

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 TRANSACTIONS DISPOSALS OF 80% EQUITY INTERESTS IN HUARONG GCL NEW ENERGY AND LINZHOU XINCHUANG

THE DISPOSALS

On 24 October 2018 (after trading hours), the Company's indirect subsidiary, Suzhou GCL New Energy, entered into the A Equity Transfer Agreement with CGN Solar, pursuant to which Suzhou GCL New Energy conditionally agreed to sell, and CGN Solar conditionally agreed to purchase, 80% equity interests in Huarong GCL New Energy and the corresponding shareholder's loan at a consideration of approximately RMB141.8 million.

On the same day (after trading hours), the Company's indirect subsidiary, Henan GCL New Energy, entered into the B Equity Transfer Agreement with CGN Solar, pursuant to which Henan GCL New Energy conditionally agreed to sell, and CGN Solar conditionally agreed to purchase, 80% equity interests in Linzhou Xinchuang and the corresponding shareholder's loan at a consideration of approximately RMB164.2 million.

LISTING RULES IMPLICATIONS

As none of the applicable percentage ratios in respect of each of the Equity Transfer Agreements exceeds 5%, the entering into of each of the Equity Transfer Agreements, on a standalone basis, does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As the Equity Transfer Agreements are entered into on the same day with CGN Solar, the Equity Transfer 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 Equity Transfer Agreements (in aggregate) exceeds 5% but is less than 25%, the entering into of the Equity Transfer Agreements (in aggregate) constitutes a disclosable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

BACKGROUND

On 24 October 2018 (after trading hours), the Company's indirect subsidiary, Suzhou GCL New Energy, entered into the A Equity Transfer Agreement with CGN Solar, pursuant to which Suzhou GCL New Energy conditionally agreed to sell and CGN Solar conditionally agreed to purchase 80% equity interests in Huarong GCL New Energy and the corresponding shareholder's loan at a consideration of approximately RMB141.8 million.

On the same day (after trading hours), the Company's indirect subsidiary, Henan GCL New Energy, entered into the B Equity Transfer Agreement with CGN Solar, pursuant to which Henan GCL New Energy conditionally agreed to sell and CGN Solar conditionally agreed to purchase 80% equity interests in Linzhou Xinchuang and the corresponding shareholder's loan at a consideration of approximately RMB164.2 million.

THE EQUITY TRANSFER AGREEMENTS

A EQUITY TRANSFER AGREEMENT

Date: 24 October 2018

Parties: (1) Vendor: Suzhou GCL New Energy
(2) Purchaser: CGN Solar

Subject matter

Pursuant to the A Equity Transfer Agreement, Suzhou GCL New Energy has conditionally agreed to sell, and CGN Solar has conditionally agreed to purchase, 80% equity interest in Huarong GCL New Energy and the corresponding shareholder's loan, subject to and upon the terms and conditions of the A Equity Transfer Agreement.

As at the date of this announcement, Huarong GCL New Energy is owned as to 100% by Suzhou GCL New Energy and upon completion of the Disposals, Huarong GCL New Energy will be owned as to 80% and 20% by CGN Solar and Suzhou GCL New Energy, respectively.

Consideration

Pursuant to the A Equity Transfer Agreement, the total consideration payable by CGN Solar to Suzhou GCL New Energy for the 80% equity interest in Huarong GCL New Energy is approximately RMB141.8 million, which consists of (i) the consideration for the 80% equity interest in Huarong GCL New Energy; and (ii) the consideration for 80% of the shareholder's loan owed by Huarong GCL New Energy to Suzhou GCL New Energy.

The consideration for the 80% equity interest in Huarong GCL New Energy was determined after arm's length negotiations between Suzhou GCL New Energy and CGN Solar, taking into account the financial performance of Huarong GCL New Energy. The consideration for the shareholder's loan owed by Huarong GCL New Energy to Suzhou GCL New Energy is determined according to the amount of the shareholder's loan owed by Huarong GCL New Energy to Suzhou GCL New Energy in pro-rata to the 80% equity interest as at 30 June 2018, which is approximately RMB22.7 million. The total consideration under the A Equity Transfer Agreement was determined after arm's length negotiations between the parties.

