

**SOLAR FARM AGREEMENT**

**by and between**

**XINYI SOLAR HOLDINGS LIMITED**

**and**

**XINYI ENERGY HOLDINGS LIMITED**

**Dated December 5, 2018**

**TABLE OF CONTENTS**

	<b>Page</b>
<b>ARTICLE I DEFINITIONS.....</b>	<b>1</b>
Section 1.1 Definitions .....	1
<b>ARTICLE II CALL RIGHT.....</b>	<b>5</b>
Section 2.1 The Call Right Assets.....	5
Section 2.2 Option to Purchase the Call Right Assets.....	6
Section 2.3 Exercise of the Call Right.....	7
Section 2.4 Third Party Advisor .....	8
<b>ARTICLE III RIGHT OF FIRST REFUSAL.....</b>	<b>8</b>
Section 3.1 Right of First Refusal and ROFR Assets.....	8
Section 3.2 ROFR Notice.....	8
Section 3.3 Exercise of Right of First Refusal .....	9
Section 3.4 Negotiations with Third Parties.....	9
<b>ARTICLE IV TERM; TERMINATION RIGHTS.....</b>	<b>9</b>
Section 4.1 Term .....	9
Section 4.2 Termination Rights .....	9
Section 4.3 No Consequential Damages .....	10
<b>ARTICLE V CONFIDENTIALITY .....</b>	<b>10</b>
Section 5.1 Confidential Information.....	10
<b>ARTICLE VI INDEPENDENT COMMITTEE .....</b>	<b>10</b>
Section 6.1 Independent Committee.....	10
<b>ARTICLE VII MISCELLANEOUS PROVISIONS .....</b>	<b>11</b>
Section 7.1 Notices.....	11
Section 7.2 Time is of the Essence.....	11
Section 7.3 Assignment.....	12
Section 7.4 Successors and Assigns .....	12
Section 7.5 Third Party Beneficiaries.....	12
Section 7.6 Relationship of the Parties.....	12
Section 7.7 Governing Law .....	12
Section 7.8 Rules of Construction.....	12
Section 7.9 Severability.....	13
Section 7.10 Dispute Resolution .....	13
Section 7.11 Recitals, Exhibits and Schedules.....	13
Section 7.12 Entire Agreement.....	13
Section 7.13 Amendments to Agreement.....	13

**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
Section 7.14 Costs and Expenses .....	13
Section 7.15 E-mail; Counterparts .....	13

**EXHIBITS**

Exhibit A – Initial Quarterly Project List

Exhibit B – Call Right Price Methodology, Terms and Conditions

**THIS SOLAR FARM AGREEMENT** (this “**Agreement**”) is made and entered into as of December 5, 2018 by and between Xinyi Solar Holdings Limited, a limited company incorporated in the Cayman Islands with limited liability (“**Xinyi Solar**”), and Xinyi Energy Holdings Limited, a limited company incorporated in the British Virgin Islands (“**Xinyi Energy**”). Xinyi Solar and Xinyi Energy are referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

## RECITALS:

**WHEREAS**, Xinyi Solar is a solar farm project developer and Xinyi Energy is a solar farm operator which operates and manages solar farm projects in the PRC (as defined below).

**WHEREAS**, in connection with Xinyi Energy’s listing (the “**Listing**”) on the main board of The Stock Exchange of Hong Kong Limited, Xinyi Solar desires to enter into this Agreement with Xinyi Energy for the purpose of establishing a clear delineation of the business activities between Xinyi Solar and Xinyi Energy. Following completion of the Listing, Xinyi Energy will continue to be a non-wholly owned subsidiary of Xinyi Solar.

**WHEREAS**, Xinyi Solar desires to grant to Xinyi Energy a call right to acquire the Call Right Assets (as defined below), as more fully set forth in Article II, and a right of first refusal to acquire the ROFR Assets (as defined below), as more fully set forth in Article III, on the terms and conditions set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

## **ARTICLE I**

### **DEFINITIONS**

**Section 1.1 Definitions.** As used in this Agreement and except as otherwise defined herein, the following terms shall have the respective meanings set forth below:

“**Affiliate**” means, with respect to the Person in question, any other Person that, directly or indirectly, Controls, is Controlled by or is under common Control with, such Person; provided that, (a) with respect to Xinyi Solar, “Affiliate” shall not include Xinyi Energy or any of its Subsidiaries, and (b) with respect to Xinyi Energy, “Affiliate” shall not include Xinyi Solar or any of its Subsidiaries (other than Xinyi Energy and its Subsidiaries).

“**Applicable Law**” means all statutes, laws, common law, charters, rules, regulations, ordinances, licenses, acts, codes, or other legal requirements of any Governmental Authority and quasi-governmental agencies or entities, and any judgment, injunction, order, directive, decree, writ, or similar action or decision duly implementing any of the foregoing or other judicial or regulatory requirement of any court or Governmental Authority of competent jurisdiction affecting or relating to the Person or property in question and the official, written judicial interpretations thereof, applicable to a Party, this Agreement or any of their obligations hereunder.

