

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 TRANSACTION FINANCE LEASING ARRANGEMENTS

On 19 December 2014, the Group and Bank of Beijing Finance Leasing Company Limited entered into finance leasing arrangements for three of the Group's solar power projects located in Inner Mongolia, Jiangsu and Xinjiang in the PRC. Pursuant to the Finance Lease Agreements, subject to the terms and conditions therein, (i) Bank of Beijing Finance Leasing Company Limited will purchase certain Equipment from the Group at an aggregate consideration of RMB500,000,000 (equivalent to approximately HK\$633,650,000); (ii) Bank of Beijing Finance Leasing Company Limited will lease the certain Equipment back to the Lessees for a fixed term of 13 months at an aggregate lease consideration of approximately RMB535,805,000.02 (equivalent to approximately HK\$679,025,677); and (iii) Bank of Beijing Finance Leasing Company Limited will provide certain financial consulting and equipment management services during the lease term to the Lessees at an aggregate consideration of RMB10,000,000 (equivalent to approximately HK\$12,673,000).

As the applicable percentage ratios for the transactions contemplated under the Finance Lease Agreements, when aggregated, are more than 5% but less than 25%, the Finance Lease Agreements constitute a discloseable transaction of the Company under the Listing Rules and thus is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE FINANCE LEASE AGREEMENTS

A. The Xiangdao Finance Lease Agreements

Date: 19 December 2014

Parties: Seller: Nanjing GCL New Energy Development Company Limited, an indirect wholly-owned subsidiary of the Company.

Purchaser and Lessor: Bank of Beijing Finance Leasing Company Limited, which is principally engaged in the business of finance lease. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Bank of Beijing Finance Leasing Company Limited and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Lessees:

- (i) Inner Mongolia Xiangdao New Energy Development Company Limited, an indirect subsidiary owned as to 90.1% by the Company, which is principally engaged in the development of photovoltaic power facilities in the PRC; and
- (ii) Suzhou GCL New Energy Investment Company Limited, an indirect wholly-owned subsidiary of the Company.

The Xiangdao Finance Lease

Pursuant to the Xiangdao Finance Lease Agreements, Bank of Beijing Finance Leasing Company Limited agreed to purchase the Xiangdao Photovoltaic Power Generation Equipment from Nanjing GCL New Energy Development Company Limited at a consideration of RMB250,000,000 (equivalent to approximately HK\$316,825,000) and Bank of Beijing Finance Leasing Company Limited agreed to lease back the Xiangdao Photovoltaic Power Generation Equipment to Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited for a fixed term of 13 months, commencing from 19 December 2014 until 19 January 2016.

Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited are not permitted to early purchase the Xiangdao Photovoltaic Power Generation Equipment prior to the expiry of the lease period.

Subject matter of the lease

The Xiangdao Photovoltaic Power Generation Equipment comprised certain photovoltaic power generation modules for the construction and development of solar power generation facilities operated by Inner Mongolia Xiangdao New Energy Company Development Limited in Inner Mongolia, PRC.

Lease rent and principal lease cost

The lease rent to be paid by Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited was calculated based on the principal lease cost and the lease interest rate. The principal lease cost under the Xiangdao Finance Lease Agreements was RMB250,000,000 (equivalent to approximately HK\$316,825,000).

The interest rate under the Xiangdao Finance Lease Agreements was calculated at an annualized interest rate of 6.51%. As at the date of the Xiangdao Finance Lease Agreements, the benchmark lending rate announced by the People's Bank of China for

loans with a term between one and five years was subject to a ceiling of 8.5%. During the lease term, if there is any adjustment on benchmark lending rate announced by the People's Bank of China for loans with a term between one and five years, corresponding adjustment will be made to the interest rate under the Xiangdao Finance Lease Agreements on the same day.