The consideration will be settled by CGN Solar in cash.

Adjustment to consideration

Pursuant to the A Equity Transfer Agreement, the consideration payable by CGN Solar to Suzhou GCL New Energy will be adjusted if the net asset value of Huarong GCL New Energy or the shareholder's loan owed by Huarong GCL New Energy to Suzhou GCL New Energy changes during the period between 30 June 2018 and the completion date under the A Equity Transfer Agreement. Pursuant to the A Equity Transfer Agreement, the consideration shall be adjusted if the following events happened during the period between 30 June 2018 and the completion date:

- (1) the consideration shall be decreased accordingly if Suzhou GCL New Energy distributes undistributed profits which results in a decrease in the net asset of Huarong GCL New Energy;
or
- (2) with the consent of CGN Solar, Huarong GCL New Energy borrows additional loan from Suzhou GCL New Energy so as to meet its production and operation costs arising from its ordinary and usual course of business which results in an increase in the shareholder's loan owed by Huarong GCL New Energy to Suzhou GCL New Energy, and thus the consideration shall be increased accordingly.

Conditions precedent

Completion of the disposal under the A Equity Transfer Agreement shall be conditional upon the satisfaction of the following conditions precedent:

- (1) the shareholder's approval of Huarong GCL New Energy and consent from Cinda Financial Leasing in relation to the transfer of equity interest in Huarong GCL New Energy having been obtained by Huarong GCL New Energy in accordance with the relevant financing agreement;
- (2) since 30 June 2018, there have been no events or are no existing events which will cause material adverse effect;
- (3) the representations and warranties provided by Suzhou GCL New Energy under the A Equity Transfer Agreement are true and accurate with no false or material omissions and are not misleading, and the terms of the A Equity Transfer Agreement have not been breached by Suzhou GCL New Energy;
- (4) the pledge on the equity interest of Huarong GCL New Energy having been released; and
- (5) an inspection report conducted by an qualified third party examiner on the Huarong Project to the satisfaction of both parties.

If the aforesaid conditions precedent are not fulfilled or waived by CGN Solar in writing on or before 31 December 2018, the A Equity Transfer Agreement will lapse and become null and void and CGN Solar shall be entitled to withdraw from the transaction.

Completion

Completion under the A Equity Transfer Agreement shall take place upon the satisfaction of the conditions precedent and within 30 days from the date of the A Equity Transfer Agreement (or such later date to be agreed between CGN Solar and Suzhou GCL New Energy).

Payment terms

Consideration under the A Equity Transfer Agreement shall be payable by CGN Solar in the following manner:

- (i) within 15 days following the completion of the registration of the transfer at the relevant PRC governmental authorities, CGN Solar shall pay Suzhou GCL New Energy the first payment of approximately RMB130.85 million; and
- (ii) the balance of RMB10.95 million shall be paid by CGN Solar upon satisfaction of certain conditions as stipulated under the A Equity Transfer Agreement.

Repayment of 20% of the shareholder's loan owed by Huarong GCL New Energy

Within 90 days following the completion of the registration of the transfer at the relevant PRC governmental authorities, CGN Solar shall procure Huarong GCL New Energy to pay approximately RMB5.66 million, representing 20% of the shareholder's loan owed by Huarong GCL New Energy to Suzhou GCL New Energy.