“**Applicable Permits**” means (a) each national, state, provincial, municipal, local or other license, consent, appraisal, authorization, ruling, exemption, variance, order, judgment, decree, declaration, regulation, certification, filing, recording, permit (including, where applicable,

conditional permits), or other approval with, from or of any Governmental Authority, and (b) each agreement, consent or approval from or with any other Person, in each case, that is required by Applicable Law or any other obligations under this Agreement or to operate or maintain a Project.

“Batch” means the Projects designated by the Governmental Authority in the PRC to be subject to the same benchmark rates under the “Feed-in-Tariff” regime of the PRC.

“Business Day” means a day other than a Saturday, Sunday or any other day on which commercial banks in the Hong Kong Special Administrative Region of the People’s Republic of China are generally closed for banking business. Any event the scheduled occurrence of which would fall on a day that is not a Business Day shall be deferred until the next succeeding Business Day.

“Call Right” has the meaning set forth in Section 2.2(a).

“Call Right Asset” means, at any time of determination, each Project identified on the Quarterly Project List, but only for so long as such Project (a) is set forth in the Quarterly Project List, as such Quarterly Project List is modified from time to time in accordance with this Agreement and (b) is not the subject of any ROFR Acceptance Notice delivered by Xinyi Energy to Xinyi Solar in accordance with Section 3.3.

“Call Right Notice” has the meaning set forth in Section 2.2(a).

“Call Right Period” means, unless otherwise mutually agreed by the Parties, the period commencing on the date that is ninety (90) days prior to the earliest Scheduled Commercial Operation Date of any Call Right Asset in the Batch in which such Call Right Asset is included and terminating on the Call Right Period Expiration Date; provided that if a Call Right Notice is provided during the Call Right Period for any particular Call Right Asset, the Call Right Period with respect to such Call Right Asset shall be extended to (and including) the date on which the Transfer of such Call Right Asset is consummated (or earlier terminated) in accordance with Article II.

“Call Right Period Expiration Date” means, with respect to each Call Right Asset, the earliest of (a) the date on which Xinyi Energy receives Notice that such Call Right Asset constitutes a Terminated Call Right Asset pursuant to Section 2.1(b); (b) the date on which Xinyi Energy delivers to Xinyi Solar a ROFR Acceptance Notice for the applicable Project pertaining to such Call Right Asset in accordance with Section 3.3; (c) in the event the Parties (or their respective Subsidiaries) execute a Sale and Purchase Agreement pursuant to Section 2.2(c) in connection with a subsequent Batch of Call Right Assets, the date on which the closing of the transactions contemplated by such Sale and Purchase Agreement occurs; or (d) the date which is thirty six (36) months after the date on which such Call Right Asset is initially listed on the Quarterly Project List.

“Call Right Price” has the meaning set forth in Section 2.2(b).

“Confidential Information” has the meaning set forth in Section 5.1.

“Connected” means, with respect to a Project, that:

- (a) the construction of such Project has been substantially completed;
- (b) such Project has been grid connected for electricity transmission;

(c) such Project is otherwise capable of delivering power generated to the applicable Delivery Point in accordance with Applicable Law and Applicable Permits; or

(d) Xinyi Solar or any of its Subsidiaries has obtained all Owner Permits for such Project.

“Control” means the control by one Person of another Person in accordance with the following: a Person (“A”) controls another Person (“B”) where A has the power to determine the management and policies of B by virtue of beneficial ownership of or control over a majority of the voting or economic interests in B; provided that for certainty and without limitation, if A owns or has control over shares or other equity interests to which are attached more than fifty percent (50%) of the votes permitted to be cast in the election of directors to the governing body of B or A is the general partner of B, a limited partnership, then in each case A Controls B for this purpose, and the term “Controlled” has the corresponding meaning.

“Controlling Shareholder” has the meaning given to such term in the Listing Rules.

“Delivery Point” means, with respect to a Project, the point within the interconnection facilities for such Project at which ownership of such facilities shifts from Xinyi Solar or the applicable Subsidiary to the transmission provider for such Project.

“Disclosing Party” has the meaning set forth in Section 5.1.

“Governing Instruments” means (a) the certificate of incorporation and bylaws in the case of a corporation, (b) the articles of formation and operating agreement in the case of a limited liability company (c) the partnership agreement in the case of a partnership, and (d) any other similar governing document under which an entity was organized, formed or created and/or operates.

“Governmental Authority” means any federal, national, state, provincial, municipal or local government or political subdivision thereof, including, without limitation, any agency, authority, department, instrumentality, court, board, commission, corporation or other entity lawfully exercising or entitled to exercise any executive, legislative, judicial, regulatory or administrative governmental authority, powers or functions, in each case to the extent the same or any subdivision thereof having jurisdiction over the Parties or this Agreement.

“HKIAC” has the meaning set forth in Section 7.10.

“Hong Kong Dollars” means the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China.

“Independent Committee” means a committee of the board of directors of Xinyi Energy established in accordance with Xinyi Energy’s Governing Instruments, made up of all independent non-executive directors of Xinyi Energy.