The aggregate lease rent payable by Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited to Bank of Beijing Finance Leasing Company Limited during the relevant lease period shall be RMB267,902,500.01 (equivalent to approximately HK\$339,512,838). The lease rent shall be paid to Bank of Beijing Finance Leasing Company Limited on a quarterly basis and payable on 15 March 2015, 15 June 2015, 15 September 2015 and 15 December 2015. On 19 January 2016 being the expiry of the lease period, Inner Mongolia Xiangdao New Energy Development Limited and Suzhou GCL New Energy Investment Company Limited are required to pay the principal lease cost of RMB250,000,000 (equivalent to approximately 316,825,000) together with the last installment of the lease rent for the period between 19 December 2015 and 19 January 2016.

Other fees and expenses

Pursuant to the Xiangdao Finance Lease Agreements, for the duration of the lease, Bank of Beijing Finance Leasing Company Limited agreed to provide to Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited (i) financial consulting services and (ii) equipment management services in connection with the Xiangdao Photovoltaic Power Generation Equipment. Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited agreed to pay Bank of Beijing Finance Leasing Company Limited RMB1,000,000 and RMB4,000,000, respectively, for the relevant financial consulting services and equipment management services. These fees were paid and settled by Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited on 19 December 2014.

The terms of the Xiangdao Finance Lease Agreements including the lease rent, the lease interest rate, the financial consulting fees and the equipment management fees were determined after arm's length negotiation between Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited with reference to the prevailing market rates for finance lease for similar asset(s).

The consideration for the purchase of the Xiangdao Photovoltaic Power Generation Equipment under the Xiangdao Finance Lease Agreements paid by Bank of Beijing Finance Leasing Company Limited was determined by reference to the average fair market price of the similar photovoltaic power generation equipment and after arm's length negotiation between the parties.

Ownership of the equipment

During the lease period, the ownership of the Xiangdao Photovoltaic Power Generation Equipment shall vest in Bank of Beijing Finance Leasing Company Limited. Upon expiry of the lease period and subject to the full payment of the entire amount of lease rent, principal lease cost and other fees and expenses under the Xiangdao Finance Lease Agreements, Inner Mongolia Xiangdao New Energy Development Company Limited and

Suzhou GCL New Energy Investment Company Limited are eligible to purchase the Xiangdao Photovoltaic Power Generation Equipment at a nominal purchase price of RMB100.

Security deposit

A refundable security deposit of RMB5,000,000 was charged by Bank of Beijing Finance Leasing Company Limited and paid by Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited at the time before Bank of Beijing Finance Leasing Company Limited paying the principal lease cost under the Xiangdao Finance Lease Agreements to secure their performance thereunder. The parties thereto agreed that no interests shall accrue for the security deposit during the lease period.

Pursuant to the Xiangdao Finance Lease Agreements, Bank of Beijing Finance Leasing is entitled to deduct from the security deposit if there is any outstanding payment or penalty resulting from any breach caused by Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited. Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited shall forthwith make up for the deduction and restore the amount of security deposit to RMB5,000,000 within 15 days after such deduction. Within seven days after the expiry of the lease period, the security deposit shall be refunded to Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited.

The Xiangdao Guarantee

GCLP, a wholly-owned subsidiary of GCL-Poly Energy Holdings Limited, the controlling shareholder of the Company, entered into the Xiangdao Guarantee with Bank of Beijing Finance Leasing Company Limited pursuant to which GCLP agreed to provide a corporate guarantee to secure the obligations of Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited under the Xiangdao Finance Lease.

GCLP agreed to provide such corporate guarantee in favour of Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited. The Directors are of the view that such guarantee was made for the benefit of the Group on normal commercial terms. No security over the assets of the Company is to be provided nor any fees is payable by the Company in respect of such guarantee.

B. The Jinhua Finance Lease Agreements

Date: 19 December 2014

Parties: Seller: Nanjing GCL New Energy Development Company Limited, an indirect wholly-owned subsidiary of the Company.

Purchaser and Lessor: Bank of Beijing Finance Leasing Financial Leasing Company Limited, which is principally engaged in the business of finance lease. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Bank of Beijing Finance Leasing Company Limited and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Lessees:

- (i) Jinhu Zhenhui PV Company Limited, an indirect subsidiary owned as to 95.02% by the Company, which is principally engaged in the development of photovoltaic power facilities in the PRC; and
- (ii) Suzhou GCL New Energy Investment Company Limited, an indirect wholly-owned subsidiary of the Company.