On-grid electricity guarantee

Suzhou GCL New Energy guaranteed that for the three-year period following the completion date under the A Equity Transfer Agreement, the Huarong Project shall generate an average on-grid electricity per year of not less than the guaranteed amount, being 11.54 million kWh as the basis of calculation of the guaranteed amount and is adjusted in accordance with the degradation rate of the solar panels from 30 June 2018 to the completion date. In the event that the Huarong Project fails to reach the aforesaid target, Suzhou GCL New Energy shall make up the loss suffered by CGN Solar and such guarantee shall extend for a period of three years. It is agreed that the loss shall first be paid from the dividend to be received by Suzhou GCL New Energy from Huarong GCL New Energy and any shortfall shall be paid by Suzhou GCL New Energy in cash.

CGN Huarong Put Option

Suzhou GCL New Energy has granted the CGN Huarong Put Option to CGN Solar, pursuant to which Suzhou GCL New Energy has agreed that (i) if the Huarong Project fails to generate an average annual on-grid electricity reaching 70% of the aforesaid on-grid electricity during the three-year period; (ii) if Huarong GCL New Energy fails to continue to receive PRC government subsidy for reasons unrelated to CGN Solar, Suzhou GCL New Energy shall repurchase the 80% equity interest in Huarong GCL New Energy from CGN Solar at an agreed repurchase price and replace all advancement from CGN Solar to Huarong GCL New Energy with its loan.

GNE Huarong Put Option

CGN Solar has granted the GNE Huarong Put Option to Suzhou GCL New Energy, pursuant to which CGN Solar has agreed to grant Suzhou GCL New Energy the right, but not an obligation, to request CGN Solar to purchase the remaining 20% equity interest in Huarong GCL New Energy upon the aforesaid guarantee being fulfilled.

Pledge of equity interest

Suzhou GCL New Energy and CGN Solar agreed that upon completion of the industrial and commerce registration of the transfer, each of them shall immediately pledge their respective equity interests in Huarong GCL New Energy in favour of Cinda Financial Leasing as security for the outstanding amount owed by Huarong GCL New Energy to Cinda Financial Leasing.

Shareholders' meeting of Huarong GCL New Energy

Except for certain matters specified in the A Equity Transfer Agreement which require unanimous consents of Suzhou GCL New Energy and CGN Solar to be considered and passed by the shareholders' meeting, all matters shall be passed by the shareholders' meeting with a simple majority.

Transfer restriction

Suzhou GCL New Energy agreed that, unless with the consent of CGN Solar or in certain situations as specified in the A Equity Transfer Agreement, Suzhou GCL New Energy shall not transfer its 20% equity interest in Huarong GCL New Energy to others.

Tag-along rights

In the event that CGN Solar intends to sell its equity interest in Huarong GCL New Energy to a third party which is not related to CGN Solar, Suzhou GCL New Energy shall be entitled to sell its equity interest in Huarong GCL New Energy on the same terms to such third party. CGN Solar shall not proceed with such transfer if the third party refuses to purchase the equity interest of Suzhou GCL New Energy on the same terms.

B EQUITY TRANSFER AGREEMENT

Date: 24 October 2018

Parties: (1) Vendor: Henan GCL New Energy
(2) Purchaser: CGN Solar

Subject matter

Pursuant to the B Equity Transfer Agreement, Henan GCL New Energy has conditionally agreed to sell and CGN Solar has conditionally agreed to purchase 80% equity interest in Linzhou Xinchuang and the corresponding shareholder's loan, subject to and upon the terms and conditions of the B Equity Transfer Agreement.

As at the date of this announcement, Linzhou Xinchuang is owned as to 100% by Henan GCL New Energy and upon completion of the Disposals, Linzhou Xinchuang will be owned as to 80% and 20% by CGN Solar and Henan GCL New Energy, respectively.

Consideration

Pursuant to the B Equity Transfer Agreement, the total consideration payable by CGN Solar to Henan GCL New Energy for the 80% equity interest in Linzhou Xinchuang is approximately RMB164.2 million, which consists of (i) the consideration for the 80% equity interest in Linzhou Xinchuang and (ii) the consideration for 80% of the shareholder's loan owed by Linzhou Xinchuang to Henan GCL New Energy.

