the maximum principal amount of RMB1,750,000,000 with a term of not more than three years to not more than 200 qualifying investors on the Shenzhen Stock Exchange (深圳證券交易所);
- (iv) the sale and purchase agreement dated 30 December 2016 entered into between the Company and Mr. Yip Sum Yin in relation to the disposal of the entire equity interest in Same Time International (B.V.I.) Limited;
- (v) the joint venture agreement dated 3 March 2017 entered into between Suzhou GCL New Energy and GCL System Integration (Suzhou) Limited* (協鑫集成科技(蘇州)有限公司) in relation to the establishment of Suzhou GCL New Energy Photovoltaic Technology Co. Ltd. (蘇州協鑫新能源光伏科技有限公司) as a joint venture company in the PRC;
- (vi) the co-operation agreement dated 31 May 2017 entered into between Suzhou GCL New Energy and Fuyang New Energy Technology (Nanyang) Limited* (富陽新能源科技(南陽)有限公司) in relation to the acquisition of certain photovoltaic power station project companies;
- (vii) the co-operation framework agreement dated 20 November 2017 entered into between the Company and Taiping Financial Holdings Company Limited (太平金融控股有限公司) in relation to the establishment of an investment fund with a fund size of approximately HK\$8,000,000,000;
- (viii) the partnership agreement dated 21 November 2017 entered into between Suzhou GCL New Energy, Handan (Shanghai) Assets Management Co., Ltd.* (菡蓓(上海)資產管理有限公司), Guoyuan Securities Co., Ltd.* (國元證券股份有限公司), and Beijing Enterprises Photovoltaic

Development Company Limited* (北京北控光伏科技發展有限公司) in relation to the establishment of the Tongling Huiyin BE New Energy Investment Partnership Corporation (Limited Partnership)* (銅陵徽銀北控新能源投資合夥企業(有限合夥));

- (ix) the underwriting agreement dated 22 November 2017 entered into between Suzhou GCL New Energy, Industrial and Commercial Bank of China Limited and Huatai Securities Co., Ltd. in relation to the issuance of medium term notes, with an aggregate principal amount of not exceeding RMB3,000,000,000 and a maturity of three years to institutional investors of the national interbank bond market in the PRC;
- (x) the capital increase agreements dated 22 November 2017 entered into between Suzhou GCL New Energy, Nanjing GCL New Energy and Sumin Ruineng Wuxi Equity Investment Partnership (Limited Partnership)* (蘇民睿能無錫股權投資合夥企業(有限合夥)) in relation to the increase in the registered capital of Suzhou GCL New Energy in an aggregate amount of RMB1,500,000,000; and
- (xi) the purchase agreement dated 23 January 2018 entered into between the Company, certain non-PRC subsidiaries of the Group providing guarantees, Merrill Lynch (Asia Pacific) Limited, Haitong International Securities Company Limited, Credit Suisse (Hong Kong) Limited, Standard Chartered Bank, CLSA Limited, Orient Securities (Hong Kong) Limited, VTB Capital plc and SPDB International Capital Limited in relation to the issue of US\$500,000,000 7.1% senior notes due 2021.

6. CLAIMS AND LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

7. GENERAL

- (i) the registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (ii) the principal place of business of the Company in Hong Kong is situated at Unit 1701B-1702A, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.
- (iii) the branch share registrar and transfer office of the Company is Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (iv) the company secretary of the Company is Mr. Tong Wan Sze, who is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.
- (v) in case of inconsistencies, the English texts of this circular shall prevail over the Chinese texts thereof.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the principal place of business of the Company in Hong Kong at Unit 1701B-1702A, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong from 9:00 a.m. to 5:30 p.m. on any business day for a period of 14 days from the date of this circular:

- (i) the memorandum of association and bye-laws of the Company;
- (ii) the annual reports of the Company for each of the year ended 31 December 2015, 31 December 2016 and 31 December 2017;
- (iii) the material contracts referred to in the section headed “Material Contracts” in this appendix;
- (iv) the Yulin Finance Lease Agreements;
- (v) the Previous Finance Lease Agreements;
- (vi) the circular of the Company dated 9 May 2018 in relation to the major transaction with Xi’an Datang Electric Power Design and Research Institute Co., Ltd.*; and
- (vii) this circular.