The Jinhu Finance Lease

Pursuant to the Jinhu Finance Lease Agreements, Bank of Beijing Finance Leasing Company Limited agreed to purchase the Jinhu Photovoltaic Power Generation Equipment from Nanjing GCL New Energy Development Company Limited at a consideration of RMB150,000,000 (equivalent to approximately HK\$190,095,000) and Bank of Beijing Finance Leasing Company Limited agreed to lease back the Jinhu Photovoltaic Power Generation Equipment to Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited for a fixed term of 13 months, commencing from 19 December 2014 until 19 January 2016.

Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited are not permitted to early purchase the Jinhu Photovoltaic Power Generation Equipment prior to the expiry of the lease period.

Subject matter of the Lease

The Jinhu Photovoltaic Power Generation Equipment comprised certain photovoltaic power generation modules for the construction and development of solar power generation facilities operated by Jinhu Zhenhui PV Company Limited in Jiangsu, PRC.

Lease rent and principal lease cost

The lease rent to be paid by Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited was calculated based on the principal lease cost and the lease interest rate. The principal lease cost under the Jinhu Finance Lease Agreements was RMB150,000,000 (equivalent to approximately HK\$190,095,000).

The interest rate under the Jinhu Finance Lease Agreements was calculated at an annualized interest rate of 6.51%. As at the date of the Jinhu Finance Lease Agreements, the benchmark lending rate announced by the People's Bank of China for loans with a term between one and five years was subject to a ceiling of 8.5%. During the lease term, if there is any adjustment on benchmark lending rate announced by the People's Bank of China for loans with a term between one and five years, corresponding adjustment will be made to the interest rate under the Jinhu Finance Lease Agreements on the same day.

The aggregate lease rent payable by Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited to Bank of Beijing Finance Leasing Company Limited during the relevant lease period shall be RMB160,741,500 (equivalent to approximately HK\$203,707,703). The lease rent shall be paid to Bank of Beijing Finance Leasing Company Limited on a quarterly basis and payable on 15 March 2015, 15 June 2015, 15 September 2015 and 15 December 2015. On 19 January 2016 being the expiry of the lease period, Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited are required to pay the principal lease cost of RMB150,000,000 (equivalent to approximately HK\$190,095,000) together with the last installment of the lease rent for the period between 19 December 2015 and 19 January 2016.

Other fees and expenses

Pursuant to the Jinhu Finance Lease Agreements, for the duration of the lease, Bank of Beijing Finance Leasing Company Limited agreed to provide to Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited (i) financial consulting services and (ii) equipment management services in connection with the Jinhu Photovoltaic Power Generation Equipment. Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited agreed to pay Bank of Beijing Finance Leasing Company Limited RMB600,000 and RMB2,400,000, respectively, for the relevant financial consulting services and equipment management services. These fees were paid and settled by Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited on 19 December 2014.

The terms of the Jinhu Finance Lease Agreements including the lease rent, the lease interest rate, the financial consulting fees and the equipment management fees were determined after arm's length negotiation between Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited with reference to the prevailing market rates for finance lease for similar asset(s).

The consideration for the purchase of the Jinhu Photovoltaic Power Generation Equipment under the Jinhu Finance Lease Agreements paid by Bank of Beijing Finance Leasing Company Limited was determined by reference to the average fair market price of the similar photovoltaic power generation equipment and after arm's length negotiation between the parties.

Ownership of the equipment

During the lease period, the ownership of the Jinhu Photovoltaic Power Generation Equipment shall vest in Bank of Beijing Finance Leasing Company Limited. Upon expiry of the lease period and subject to the full payment of the entire amount of lease rent, principal lease cost and other fees and expenses under the Jinhu Finance Lease Agreements, Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited are eligible to purchase the Jinhu Photovoltaic Power Generation Equipment at a nominal purchase price of RMB100.

Security deposit

A refundable security deposit of RMB3,000,000 was charged by Bank of Beijing Finance Leasing Company Limited and paid by Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited at the time before Bank of Beijing

Finance Leasing Company Limited paying the principal lease cost under the Jinhu Finance Lease Agreements to secure their performance thereunder. The parties thereto agreed that no interests shall accrue for the security deposit during the lease period.