The consideration for the 80% equity interest was determined after arm's length negotiations between Henan GCL New Energy and CGN Solar, taking into account the financial performance of Linzhou Xinchuang. The consideration for the shareholder's loan owed by Linzhou Xinchuang to Henan GCL New Energy is determined according to the amount of the shareholder's loan owed by Linzhou Xinchuang to Henan GCL New Energy pro-rata to the 80% equity interest as at 30 June 2018, which is approximately RMB70.7 million. The total consideration under the B Equity Transfer Agreement was determined after arm's length negotiations between the parties.

The consideration will be settled by CGN Solar in cash.

Adjustment to consideration

Pursuant to the B Equity Transfer Agreement, the consideration payable by CGN Solar to Henan GCL New Energy will be adjusted if the net asset value of Linzhou Xinchuang or the shareholder's loan owed by Linzhou Xinchuang to Henan GCL New Energy changes during the period between 30 June 2018 and the completion date under the B Equity Transfer Agreement. Pursuant to the B Equity Transfer Agreement, the consideration shall be adjusted if the following events happened during the period between 30 June 2018 and the completion date:

- (1) Henan GCL New Energy distributes undistributed profits which results in a decrease in the net asset of Linzhou Xinchuang, and thus the consideration shall be decreased accordingly; or
- (2) with the consent of CGN Solar, Linzhou Xinchuang borrows additional loan money from Henan GCL New Energy so as to meet its ordinary production and operation costs which results in an increase in the shareholder's loan owed by Linzhou Xinchuang to Henan GCL New Energy, and thus the consideration shall be increased accordingly.

Conditions precedent

Completion of the transfer under the B Equity Transfer Agreement shall be conditional upon the satisfaction of the following conditions precedent:

- (1) the shareholder's approval of Linzhou Xinchuang and consent from the Bank of Zhengzhou in relation to the transfer of equity interest in Linzhou Xinchuang having been obtained by Linzhou Xinchuang;

- (2) Linzhou Xinchuang has provided a report to the relevant authorities in relation to the mining rights on site and has reached an agreement with the holder of such mining rights in relation to, among other things, mutual non-interference and compensation, in accordance with the relevant requirements;
- (3) since 30 June 2018, there have been no events or are no existing events in Linzhou Xinchuang which will cause material adverse effect;
- (4) the representations and warranties provided by Henan GCL New Energy under the B Equity Transfer Agreement are true and accurate with no false or material omissions and are not misleading, and the terms of the B Equity Transfer Agreement have not been breached by Henan GCL New Energy;
- (5) Suzhou GCL New Energy, as the beneficial owner of Henan GCL New Energy, having provided a guarantee to CGN Solar to secure Linzhou Xinchuang's obligations under the B Equity Transfer Agreement; and
- (6) the pledge on the equity interest of Linzhou Xinchuang having been released.

If the aforesaid conditions precedent are not fulfilled or waived by CGN Solar in writing on or before 31 December 2018, the B Equity Transfer Agreement will lapse and become null and void and CGN Solar shall be entitled to withdraw from the transaction.

Completion

Completion under the B Equity Transfer Agreement shall take place upon the satisfaction of the conditions precedent and within 30 days from the date of the B Equity Transfer Agreement (or such later date to be agreed between CGN Solar and Henan GCL New Energy).

Payment terms

Consideration under the B Equity Transfer Agreement shall be payable by CGN Solar in the following manner:

- (i) within 15 days following the completion of the registration of the transfer at the relevant PRC governmental authorities, CGN Solar shall pay Henan GCL New Energy the first payment of approximately RMB144.8 million; and
- (ii) the balance of RMB19.4 million shall be paid by CGN Solar upon satisfaction of certain conditions as stipulated under the B Equity Transfer Agreement.

Repayment of 20% of the shareholder's loan owed by Linzhou Xinchuang

Within 90 days following the completion of the registration of the transfer at the relevant PRC governmental authorities, CGN Solar shall procure Linzhou Xinchuang to pay approximately RMB17.7 million, representing 20% of the shareholder's loan owed by Linzhou Xinchuang to Henan GCL New Energy.

