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GCL New Energy Holdings Limited

協鑫新能源控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 451)

**DISCLOSEABLE TRANSACTION IN RELATION TO THE MODULE
SALES AGREEMENTS WITH ZNSHINE PV-TECH CO. LTD**

THE DISCLOSEABLE TRANSACTION

On 27 May 2016, Nanjing GCL New Energy (an indirect wholly-owned subsidiary of the Company) as customer and ZNSHINE (an independent third party of the Company) as supplier entered into a 30MW module sales agreement for the supply and purchase of 30,000,250 watts of 310-watt solar modules for Nanjing GCL New Energy's photovoltaic power station project located in Haifeng County of Shanwei City of Guangdong Province at a consideration of RMB113,700,947.50 (equivalent to approximately HK\$134,667,402.22) (the "**Haifeng Module Sales Agreement**").

Furthermore, Nanjing GCL New Energy entered into the following agreements with ZNSHINE in the past 12 months:

- (i) the Previous 100MW Module Sales Agreement dated 18 September 2015 (as disclosed in the Previous Announcement) in relation to the supply and purchase of 100,000,045 watts of 305-watt solar modules for Nanjing GCL New Energy's photovoltaic power station projects in the PRC at a consideration of RMB381,000,171.45 (equivalent to approximately HK\$451,256,603.07);

- (ii) the Previous Xuzhou Module Sales Agreement dated 10 May 2016 in relation to the supply and purchase of 11,507,200 watts of 310-watt solar modules for a photovoltaic power station project located in Xuzhou City of Jiangsu Province at a consideration of RMB43,152,000.00 (equivalent to approximately HK\$51,109,228.80); and
- (iii) the Previous Yanbian Module Sales Agreement dated 10 May 2016 in relation to the supply and purchase of 35,910,000 watts of 315-watt solar modules for a photovoltaic power station project located in Yanbian County of Sichuan Province at a consideration of RMB136,817,100.00 (equivalent to approximately HK\$162,046,173.24).

(together, the “**Previous Agreements**”).

LISTING RULE IMPLICATIONS

As none of the applicable percentage ratios in respect of the Previous Xuzhou Module Sales Agreement and the Previous Yanbian Module Sales Agreement (in aggregate) exceeded 5% for the Company, the entering into of the Previous Xuzhou Module Sales Agreement and the Previous Yanbian Module Sales Agreement (in aggregate) did not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules. In addition, as all the applicable percentage ratios in respect of the Previous Agreements, in aggregate, were below 25%, the entering into of the Previous Xuzhou Module Sales Agreement and the Previous Yanbian Module Sales Agreement did not trigger the classification of a major transaction for the Company under Chapter 14 of the Listing Rules.

As the Previous Agreements were entered into with ZNSHINE within a 12-month period prior to and inclusive of the date of the Haifeng Module Sales Agreement, the Haifeng Module Sales Agreement and the Previous Agreements will be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Haifeng Module Sales Agreement and the Previous Agreements (in aggregate) exceeds 5% but is less than 25% for the Company, the entering into of the Haifeng Module Sales Agreement and the Previous Agreements (in aggregate) constitutes a discloseable transaction of the Company and the Company shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

1. DISCLOSEABLE TRANSACTION WITH ZNSHINE

On 27 May 2016, Nanjing GCL New Energy (an indirect wholly-owned subsidiary of the Company) as customer and ZNSHINE (an independent third party of the Company) as supplier entered into the Haifeng Module Sales Agreement.

A. Principal terms of the Haifeng Module Sales Agreement

(i) *Date*

27 May 2016

(ii) *Parties*

Supplier: ZNSHINE

Customer: Nanjing GCL New Energy

(iii) *Subject matter*

ZNSHINE agreed to supply, and Nanjing GCL New Energy agreed to purchase, 30,000,250 watts of 310-watt solar modules at the unit price of RMB3.79 (equivalent to approximately HK\$4.49) per watt at a consideration of RMB113,700,947.50 (equivalent to approximately HK\$134,667,402.22).

The solar modules are expected to be delivered before 5 June 2016 and will be used for a photovoltaic power station project located in Haifeng County of Shanwei City of Guangdong Province.

(iv) *Basis of consideration*

The Haifeng Module Sales Agreement was negotiated and entered into on an arm's length basis and on normal commercial terms. The consideration is calculated on the basis of the market price of similar products.

(v) *Payment terms*

The consideration for the solar modules under the Haifeng Module Sales Agreement shall be paid by Nanjing GCL New Energy to ZNSHINE in accordance with the following milestones:

- (a) 30% of the total consideration as prepayment within seven days of the signing of the Haifeng Module Sales Agreement, provided that ZNSHINE has provided a receipt for 30% of the total consideration;
- (b) 30% of the total consideration within one week before the despatch of the solar modules to Nanjing GCL New Energy, provided that ZNSHINE has provided a receipt for 30% of the total consideration;
- (c) 30% of the total consideration within 10 days of the delivery of the solar modules to Nanjing GCL New Energy, provided that (i) a delivery list has been provided; and (ii) Nanjing GCL New Energy or its representative has conducted a visual examination of the solar modules and any damaged or missing modules have been remedied by ZNSHINE; and
- (d) the remaining 10% of the total consideration within two weeks after the expiration of twelve months of the delivery of the solar modules, provided that there are no quality issues with the solar modules, or any issues have been remedied by ZNSHINE.