Pursuant to the Jinhu Finance Lease Agreements, Bank of Beijing Finance Leasing is entitled to deduct from the security deposit if there is any outstanding payment or penalty resulting from any breach caused by Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited. Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited shall forthwith make up for the deduction and restore the amount of security deposit to RMB3,000,000 within 15 days after such deduction. Within seven days after the expiry of the lease period, the security deposit shall be refunded to Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited.

The Jinhu Guarantee

GCLP, a wholly-owned subsidiary of GCL-Poly Energy Holdings Limited, the controlling shareholder of the Company, entered into the Jinhu Guarantee with Bank of Beijing Finance Leasing Company Limited pursuant to which GCLP agreed to provide a corporate guarantee to secure the obligations of Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited under the Jinhu Finance Lease.

GCLP agreed to provide such corporate guarantee in favour of Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited. The Directors are of the view that such guarantee was made for the benefit of the Group on normal commercial terms. No security over the assets of the Company is to be provided nor any fees is payable by the Company in respect of such guarantee.

C. The Hami Finance Lease Agreements

Date: 19 December 2014

Parties: Seller: Nanjing GCL New Energy Development Company Limited, an indirect wholly-owned subsidiary of the Company.

Purchaser and Lessor: Bank of Beijing Finance Leasing Financial Leasing Company Limited, which is principally engaged in the business of finance lease. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Bank of Beijing Finance Leasing Company Limited and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Lessees:

- (i) Hami Yaohui Photovoltaic Company Limited, an indirect wholly-owned subsidiary of the Company, which is principally engaged in the development of photovoltaic power facilities in the PRC; and
- (ii) Suzhou GCL New Energy Investment Company Limited, an indirect wholly-owned subsidiary of the Company.

The Hami Finance Lease

Pursuant to the Hami Finance Lease Agreements, Bank of Beijing Finance Leasing Company Limited agreed to purchase the Hami Photovoltaic Power Generation Equipment from Nanjing GCL New Energy Development Company Limited at a consideration of RMB100,000,000 (equivalent to approximately HK\$126,730,000) and Bank of Beijing Finance Leasing Company Limited agreed to lease back the Hami Photovoltaic Power Generation Equipment to Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited for a fixed term of 13 months, commencing from 19 December 2014 until 19 January 2016.

Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited are not permitted to early purchase the Hami Photovoltaic Power Generation Equipment prior to the expiry of the lease period.

Subject matter of the lease

The Hami Photovoltaic Power Generation Equipment comprised certain photovoltaic power generation modules for the construction and development of solar power generation facilities operated by Hami Yaohui Photovoltaic Company Limited in Xinjiang Uyghur Autonomous Region, PRC.

Lease rent and principal lease cost

The lease rent to be paid by Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited was calculated based on the principal lease cost and the lease interest rate. The principal lease cost under the Hami Finance Lease Agreements was RMB100,000,000 (equivalent to approximately HK\$126,730,000).

The interest rate under the Hami Finance Lease Agreements was calculated at an annualized interest rate of 6.51%. As at the date of the Hami Finance Lease Agreements, the benchmark lending rate announced by the People's Bank of China for loans with a term between one and five years was subject to a ceiling of 8.5%. During the lease term, if there is any adjustment on benchmark lending rate announced by the People's Bank of China for loans with a term between one and five years, corresponding adjustment will be made to the interest rate under the Hami Finance Lease Agreements on the same day.

The aggregate lease rent payable by Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited to Bank of Beijing Finance Leasing Company Limited during the relevant lease period shall be RMB107,161,000.01 (equivalent to approximately HK\$135,805,135). The lease rent shall be paid to Bank of Beijing Finance Leasing Company Limited on a quarterly basis and payable on 15 March 2015, 15 June 2015, 15 September 2015 and 15 December 2015. On 19 January 2016 being the expiry of the lease period, Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited are required to pay the principal lease cost of RMB100,000,000 (equivalent to approximately 126,730,000) together with the last installment of the lease rent for the period between 19 December 2015 and 19 January 2016.