On-grid electricity guarantee

Henan GCL New Energy guaranteed that for the three-year period following the completion date under the B Equity Transfer Agreement, the Linzhou Project shall generate an average on-grid electricity per year of not less than the guaranteed amount, being 7.31 million kWh as the basis of calculation of the guaranteed amount and is adjusted in accordance with the degradation rate of the solar panels from 30 June 2018 to the completion date. In the event that the Linzhou Project fails to reach the aforesaid target such that CGN Solar fails to realise its expected investment return, Henan GCL New Energy shall make up the loss suffered by CGN Solar and such guarantee shall extend for a period of three years. It is agreed that the loss shall first be paid from the dividend to be received by Henan GCL New Energy from Linzhou Xinchuang and any shortfall shall be paid by Henan GCL New Energy in cash.

CGN Linzhou Put Option

Henan GCL New Energy has granted the CGN Linzhou Put Option to CGN Solar, pursuant to which Henan GCL New Energy has agreed that if the Linzhou Project fails to generate an average annual on-grid electricity reaching 70% of the aforesaid on-grid electricity during the three-year period. Henan GCL New Energy shall repurchase the 80% equity interest in Linzhou Xinchuang from CGN Solar at an agreed repurchase price and replace all advancement from CGN Solar to Linzhou Xinchuang with its loan.

GNE Linzhou Put Option

CGN Solar has granted the GNE Linzhou Put Option to Henan GCL New Energy, pursuant to which CGN Solar has agreed to grant Henan GCL New Energy the right, but not an obligation, to request CGN Solar to purchase the remaining 20% equity interest in Linzhou Xinchuang upon the aforesaid guarantee being fulfilled.

Pledge of equity interest

Henan GCL New Energy and CGN Solar agreed that upon completion of the industrial and commerce registration of the transfer, each of them shall immediately pledge their respective equity interests in Linzhou Xinchuang in favour of Bank of Zhengzhou as security for the outstanding loan amount owed by Linzhou Xinchuang to Bank of Zhengzhou.

Shareholders' meeting of Linzhou Xinchuang

Except for certain matters specified in the B Equity Transfer Agreement which require unanimous consents of Henan GCL New Energy and CGN Solar before such matter could be considered and passed by the shareholders' meeting, all matters shall be passed by the shareholders' meeting with a simple majority.

Transfer restriction

Henan GCL New Energy agreed that, unless with the consent of CGN Solar or in certain situations as specified in the B Equity Transfer Agreement, Henan GCL New Energy shall not transfer its 20% equity interest in Linzhou Xinchuang to others.

Tag-along rights

In the event that CGN Solar intends to sell its equity interest in Linzhou Xinchuang to a third party which is not related to CGN Solar, Henan GCL New Energy shall be entitled to sell its equity interest in Linzhou Xinchuang on the same terms to such third party. CGN Solar shall not proceed with such transfer if the third party refuses to purchase the equity interest of Henan GCL New Energy on the same terms.

INFORMATION ABOUT THE PARTIES INVOLVED IN THE EQUITY TRANSFER AGREEMENTS

Suzhou GCL New Energy

Suzhou GCL New Energy is mainly engaged in photovoltaic power investment, investment management and consultation, business management consultation, technology development, technology transfer, technical advice related to photovoltaic power projects; sales of photovoltaic materials and equipment.

Henan GCL New Energy

Henan GCL New Energy is mainly engaged in photovoltaic power investment, investment management and consultation, business management consultation, technology development, technology transfer, technical advice related to photovoltaic power projects; sales of photovoltaic materials and equipment.

CGN Solar

CGN Solar is a company established in the PRC with limited liability. As the specialized company under CGN in the solar power sector, CGN Solar is committed to investment, construction, operation and maintenance of solar power plant and other new energies as well as research and development of technologies relating to solar power.