“Listing Date” means the date on which dealings in the shares of Xinyi Energy first commence on The Stock Exchange of Hong Kong Limited.

“Listing Rules” means “The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited,” as amended, supplemented or otherwise modified from time to time.

“Notice” has the meaning set forth in Section 7.1(a).

“Owner Permits” means all Applicable Permits required for the ownership of a Project.

“Party” or “Parties” has the meaning set forth in the Preamble.

“Person” means any individual, corporation, company, voluntary association, partnership, incorporated organization, trust, estate, limited liability company, joint venture or any other entity or organization, including any Governmental Authority or other legal entity, in each case whether in its own or a representative capacity. A Person shall include any officer, director, member, manager, employee or agent of such Person.

“PRC” means the People’s Republic of China.

“Priced Call Right Asset” means any Call Right Asset for which a Call Right Price has been agreed in accordance with the terms of this Agreement.

“Pricing Variables” has the meaning set forth in Section 2.2(b).

“Project” means any Connected solar farm project that is owned by Xinyi Solar or any of its Subsidiaries.

“Quarterly Project List” has the meaning set forth in Section 2.1(a).

“Receiving Party” has the meaning set forth in Section 5.1.

“Required Securities Disclosure” has the meaning set forth in Section 5.1.

“RMB” means Renminbi, the lawful currency of the PRC.

“ROFR Acceptance Period” has the meaning set forth in Section 3.3.

“ROFR Acceptance Notice” has the meaning set forth in Section 3.3.

“ROFR Assets” has the meaning set forth in Section 3.1.

“ROFR Notice” has the meaning set forth in Section 3.2.

“Rules” has the meaning set forth in Section 7.10.

“Sale and Purchase Agreement” means a definitive agreement governing the terms and conditions of the sale and purchase of a Call Right Asset.

“Scheduled Commercial Operation Date” means the date on which a Project is scheduled to become commercially operational as set forth in the Quarterly Project List.

“Subsidiary” means any Person that is Controlled by another Person; with respect to Xinyi Solar, “Subsidiary” shall not include Xinyi Energy or any of its Subsidiaries.

“Term” has the meaning set forth in Section 4.1.

“Terminated Call Right Asset” has the meaning set forth in Section 2.1(b).

“Third Party” means any Person other than a Party or an Affiliate of a Party.

“Third Party Advisor” means an accounting firm to be mutually agreed upon by the Parties.

“Third Party Offer” has the meaning set forth in Section 3.1.

“Transfer” means any direct or indirect assignment, sale, offer to sell, pledge, mortgage, hypothecation, encumbrance, disposition or any other like transfer or encumbering (whether with or without consideration and whether voluntarily or involuntarily or by operation of law or otherwise); provided, that this definition shall not include any (a) merger with or into, or sale of substantially all of Xinyi Solar’s assets to, a Third Party, (b) grants of security interests in or mortgages or liens in favour of a bona fide Third Party lender in the business of providing debt financing, or (c) internal restructuring involving any Call Right Asset or ROFR Asset; provided further, that the terms of any such restructuring will not limit, delay or hinder the ability of Xinyi Energy or any of its Subsidiaries to acquire such Call Right Asset or ROFR Asset from Xinyi Solar in accordance with the terms of this Agreement.

## ARTICLE II

### CALL RIGHT

#### Section 2.1 The Call Right Assets.

(a) The Call Right Assets and the Quarterly Project List. The initial list of Call Right Assets is set forth in Exhibit A, attached hereto (the “Quarterly Project List”). Xinyi Solar shall add Projects to the Quarterly Project List and such Projects shall then be deemed Call Right Assets hereunder. Xinyi Solar shall deliver to Xinyi Energy an updated Quarterly Project List on or prior to March 31, June 30, September 30 and December 31 of each calendar year during the Term. Xinyi Solar shall ensure that any additions to the Quarterly Project List in accordance with this Section 2.1(a) specify the applicable Scheduled Commercial Operations Dates and set forth such Call Right Assets in chronological order corresponding to the applicable Scheduled Commercial Operation Dates and include (i) reasonable detail regarding the status of such Call Right Assets and any identifying Batch information and (ii) such other information regarding the applicable Call Right Assets as mutually agreed upon by the Parties.

(b) Terminated Call Right Asset. Notwithstanding anything to the contrary in this Agreement, Xinyi Solar may remove any Call Right Asset from the Quarterly Project List effective upon Notice to Xinyi Energy (i) there is any legal or regulatory restrictions on the part of Xinyi Solar which prohibits Xinyi Solar or any such Affiliate from Transferring such Call Right Asset to Xinyi Energy (or any of its Subsidiaries, as applicable); provided, such Notice specifies such obligation in reasonably sufficient detail or such information as from time to time required by Xinyi Energy or (ii) pursuant to Section 2.2(c) (a “Terminated Call Right Asset”).