Other fees and expenses

Pursuant to the Hami Finance Lease Agreements, for the duration of the lease, Bank of Beijing Finance Leasing Company Limited agreed to provide to Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited (i) financial consulting services and (ii) equipment management services in connection with the Hami Photovoltaic Power Generation Equipment. Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited agreed to pay Bank of Beijing Finance Leasing Company Limited RMB400,000 and RMB1,600,000, respectively, for the relevant financial consulting services and equipment management services. These fees were paid and settled by Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited on 19 December 2014.

The terms of the Hami Finance Lease Agreements including the lease rent, the lease interest rate, the financial consulting fees and the equipment management fees were determined after arm's length negotiation between Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited with reference to the prevailing market rates for finance lease for similar asset(s).

The consideration for the purchase of the Hami Photovoltaic Generation Equipment under the Hami Finance Lease Agreements paid by Bank of Beijing Finance Leasing Company Limited was determined by reference to the average fair market price of the similar photovoltaic power generation equipment and after arm's length negotiation between the parties.

Ownership of the equipment

During the lease period, the ownership of the Hami Photovoltaic Power Generation Equipment shall vest in Bank of Beijing Finance Leasing Company Limited. Upon expiry of the lease period and subject to the full payment of the entire amount of lease rent, principal lease cost and other fees and expenses under the Hami Finance Lease Agreements, Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited are eligible to purchase the Hami Photovoltaic Power Generation Equipment at a nominal purchase price of RMB100.

Security deposit

A refundable security deposit of RMB2,000,000 was charged by Bank of Beijing Finance Leasing Company Limited and paid by Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited at the time before Bank of Beijing Finance Leasing Company Limited paying the principal lease cost under the Hami Finance Lease Agreements to secure their performance thereunder. The parties thereto agreed that no interests shall accrue for the security deposit during the lease period.

Pursuant to the Hami Finance Lease Agreements, Bank of Beijing Finance Leasing is entitled to deduct from the security deposit if there is any outstanding payment or penalty resulting from any breach caused by Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited. Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited shall forthwith make up for the deduction and restore the amount of security deposit to

RMB2,000,000 within 15 days after such deduction. Within seven days after the expiry of the lease period, the security deposit shall be refunded to Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited.

The Hami Guarantee

GCLP, a wholly-owned subsidiary of GCL-Poly Energy Holdings Limited, the controlling shareholder of the Company, entered into the Hami Guarantee with Bank of Beijing Finance Leasing Company Limited pursuant to which GCLP agreed to provide a corporate guarantee to secure the obligations of Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited under the Hami Finance Lease.

GCLP agreed to provide such corporate guarantee in favour of Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited. The Directors are of the view that such guarantee was made for the benefit of the Group on normal commercial terms. No security over the assets of the Company is to be provided nor any fees is payable by the Company in respect of such guarantee.

INFORMATION ON THE PARTIES

Bank of Beijing Finance Leasing Company Limited is a company established in the PRC with limited liability and is principally engaged in the finance lease and other leasing business. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, Bank of Beijing Finance Leasing Company Limited and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Nanjing GCL New Energy Development Company Limited is a company established in the PRC with limited liability and is principally engaged in solar plants investment, provision of operation and management services to power plants in the PRC. Nanjing GCL New Energy Development Company Limited is an indirect wholly-owned subsidiary of the Company.

Suzhou GCL New Energy Investment Company Limited is a company established in the PRC with limited liability and is an investment holding vehicle. Suzhou GCL New Energy Investment Company Limited is an indirect wholly-owned subsidiary of the Company.

Inner Mongolia Xiangdao New Energy Development Company Limited is a company established in the PRC with limited liability and is principally engaged in (i) the development and investment of renewable and clean energy projects; (ii) the development and operation of agricultural production facilities; (iii) the production and sales of agricultural products; and (iv) the leasing of agricultural equipment and facilities. Inner Mongolia Xiangdao New Energy Development Company Limited is indirectly owned as to 90.1% by the Company.