2. PREVIOUS AGREEMENTS

A. Principal terms of the Previous 100MW Module Sales Agreement

Please refer to the Previous Announcement for the principal terms of the Previous 100MW Module Sales Agreement.

B. Principal terms of the Previous Xuzhou Module Sales Agreement

(i) *Date*

10 May 2016

(ii) *Parties*

Supplier: ZNSHINE

Customer: Nanjing GCL New Energy

(iii) *Subject matter*

ZNSHINE agreed to supply, and Nanjing GCL New Energy agreed to purchase, 11,507,200 watts of 310-watt solar modules at the unit price of RMB3.75 (equivalent to approximately HK\$4.44) per watt at a total consideration of RMB43,152,000.00 (equivalent to approximately HK\$51,109,228.80).

The solar modules are expected to be delivered before 5 June 2016 and will be used for a photovoltaic power station project located in Xuzhou City of Jiangsu Province.

(iv) *Basis of consideration*

The Previous Xuzhou Module Sales Agreement was negotiated and entered into on an arm's length basis and on normal commercial terms. The consideration is calculated on the basis of the market price of similar products.

(v) *Payment terms*

The consideration for the solar modules under the Previous Xuzhou Module Sales Agreement shall be paid by Nanjing GCL New Energy to ZNSHINE in accordance with the following milestones:

- (a) 30% of the total consideration as prepayment within seven days of the signing of the Previous Xuzhou Module Sales Agreement, provided that ZNSHINE has provided a receipt for 30% of the total consideration;
- (b) 30% of the total consideration within one week before the despatch of the solar modules to Nanjing GCL New Energy, provided that ZNSHINE has provided a receipt for 30% of the total consideration;
- (c) 30% of the total consideration within 10 days of the delivery of the solar modules to Nanjing GCL New Energy, provided that (i) a delivery list has been provided; and (ii) Nanjing GCL New Energy or its representative has conducted a visual examination of the solar modules and any damaged or missing modules have been remedied by ZNSHINE; and

- (d) the remaining 10% of the total consideration within two weeks after the expiration of twelve months of the delivery of the solar modules, provided that there are no quality issues with the solar modules, or any issues have been remedied by ZNSHINE.

C. Principal terms of the Previous Yanbian Module Sales Agreement

(i) *Date*

10 May 2016

(ii) *Parties*

Supplier: ZNSHINE

Customer: Nanjing GCL New Energy

(iii) *Subject matter*

ZNSHINE agreed to supply, and Nanjing GCL New Energy agreed to purchase, 35,910,000 watts of 315-watt solar modules at the unit price of RMB3.81 (equivalent to approximately HK\$4.51) per watt at a consideration of RMB136,817,100.00 (equivalent to approximately HK\$162,046,173.24).

The solar modules are expected to be delivered before 5 June 2016 and will be used for a photovoltaic power station project located in Yanbian County of Sichuan Province.

(iv) *Basis of consideration*

The Previous Yanbian Module Sales Agreement was negotiated and entered into on an arm's length basis and on normal commercial terms. The consideration is calculated on the basis of the market price of similar products.

(v) *Payment terms*

The consideration for the solar modules under the Previous Yanbian Module Sales Agreement shall be paid by Nanjing GCL New Energy to ZNSHINE in accordance with the following milestones:

- (a) 30% of the total consideration as prepayment within seven days of the signing of the Previous Yanbian Module Sales Agreement, provided that ZNSHINE has provided a receipt for 30% of the total consideration;

- (b) 30% of the total consideration within one week before the despatch of the solar modules to Nanjing GCL New Energy, provided that ZNSHINE has provided a receipt for 30% of the total consideration;
- (c) 30% of the total consideration within 10 days of the delivery of the solar modules to Nanjing GCL New Energy, provided that (i) a delivery list has been provided; and (ii) Nanjing GCL New Energy or its representative has conducted a visual examination of the solar modules and any damaged or missing modules have been remedied by ZNSHINE; and
- (d) the remaining 10% of the total consideration within two weeks after the expiration of twelve months of the delivery of the solar modules, provided that there are no quality issues with the solar modules, or any issues have been remedied by ZNSHINE.

3. REASONS FOR AND BENEFITS OF THE DISCLOSEABLE TRANSACTION

As a developer of photovoltaic power station projects, the Group has to source equipment, such as solar modules. As a result, the Group negotiated with ZNSHINE for the purchase of solar modules for its projects. The Group believes that ZNSHINE can supply solar modules which meet the Group's required quality standard at a reasonable cost.