(c) Disposal of Call Right Assets. If, for any reason, any Call Right Asset is not purchased or committed to be purchased by Xinyi Energy pursuant to the terms of this Agreement within three (3) years from the date on which such Call Right Asset is initially included in the Quarterly Project List, Xinyi Solar and its Subsidiaries shall dispose of such Call Right Asset before the expiration of the four (4) year period the date on which such Call Right Asset is construction completed and Connected. If Xinyi Solar or its applicable Subsidiary fails to dispose of such Call Right Asset before the expiration of such four (4) year period, then the Parties shall, upon written Notice, engage a Third Party Advisor to determine the market value of such Call Right Asset. Upon such



determination by such Third Party Advisor, Xinyi Energy (or its applicable Subsidiary) shall dispose of such Call Right Asset before the expiration of the six (6) month period commencing on the date of such Third Party Advisor's determination. For the avoidance of doubt, the Call Right Asset shall continue to be managed by Xinyi Energy until completion of the disposal.

## **Section 2.2 Option to Purchase the Call Right Assets.**

(a) **The Call Right.** Subject to this Article II, as of the date hereof, Xinyi Solar hereby grants, and shall cause its Subsidiaries to grant, to Xinyi Energy and its Subsidiaries the right and option, on the terms and subject to the conditions set forth in this Agreement, to purchase any or all of the Call Right Assets as set forth in the Quarterly Project List (the "**Call Right**"). The Call Right shall be exercisable by Xinyi Energy (itself or on behalf of its Subsidiaries as applicable) by delivery of a Notice to Xinyi Solar (the "**Call Right Notice**") at its sole discretion at any time during the Call Right Period; provided, that all but not part of the Call Right Assets of the same Batch can be purchased by Xinyi Energy by exercising the Call Right with the Call Right Notice. Each Party shall, and shall cause its applicable Subsidiaries to, take all actions reasonably necessary to cause the Call Right to be exercisable in accordance with this Article II, including by taking any actions necessary to facilitate and enforce such exercise and to consummate the transactions contemplated by this Article II. In addition, Xinyi Solar shall, and shall cause its applicable Subsidiaries to, deliver any information reasonably requested by Xinyi Energy and/or any of its Subsidiaries in connection with exercise of the Call Right set forth in this Article II.

(b) **The Call Right Price.** The Call Right Price of each Call Right Asset shall be calculated in accordance with an agreed equation set forth in Exhibit B (the "**Call Right Price**"), which shall be settled by Xinyi Energy by way of cash or equity or a combination of cash and equity, or by such other financial means as, from time to time, are agreed upon by the Parties. If the Parties are unable to agree on any of the pricing variables (the "**Pricing Variables**") in the equation set forth in Exhibit B within ninety (90) days from the date of the relevant Call Right Notice, the Parties shall, upon Notice from either Party to the other, engage a Third Party Advisor to determine such Pricing Variables.

(c) **Signing of the Sale and Purchase Agreement.** Upon the Parties' mutual agreement (or a Third Party Advisor's determination) of all the Pricing Variables and the Call Right Price, the Parties shall within ninety (90) days after the later of such agreement or determination, enter into the relevant Sale and Purchase Agreement. Upon the signing of the Sale and Purchase Agreement, Xinyi Solar shall remove such Call Right Asset from the Quarterly Project List upon Notice to Xinyi Energy and such change will be reflected in the then-immediately following update of the Quarterly Project List delivered by Xinyi Solar pursuant to Section 2.1(a).

(d) **Closing of transaction contemplated under the Sale and Purchase Agreement.** Except as otherwise agreed upon by the Parties, closing of the transaction under the Sale and Purchase Agreement shall be completed within twelve (12) months from the date of the relevant Call Right Notice; provided that Xinyi Energy may extend the period for closing under such Sale and Purchase Agreement for a period of up to sixty (60) days if Xinyi Energy (or its Subsidiary, as applicable) is not in breach of such Sale and Purchase Agreement and is continuing to use its best efforts to work toward a closing of such Sale and Purchase Agreement.

## **Section 2.3 Exercise of the Call Right.**

(a) Upon delivery of the Call Right Notice with clear identification of the Call Right Assets of the same Batch in accordance herewith, Xinyi Solar shall (or shall cause its Subsidiary to, as applicable) sell the applicable Call Right Assets to Xinyi Energy (or its Subsidiary, as applicable),

and Xinyi Energy shall (or shall cause its Subsidiary to, as applicable) purchase the applicable Call Right Assets from Xinyi Solar (or its Subsidiary, as applicable) for the Call Right Price determined according to the equation set forth in Exhibit B or as otherwise confirmed by the Third Party Advisor in accordance with Section 2.2(b).

(b) Subject to Article III, Xinyi Solar shall not, and shall cause its Subsidiaries not to, make any Transfers with respect to any of the Call Right Assets from the date hereof through the later of (i) the termination of the Call Right Period and (ii) the termination of any Sale and Purchase Agreement entered into pursuant to Section 2.2(c).