Jinhu Zhenhui PV Company Limited is a company established in the PRC with limited liability and is principally engaged in the development and operation of mid to large scale photovoltaic power generation facilities, small scale on-grid and off-grid photovoltaic systems; (ii) provision of design, consultancy, system integration, project management services for solar energy project and (iii) installation of mechanical and electric equipment. Jinhu Zhenhui PV Company Limited is indirectly owned as to 95.02% by the Company.

Hami Yaohui Photovoltaic Company Limited is a company established in the PRC with limited liability and is principally engaged in photovoltaic power generation and new energy investment and construction. Hami Yaohui Photovoltaic Company Limited is an indirect wholly-owned subsidiary of the Company.

REASONS FOR AND BENEFIT OF THE TRANSACTIONS

The Group is principally engaged in development, construction, investment, operation and management of photovoltaic power station projects as well as providing energy storage, energy efficiency, intelligent micro-grid and energy distribution solutions to its customers and joint venture partners. The Group is also engaged in manufacturing and selling of printed circuit boards.

The Directors are of the view that under the Finance Lease Agreements, the Group will obtain financing from the Equipment and gain access to the use of the certain Equipment. The terms under the Finance Lease Agreements have been agreed after arm's length negotiation between the relevant parties with reference to the prevailing market practice. The Directors consider the terms of the Finance Lease Agreement are on normal commercial terms, fair and reasonable and are in the interests of the Company and the shareholders of the Company as a whole.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios for the transactions contemplated under the Finance Lease Agreements when aggregated are more than 5% but less than 25%, the Finance Lease Agreements constitute a discloseable transaction of the Company under the Listing Rules and thus is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Since the Xiangdao Guarantee, the Jinhu Guarantee and the Hami Guarantee from GCLP were made for the benefit of the Group on normal commercial terms where no security over the assets of the Company is to be provided in respect of such guarantee, such arrangement is therefore exempt from the reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.90 of the Listing Rules.

DEFINITION

| | |
|----------------------------|---|
| “Company” | GCL New Energy Holdings Limited, a company incorporated in Bermuda with limited liability, the ordinary shares of which are listed on the main board of the Stock Exchange, with stock code 451 |
| “connected person(s)” | has the meaning ascribed to it under the Listing Rules |
| “Director(s)” | the director(s) of the Company |
| “Equipment” | the Xiangdao Photovoltaic Power Generation Equipment; the Jinhu Photovoltaic Power Generation Equipment and the Hami Photovoltaic Power Generation Equipment |
| “Finance Lease Agreements” | the Xiangdao Finance Lease Agreements, the Jinhu Finance Lease Agreements and the Hami Finance Lease Agreements |

| | |
|--|---|
| “GCLP” | GCL-Poly Limited* (保利協鑫有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of GCL-Poly Energy Holdings Limited, the controlling shareholder of the Company |
| “Group” | the Company and its subsidiaries |
| “Hami Finance Lease” | the agreement dated 19 December 2014 between Bank of Beijing Finance Leasing Company Limited* (北銀金融租賃有限公司), Hami Yaohui Photovoltaic Company Limited* (哈密耀輝光伏電力有限公司) and Suzhou GCL New Energy Investment Company Limited* (蘇州協鑫新能源有限公司) in connection with the leasing of the Hami Photovoltaic Power Generation Equipment |
| “Hami Finance Lease Agreements” | the Hami SPA, the Hami Finance Lease and the Hami Guarantee |
| “Hami Guarantee” | the agreement dated 19 December 2014 between GCLP and Bank of Beijing Finance Leasing Company Limited in connection with the guarantee by GCL-Poly Limited of the obligations of Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited under the Hami Finance Lease |
| “Hami Photovoltaic Power Generation Equipment” | machinery and equipment for the development and operation of the solar energy project of Hami Yaohui Photovoltaic Company Limited located in Xinjiang Uyghur Autonomous Region, the PRC |
| “Hami SPA” | the agreement dated 19 December 2014 between Nanjing GCL New Energy Development Company Limited* (南京協鑫新能源發展有限公司), Bank of Beijing Finance Leasing Company Limited, Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited in connection with the sale and purchase of the Hami Photovoltaic Power Generation Equipment |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Jinhu Finance Lease” | the agreement dated 19 December 2014 between Bank of Beijing Finance Leasing Company Limited, Jinhu Zhenhui PV Company Limited* (金湖正輝太陽能電力有限公司) and Suzhou GCL New Energy Investment Company Limited in connection with the leasing of the Jinhu Photovoltaic Power Generation Equipment |
| “Jinhu Finance Lease Agreements” | the Jinhu SPA, the Jinhu Finance Lease and the Jinhu Guarantee |
| “Jinhu Guarantee” | the agreement dated 19 December 2014 between GCLP and Bank of Beijing Finance Leasing Company Limited in connection with the guarantee by GCL-Poly Limited of the obligations of Jinhu Zhenhui PV Company Limited and Suzhou GCL New Energy Investment Company Limited under the Jinhu Finance Lease |