As at the date of this announcement, CGN Solar is held as to 51% and 49% by China General Nuclear Power Corporation and Shenzhen CGN Wind and Solar Investment Company Limited, respectively.

To the best of information, knowledge and belief of the Directors after making reasonable enquiries, CGN Solar and its ultimate beneficial owner(s) are independent third parties of the Company and its connected persons.

Huarong GCL New Energy

Huarong GCL New Energy is a company established in the PRC with limited liability on 1 July 2016 and is a wholly-owned subsidiary of Suzhou GCL New Energy. It is principally engaged in the development, investment, construction and operation of photovoltaic projects and it is the project company of the Huarong Project.

The audited financial statements prepared for the financial year ended 31 December 2017 and unaudited management accounts as at 30 June 2018 of Huarong GCL New Energy in accordance with China Accounting Standards are extracted as follows:

	Year ended 31 December 2017
	<i>RMB'000</i>
Profit before tax	23,983
Profit after tax	23,980
	As at 30 June 2018
	<i>RMB'000</i>
Total assets	736,473
Net assets	177,288

Linzhou Xinchuang

Linzhou Xinchuang is a company established in the PRC with limited liability on 11 November 2014 and is a wholly-owned subsidiary of Henan GCL New Energy. It is principally engaged in the generation of solar photovoltaic electricity, sales and installation of photovoltaic equipment and development of farming projects and is the project company for the Linzhou Project.

The audited financial statements prepared for the two financial years ended 31 December 2016 and 2017 and unaudited management accounts as at 30 June 2018 of Linzhou Xinchuang in accordance with China Accounting Standards are extracted as follows:

	Year ended 31 December 2016 <i>RMB'000</i>	Year ended 31 December 2017 <i>RMB'000</i>
Profit before tax	17,624	25,131
Profit after tax	17,624	25,131
		As at 30 June 2018 <i>RMB'000</i>
Total assets		644,654
Net assets		124,087

FINANCIAL IMPACT OF THE DISPOSALS

Upon completion of the Disposals, Huarong GCL New Energy and Linzhou Xinchuang will cease to be accounted as subsidiaries of the Company. Huarong GCL New Energy will be held as to 80% and 20% by CGN Solar and Suzhou GCL New Energy, respectively, and Linzhou Xinchuang will be held as to 80% and 20% by CGN Solar and Henan GCL New Energy, respectively.

As at the date of this announcement, it is estimated that as a result of the Disposals, the relevant gain or loss will not have any material impact on the earnings of the Group. The actual gain or loss as a result of the Disposals to be recorded by the Group is subject to audit and will be reassessed after completion of the Disposals.

The net amount of cash received from the Disposals (after deducting estimated tax and transaction costs) is expected to be approximately RMB306.0 million. The Group intends to use the proceeds for repayment of debts.

REASONS FOR AND BENEFITS OF THE DISPOSALS

The Board believes that the transaction will enable the Group to fulfill its development objective of “transformation and upgrade”, and further boosts its transformation to a light-asset model which provides management services after the Disposals. The proceeds from transfer of 160MW photovoltaic power station projects will be used for repayment of debts, and the projects-related debts will no longer be consolidated upon completion of the transaction, which will lower the gearing ratio to reduce financial risk. In addition, upon completion of the transaction, the Group will provide operation and maintenance services for the disposed photovoltaic power stations, which will generate stable management fee to the Group.

Furthermore, leveraging on its solid financial strength, CGN Solar will strive to replace the power station-related debts to reduce financial cost and enhance the yield of such power station.