#### **Section 2.4 Third Party Advisor.**

If the Parties engage a Third Party Advisor pursuant to Section 2.1(c) or Section 2.2(b), the Third Party Advisor shall be provided with access to all information prepared by or on behalf of the Parties (or their respective Subsidiaries, as applicable) with respect to the applicable Call Right Assets reasonably requested by the Third Party Advisor. The Parties shall jointly appoint the Third Party Advisor to prepare a written report of its applicable determination. The fees and expenses of such Third Party Advisor shall be borne by the Parties in equal shares.

### **ARTICLE III**

#### **RIGHT OF FIRST REFUSAL**

**Section 3.1 Right of First Refusal and ROFR Assets.** As of the date hereof, Xinyi Solar hereby grants, and shall cause its Subsidiaries to grant, to Xinyi Energy and its Subsidiaries a right of first refusal on any proposed Transfer of any Project (each individually a “**ROFR Asset**” and collectively, the “**ROFR Assets**”) if Xinyi Solar or any of its Subsidiaries receives a bona fide offer from a Third Party for the Transfer (a “**Third Party Offer**”) of any ROFR Asset. Each time Xinyi Solar or any of its Subsidiaries receives any such Third Party Offer in connection with a ROFR Asset, Xinyi Solar shall first offer to Xinyi Energy (itself and/or on behalf of its Subsidiaries, as applicable) the right to accept the Transfer of such ROFR Asset from Xinyi Solar (or its Subsidiary, as applicable) in accordance with this Article III prior to proceeding with such Transfer to any Third Party.

**Section 3.2 ROFR Notice.** Within ten (10) days after Xinyi Solar’s or its applicable Subsidiary’s receipt of a Third Party Offer for a ROFR Asset, Xinyi Solar shall deliver Notice (the “**ROFR Notice**”) to Xinyi Energy describing (with reasonably sufficient detail and supporting information) such Third Party Offer and all material terms included therein, including:

- (a) a description of the applicable ROFR Asset along with information regarding the expected revenue to be generated from such ROFR Asset during its expected life cycle;
- (b) the purchase price and other material terms related to pricing and payments in such Third Party Offer;
- (c) the identity of the Third Party that submitted such Third Party Offer; and
- (d) the proposed timing for the execution of the definitive agreement(s) for such Transfer based on such Third Party Offer.

The ROFR Notice shall constitute Xinyi Solar’s (itself and/or on behalf of its Subsidiary, as applicable) offer to Xinyi Energy (or its Subsidiary, as applicable) for the Transfer by Xinyi Solar (or its Subsidiary, as applicable) of the underlying ROFR Asset to Xinyi Energy (or its Subsidiary,

as applicable), which offer shall be irrevocable until the end of the ROFR Notice Period. By delivering the ROFR Notice, Xinyi Solar represents and warrants to Xinyi Energy and its Subsidiaries that: (x) Xinyi Solar (and/or its Subsidiary, as applicable) has full right, title and interest in and to the applicable ROFR Asset; (y) Xinyi Solar (and/or its Subsidiary, as applicable) has all the necessary power and authority and has taken all necessary action to Transfer such ROFR Asset as contemplated by this Article III; and (z) such ROFR Asset is free and clear of any and all liens, encumbrances and other restrictions on transfer except for those arising as a result of or under the terms of this Agreement.

**Section 3.3 Exercise of Right of First Refusal.** Xinyi Energy (itself and/or on behalf of its Subsidiary, as applicable) shall have ninety (90) days after its receipt of the ROFR Notice (the “**ROFR Acceptance Period**”) to elect to accept the Transfer of the ROFR Asset described in such ROFR Notice and on the terms and conditions specified in the ROFR Notice by delivering a written notice (a “**ROFR Acceptance Notice**”) to Xinyi Solar. Each Party shall, and shall cause its applicable Subsidiaries to, take all actions reasonably necessary to cause the right of first refusal to be exercisable in accordance with this Article III, including by taking any actions necessary to facilitate and enforce such exercise and to consummate the transactions contemplated by this Article III. In addition, Xinyi Solar shall, and shall cause its applicable Subsidiaries to, deliver any information reasonably requested by Xinyi Energy and/or any of its Subsidiaries in connection with Xinyi Energy’s exercise of its rights set forth in this Article III. If Xinyi Energy intends to accept the Transfer of the ROFR Asset, the Parties shall enter into the relevant Sale and Purchase Agreement pursuant to Section 2.2(c) and closing of the transaction under the Sale and Purchase Agreement shall be completed within one hundred twenty (120) days from the date of the ROFR Acceptance Notice; provided that Xinyi Energy may extend the period for closing under such Sale and Purchase Agreement for a period of up to sixty (60) days if Xinyi Energy (or its Subsidiary, as applicable) is not in breach of such Sale and Purchase Agreement and is continuing to use its best efforts to work toward a closing of such Sale and Purchase Agreement.