| | |
|--|--|
| “Jinhu Photovoltaic Power Generation Equipment” | machinery and equipment for the development and operation of the solar energy project of Jinhu Zhenhui PV Company Limited located in Jiangsu, the PRC |
| “Jinhu SPA” | the agreement dated 19 December 2014 between Nanjing GCL New Energy Development Company Limited, Bank of Beijing Finance Leasing Company Limited, Jinhu Zhenhui Solar Power Company Limited and Suzhou GCL New Energy Investment Company Limited in connection with the sale and purchase of the Jinhu Photovoltaic Power Generation Equipment |
| “Lessees” | Inner Mongolia Xiangdao New Energy Development Company Limited, Jinhu Zhenhui PV Company Limited, Hami Yaohui Photovoltaic Company Limited and Suzhou GCL New Energy Investment Company Limited |
| “Lessor” | Bank of Beijing Finance Leasing Company Limited |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “PRC” | The People’s Republic of China |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Xiangdao Finance Lease” | the agreement dated 19 December 2014 between Bank of Beijing Finance Leasing Company Limited, Inner Mongolia Xiangdao New Energy Development Company Limited* (內蒙古香島新能源發展有限公司) and Suzhou GCL New Energy Investment Company Limited in connection with the leasing of the Xiangdao Photovoltaic Power Generation Equipment |
| “Xiangdao Finance Lease Agreements” | the Xiangdao SPA, the Xiangdao Finance Lease and the Xiangdao Guarantee |
| “Xiangdao Guarantee” | the agreement dated 19 December 2014 between GCLP and Bank of Beijing Finance Leasing Company Limited in connection with the guarantee by GCL-Poly Limited of the obligations of Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited under the Xiangdao Finance Lease |
| “Xiangdao Photovoltaic Power Generation Equipment” | machinery and equipment for the development and operation of the solar energy project of Inner Mongolia Xiangdao New Energy Development Company Limited located in Inner Mongolia Autonomous Region, the PRC |

“Xiangdao SPA” the agreement dated 19 December 2014 between Nanking GCL New Energy Development Company Limited, Bank of Beijing Finance Leasing Company Limited, Inner Mongolia Xiangdao New Energy Development Company Limited and Suzhou GCL New Energy Investment Company Limited in connection with the sale and purchase of the Xiangdao Photovoltaic Power Generation Equipment

* *For identification purpose only*

This announcement contains translations between RMB and Hong Kong dollar amounts at RMB1 = HK\$1.2673, being the exchange rate prevailing on 18 December 2014. The translations should not be taken as a representation that the RMB could actually be converted into Hong Kong dollars at that rate or at all.

By order of the Board
GCL New Energy Holdings Limited
協鑫新能源控股有限公司
Tang Cheng
Chairman

Hong Kong, 19 December 2014

As at the date of this announcement, the Board comprises Mr. Zhu Gongshan, Mr. Tang Cheng, Mr. Zhang Guoxin, Mr. Gu Xin, Ms. Hu Xiaoyan and Mr. Yip Sum Yin as executive directors; Ms. Sun Wei and Mr. Yu Baodong as non-executive directors; Mr. Wang Bohua, Mr. Xu Songda, Mr. Han Qing-hua and Mr. Lee Conway Kong Wai as independent non-executive directors.