After the transaction is completed, Suzhou GCL New Energy and CGN Solar will further explore other co-operation opportunities including but not limited to the Group's existing photovoltaic power projects in the PRC. Based on the above and having considered all relevant factors, the Directors believe and consider that the terms of the Disposals are on normal commercial terms, are fair and reasonable and that the entering into of the Equity Transfer Agreements is in the interest of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As none of the applicable percentage ratios in respect of each of the Equity Transfer Agreements exceeds 5%, the entering into of each of the Equity Transfer Agreements, on a standalone basis, does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As the Equity Transfer Agreements are entered into on the same day with CGN Solar, the Equity Transfer 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 Equity Transfer Agreements (in aggregate) exceeds 5% but is less than 25%, the entering into of the Equity Transfer Agreements (in aggregate) constitutes a disclosable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“A Equity Transfer Agreement”	the equity transfer and joint venture agreement entered into between CGN Solar and Suzhou GCL New Energy in relation to the sale and purchase of 80% equity interest in Huarong GCL New Energy
“B Equity Transfer Agreement”	the equity transfer and joint venture agreement entered into between CGN Solar and Henan GCL New Energy in relation to the sale and purchase of 80% equity interest in Linzhou Xinchuang
“Bank of Zhengzhou”	Bank of Zhengzhou Co., Ltd.* (鄭州銀行股份有限公司), a bank established in the PRC
“Board”	the board of Directors

“CGN Huarong Put Option”	the put option granted by Suzhou GCL New Energy to CGN Solar under the A Equity Transfer Agreement
“CGN Linzhou Put Option”	the put option granted by Henan GCL New Energy to CGN Solar under the B Equity Transfer Agreement
“CGN Solar”	CGN Solar Energy Development Co., Ltd. (中廣核太陽能開發有限公司), a company established in the PRC with limited liability
“Cinda Financial Leasing”	Cinda Financial Leasing Co., Ltd.* (信達金融租賃有限公司), a company established in the PRC
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“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 (stock code: 451)
“Directors”	the directors of the Company
“Disposals”	the disposals of 80% equity interests in Huarong GCL New Energy by Suzhou GCL New Energy and Linzhou Xinchuang by Henan GCL New Energy to CGN Solar
“Equity Transfer Agreements”	the A Equity Transfer Agreement and the B Equity Transfer Agreement, collectively
“GNE Huarong Put Option”	the put option granted by CGN Solar to Suzhou GCL New Energy under the A Equity Transfer Agreement
“GNE Linzhou Put Option”	the put option granted by CGN Solar to Henan GCL New Energy under the B Equity Transfer Agreement
“Group”	the Company and its subsidiaries
“Henan GCL New Energy”	Henan GCL New Energy Investment Co., Ltd.* (河南協鑫新能源投資有限公司), a company established in the PRC with limited liability and an indirect subsidiary by the Company
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Huarong GCL New Energy”	Huarong GCL New Energy Company Limited* (華容縣協鑫光伏電力有限公司), a company established in the PRC with limited liability and an indirect subsidiary of the Company
“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
“independent third party(ies)”	person(s) or company(ies) which is/are not connected person(s) of the Company
“Linzhou Xinchuang”	Linzhou City Xinchuang Solar Company Limited* (林州市新創太陽能有限公司), a company established in the PRC with limited liability and an indirect subsidiary of the Company
“Linzhou Project”	the 60MW photovoltaic power station project located in Hengshui Town, Linzhou City of Henan Province, the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of one-two-hundred-fortieth (1/240) of a Hong Kong dollar each (equivalent to HK\$0.00416) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	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), a company established in the PRC with limited liability and an indirect subsidiary of the Company

“Suzhou GCL Operation” Suzhou GCL New Energy Operation and Technology Co., Ltd.* (蘇州協鑫新能源運營科技有限公司), a company established in the PRC with limited liability and an indirect subsidiary of the Company

“%” 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, 24 October 2018

As at the date of this announcement, the Board comprises Mr. Zhu Yufeng (Chairman), Mr. Sun Xingping, Ms. Hu Xiaoyan and Mr. Tong Wan Sze as executive Directors; Ms. Sun Wei, Mr. Sha Hongqiu, Mr. Yeung Man Chung, Charles and Mr. He Deyong 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.