**Section 3.4 Negotiations with Third Parties.** If Xinyi Energy fails to deliver a ROFR Acceptance Notice pursuant to Section 3.3, then within one hundred twenty (120) days after the expiration of such ROFR Acceptance Period, Xinyi Solar (or its Subsidiary) may, notwithstanding Section 3.1, enter into definitive agreement for the Transfer of the applicable ROFR Asset to the Third Party identified in the ROFR Notice delivered to Xinyi Energy pursuant to Section 3.2 on terms and conditions no more favourable to such Third Party than those set forth in such ROFR Notice and offered to Xinyi Energy. If Xinyi Solar (or its Subsidiary) does not complete the Transfer of such ROFR Asset pursuant to the terms and conditions of such definitive agreement within the time period set forth in this Section 3.4, the rights provided to Xinyi Energy and its Subsidiaries hereunder (including Section 3.2) shall be deemed to be revived and Xinyi Solar shall not, and shall cause its Subsidiaries not to, complete such Transfer of such ROFR Asset to a Third Party unless Xinyi Solar sends a new ROFR Notice to Xinyi Energy in accordance with, and otherwise complies with, this Article III, including Section 3.2.

## ARTICLE IV

### TERM; TERMINATION RIGHTS

**Section 4.1 Term.** Subject to the provision of this Article IV, the term of this Agreement shall commence on the Listing Date and shall end on such date on which Xinyi Solar ceases to be a substantial shareholder (as such term is defined under the Listing Rules) of Xinyi Energy (the “**Term**”). Notwithstanding the foregoing and except as may be expressly agreed in writing, no termination of this Agreement pursuant to this Article IV shall release either Party from any obligations (including any payment obligations) arising hereunder prior to such termination.

**Section 4.2 Termination Rights.** Xinyi Energy shall have the right to terminate this Agreement, with Notice to Xinyi Solar, if the Xinyi Solar materially breaches or defaults in the performance of its obligations under this Agreement or under any transaction agreement entered into by the Parties in connection with any of the Call Right Assets or the ROFR Assets, and such breach or default is continuing for sixty (60) days after Xinyi Solar has been given a Notice specifying such default or breach and requiring it to be remedied and stating that such Notice is a “Notice of Default” hereunder. Upon any such termination the Parties shall have no further rights or obligations under this Agreement, except those that expressly survive the termination of this Agreement.

**Section 4.3 No Consequential Damages.** Notwithstanding anything to the contrary contained in this Agreement or provided for under any Applicable Law, no Party hereto shall be liable to any other Party, either in contract or in tort, for any consequential, incidental, indirect, special or punitive damages of such other Person, including loss of future revenue, or income or profits, or any diminution of value or multiples of earnings damages relating to the breach or alleged breach hereof, whether or not the possibility of such damages has been disclosed to the other Party in advance or could have been reasonably foreseen by such other Party.

## ARTICLE V

### CONFIDENTIALITY

**Section 5.1 Confidential Information.** Each Party (the “Receiving Party”) shall keep confidential and not make any public announcement or disclose to any Person any terms of any other documents, materials, data or other information with respect to the other Party (the “Disclosing Party”) which is not generally known to the public (the “Confidential Information”); provided, that “Confidential Information” shall not include information that becomes available to the Receiving Party on a non-confidential basis from a source other than the Disclosing Party, its Subsidiaries, or their respective directors, officers or employees, provided, however, that, to the Receiving Party’s knowledge, such source was not prohibited from disclosing such information to the Receiving Party by any legal, contractual or fiduciary duty. Notwithstanding the foregoing, the Receiving Party shall be permitted to (a) disclose any Confidential Information to the extent required by court order or under Applicable Law, (b) make a public announcement regarding such matters (i) as agreed to in writing by the Disclosing Party or (ii) as required by the provisions of any Applicable Laws related to securities or the requirements of any exchange on which the Receiving Party’s securities may be listed (a “Required Securities Disclosure”), or (c) disclose any Confidential Information to any Person on a “need-to-know” basis, such as its Subsidiaries, shareholders, partners, members, trustees, beneficiaries, directors, officers, employees, attorneys, consultants or lenders; provided, however, that, other than in connection with a Required Securities Disclosure, the Receiving Party shall (x) advise such Person of the confidential nature of such Confidential Information, (y) cause such Person to be bound by obligations of confidentiality that are no less stringent than the obligations set forth herein and (z) be responsible for any breach of such obligations by any such Person, and any such breach shall constitute a breach by the Receiving Party of its obligations under this Agreement. The Parties acknowledge that the Confidential Information is valuable and unique, and that damages would be an inadequate remedy for breach of this Section 5.1 and the obligations of each Party under this Section 5.1 are specifically enforceable and either Party shall be entitled to seek injunctive relief in addition to any other legal or equitable remedy available to such Party. This Section 5.1 shall survive any termination of this Agreement until the date that is twelve (12) months after such termination.

## ARTICLE VI

### INDEPENDENT COMMITTEE

**Section 6.1 Independent Committee.** For as long as Xinyi Solar is a Controlling Shareholder of Xinyi Energy, any action by Xinyi Energy hereunder, including any termination or amendment of this Agreement, the exercise or waiver of any of Xinyi Energy's rights hereunder and the terms and conditions of any Sale and Purchase Agreement, shall be performed in accordance with the requirements under the Listing Rules and shall be approved by, inter alia, the Independent Committee and/or the independent shareholders of Xinyi Energy as required by the Listing Rules.