Based on the above reasons and having considered all relevant factors, the Directors believe and consider that the terms of the Haifeng Module Sales Agreement and the Previous Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

4. LISTING RULES IMPLICATIONS

As none of the applicable percentage ratios in respect of the Previous Xuzhou Module Sales Agreement and the Previous Yanbian Module Sales Agreement (in aggregate) exceeded 5% for the Company, the entering into of the Previous Xuzhou Module Sales Agreement and the Previous Yanbian Module Sales Agreement (in aggregate) did not constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules. In addition, as all the applicable percentage ratios in respect of the Previous Agreements, in aggregate, were below 25%, the entering into of the Previous Xuzhou Module Sales Agreement and the Previous Yanbian Module Sales Agreement did not trigger the classification of a major transaction for the Company under Chapter 14 of the Listing Rules.

As the Previous Agreements were entered into with ZNSHINE within a 12-month period prior to and inclusive of the date of the Haifeng Module Sales Agreement, the Haifeng Module Sales Agreement and the Previous Agreements will be aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the Haifeng Module Sales Agreement and the Previous Agreements (in aggregate) exceeds 5% but is less than 25% for the Company, the entering into of the Haifeng Module Sales Agreement and the Previous Agreements (in aggregate) constitutes a discloseable transaction of the Company and the Company shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

5. INFORMATION ON THE PARTIES TO THE DISCLOSEABLE TRANSACTION

ZNSHINE

ZNSHINE is principally engaged in developing photovoltaic power generation and photovoltaic systems; research and development of and manufacturing parts for photovoltaic power generation and photovoltaic systems; and manufacturing, processing and research and development of monocrystalline silicon, polycrystalline silicon, quartz products, silicon solar power batteries and modules. ZNSHINE is also engaged in retailing manufactured products and import and export of related technology.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, ZNSHINE and each of its ultimate beneficial owners are third parties independent of the Company and each of its connected persons.

The Group

The Group is principally engaged in the development, construction, operation and management of solar power stations, as well as the manufacturing and selling of printed circuit boards.

6. DEFINITIONS

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

“Board”	the board of the Directors
“connected persons”	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, with stock code 451
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Haifeng Module Sales Agreement”	the module sales agreement dated 27 May 2016 between Nanjing GCL New Energy as customer and ZNSHINE as supplier in relation to the supply and purchase of 30,000,250 watts of 310-watt solar modules
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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 wholly-owned subsidiary of the Company which is incorporated in the PRC with limited liability
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan

“Previous 100MW Module Sales Agreement”	the module sales agreement dated 18 September 2015 between Nanjing GCL New Energy as customer and ZNSHINE as supplier in relation to the supply and purchase of 100,000,045 watts of 305-watt solar modules
“Previous Agreements”	collectively, the Previous 100MW Module Sales Agreement, the Previous Xuzhou Module Sales Agreement and the Previous Yanbian Module Sales Agreement
“Previous Announcement”	the Company’s announcement dated 18 September 2015 in relation to a discloseable transaction with ZNSHINE
“Previous Xuzhou Module Sales Agreement”	the module sales agreement dated 10 May 2016 between Nanjing GCL New Energy as customer and ZNSHINE as supplier in relation to the supply and purchase of 11,507,200 watts of 310-watt solar modules
“Previous Yanbian Module Sales Agreement”	the module sales agreement dated 10 May 2016 between Nanjing GCL New Energy as customer and ZNSHINE as supplier in relation to the supply and purchase of 35,910,000 watts of 315-watt solar modules
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary shares of one-two-hundred-fortieth (1/240) of a Hong Kong dollar each (equivalent to HK\$0.00416) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“ZNSHINE”	ZNSHINE PV-Tech Co. Ltd* (正信光電科技股份有限公司, previously known as 正信光伏有限公司), a company incorporated in the PRC with limited liability
“%”	per cent.

This announcement contains translations between Renminbi and Hong Kong dollar amounts at RMB1= HK\$1.1844, being the exchange rate prevailing on 26 May 2016. The translations should not be taken as a representation that the Renminbi could actually be converted into Hong Kong dollars at that rate or at all.

* *All of the English titles or names of the PRC entities, as well as certain items contained in this announcement have been included for identification purpose only and may not necessarily be the official English translations of the corresponding Chinese titles or names. If there is any inconsistency between the English translations and the Chinese titles or names, the Chinese titles or names shall prevail.*

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

Hong Kong, 27 May 2016

As at the date of this announcement, the executive Directors are Mr. Zhu Yufeng, Mr. Sun Xingping, Ms. Hu Xiaoyan, Mr. Tong Wan Sze and Mr. Yip Sum Yin; the non-executive Directors are Ms. Sun Wei, Mr. Sha Hongqiu and Mr. Yeung Man Chung, Charles; and the independent non-executive Directors are Mr. Wang Bohua, Mr. Xu Songda, Mr. Lee Conway Kong Wai, Mr. Wang Yanguo and Dr. Chen Ying.