## ARTICLE VII

### MISCELLANEOUS PROVISIONS

#### **Section 7.1 Notices.**

(a) Method of Delivery. All notices, requests, demands and other communications (each, a "Notice") required to be provided by a Party to the other Party pursuant to this Agreement shall be in writing and shall be delivered (i) in person, (ii) by certified mail, with postage prepaid and return receipt requested, (iii) by overnight courier service, or (iv) by e-mail transmittal, with a verification copy sent on the same day by any of the methods set forth in clauses (i), (ii) and (iii), to the other Party to this Agreement at the following address (or to such other address as either Party may designate from time to time pursuant to this Section 7.1):

If to Xinyi Solar:

Xinyi Solar Holdings Limited  
Unit 2109-2115, 21/F  
Rykadan Capital Tower  
No. 135 Hoi Bun Road  
Kwun Tong, Kowloon

Attn: Mr. Lee Yau Ching

If to Xinyi Energy:

Xinyi Energy Holdings Limited  
Unit 2118-2120, 21/F  
Rykadan Capital Tower  
No. 135 Hoi Bun Road  
Kwun Tong, Kowloon

Attention: Mr. Tung Fong Ngai

(b) Receipt of Notices. All Notices sent by either Party under this Agreement shall be deemed to have been received by the Party to whom such Notice is sent upon (i) delivery to the address of the recipient Party, provided that such delivery is made prior to 5:00 p.m. (local time for the recipient Party) on a Business Day, otherwise the following Business Day, or (ii) the attempted delivery of such Notice if (A) such recipient Party refuses delivery of such Notice, or (B) such recipient Party is no longer at such address and such recipient Party failed to provide the sending Party with its current address pursuant to this Section 7.1).

(c) Change of Address. The Parties shall have the right to change their respective address for the purposes of this Section 7.1 by providing a Notice of such change in address as required under this Section 7.1.

**Section 7.2** Time is of the Essence. Time is of the essence of this Agreement; provided, that notwithstanding anything to the contrary in this Agreement, if the time period for the performance of any covenant or obligation, satisfaction of any condition or delivery of any Notice or item required under this Agreement shall expire on a day other than a Business Day, such time period shall be extended automatically to the next Business Day.

**Section 7.3** Assignment. Neither Party shall assign this Agreement or any interest therein to any Person, without the prior written consent of the other Party, which consent may be withheld in such Party's sole discretion.

**Section 7.4** Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns (which include their respective Affiliates).

**Section 7.5** Third Party Beneficiaries. This Agreement shall not confer any rights or remedies on any Person other than the Parties and their respective successors and permitted assigns (including their respective Affiliates).

**Section 7.6** Relationship of the Parties. This Agreement shall not be deemed to create a partnership, joint venture, association or any other similar relationship between the Parties.

**Section 7.7** Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Hong Kong Special Administrative Region of the People's Republic of China, without regard to the laws regarding conflict of laws thereof that would require the laws of another jurisdiction to apply.

**Section 7.8** Rules of Construction. The following rules shall apply to the construction and interpretation of this Agreement:

(a) Terms defined in a given number, tense or form shall have the corresponding meaning when used in this Agreement with initial capitals in another number, tense or form. The meaning assigned to each term defined herein shall be equally applicable to both the singular and the plural forms of such term and vice versa, and words denoting either gender shall include both genders as the context requires. Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning.

(b) All references in this Agreement to particular recitals, articles, sections, subsections or clauses (whether in upper or lower case) are references to recitals, articles, sections, subsections or clauses of this Agreement. All references in this Agreement to particular exhibits or schedules (whether in upper or lower case) are references to the exhibits and schedules attached to this Agreement, unless otherwise expressly stated or clearly apparent from the context of such reference

(c) The headings contained herein are solely for convenience of reference and shall not constitute a part of this Agreement nor shall they affect its meaning, construction or effect.

(d) Each Party and its counsel have reviewed and revised (or requested revisions of) this Agreement and have participated in the preparation of this Agreement, and therefore any usual rules of construction requiring that ambiguities are to be resolved against any Party shall not be applicable in the construction and interpretation of this Agreement or any exhibits hereto.

(e) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms shall refer to this Agreement, and not solely to the provision in which such term is used.

(f) The terms “include,” “including” and similar terms shall be construed as if followed by the phrase “without limitation.”

(g) The use of the word “or” is not exclusive.

(h) Unless otherwise provided herein, all capitalized terms utilized in the exhibits shall have the meaning given to them in this Agreement.

**Section 7.9 Severability.** If any term or provision of this Agreement is held to be or rendered invalid or unenforceable at any time in any jurisdiction, such term or provision shall not affect the validity or enforceability of any other terms or provisions of this Agreement, or the validity or enforceability of such affected terms or provisions at any other time or in any other jurisdiction.

**Section 7.10 Dispute Resolution.** All Parties hereto irrevocably agree that all disputes hereunder shall be referred to and finally settled by arbitration at Hong Kong International Arbitration Centre (the “HKIAC”). The arbitration shall be conducted in the Hong Kong Special Administrative Region of the People’s Republic of China and shall be administered by the HKIAC in accordance with the HKIAC Administered Arbitration Rules (the “Rules”) in force at the time of the commencement of the arbitration. However, if the Rules are in conflict with the provisions of this Section 7.10, the provisions of this Section 7.10 shall prevail. Such disputes shall be referred to an arbitration tribunal consisting of three (3) arbitrators appointed in accordance with the Rules. The decision of the tribunal shall be final and binding on the Parties to this Agreement, and the prevailing Party may apply to a court of competent jurisdiction for enforcement of such award. The costs and expenses of the arbitration, including the fees of the arbitral tribunal shall be borne and paid by the Parties to this Agreement in such proportions as the arbitral tribunal shall determine. The language of the arbitration shall be English.

**Section 7.11 Recitals, Exhibits and Schedules.** The recitals to this Agreement, and all exhibits and schedules referred to in this Agreement are incorporated herein by such reference and made a part of this Agreement. Any matter disclosed in any schedule to this Agreement shall be deemed to be incorporated in all other schedules to this Agreement.

**Section 7.12 Entire Agreement.** This Agreement sets forth the entire understanding and agreement of the Parties hereto, and shall supersede any other agreements and understandings (written or oral) between the Parties on or prior to the date of this Agreement with respect to the matters contemplated in this Agreement.

**Section 7.13 Amendments to Agreement.** No amendment, supplement or other modification to any terms of this Agreement shall be valid unless in writing and executed and delivered by the Parties.

**Section 7.14 Costs and Expenses.** Except as specifically set forth herein, each Party shall be responsible for any legal fees and expenses, financial advisory fees, accountant fees and any other fees and expenses incurred by such Party in connection with the negotiation, preparation and enforcement of this Agreement and the transactions contemplated hereby.

**Section 7.15 E-mail; Counterparts.** The Parties may deliver executed signature pages to this Agreement by e-mail transmission to the other Party, which e-mail copy shall be deemed to be an original executed signature page; provided, that such Party shall deliver an original

signature page to the other Party promptly thereafter. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which counterparts together shall constitute one agreement with the same effect as if the Parties had signed the same signature page.

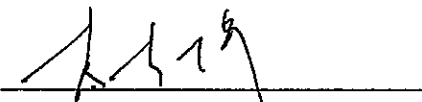
[Signature Page Follows]



IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and delivered as of the date set forth above in their names by their respective duly authorized officers or representatives.

**XINYI SOLAR:**

**XINYI SOLAR HOLDINGS LIMITED**  
a limited company incorporated in the  
Cayman Islands with limited liability

By:   
Name: LEE Yau Ching  
Title: Director

**XINYI ENERGY:**

**XINYI ENERGY HOLDINGS LIMITED**  
a limited company incorporated in the British  
Virgin Islands

By: \_\_\_\_\_  
Name: TUNG Fong Ngai  
Title: Director

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and delivered as of the date set forth above in their names by their respective duly authorized officers or representatives.

**XINYI SOLAR:**

**XINYI SOLAR HOLDINGS LIMITED**

a limited company incorporated in the  
Cayman Islands with limited liability

By: \_\_\_\_\_

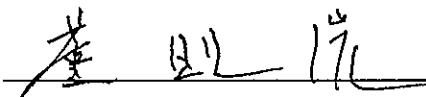
Name: LEE Yau Ching

Title: Director

**XINYI ENERGY:**

**XINYI ENERGY HOLDINGS LIMITED**

a limited company incorporated in the British  
Virgin Islands

By:  \_\_\_\_\_

Name: TUNG Fong Ngai

Title: Director

## Exhibit A

### Initial Quarterly Project List

	Approved capacity (MW)	Resource Zone	Current status	National quota obtained	Expected year of completion of construction	Approved Feed-in-Tariff rate RMB
Wangjiang Solar Farm	100	III	Construction in progress	Yes	2019	0.945 (Phase 1) 0.660 (Phase 2)
Jinzhai Solar Farm (Phase 3)	100	III	Construction in progress	Yes	2019	0.925
Huaibei Solar Farm	100	III	Construction in progress	Yes	2019	0.78
Bozhou Solar Farm (Phase 4)	50	III	Construction in progress	Yes	2019	0.63
Baicheng Solar Farm	30	II	Construction in progress	Yes	2019	0.88 (Phase 1) 0.75 (Phase 2)
Hainan Solar Farm	300	III	Planning for development	Yes	2020	— <sup>(1)</sup>
<b>Total</b>	<b>680</b>					

Notes:

- (1) The relevant solar farm projects have yet to be grid-connected and as such, no approved Feed-in-Tariff rates are available.
- (2) Under the Feed-in-Tariff regime, utility-scale ground-mounted solar farm projects developed under the national quota system in the PRC are in principle entitled to receive the Feed-in-Tariff at the same applicable rate for 20 years for grid-connected electricity generation. However, the actual Feed-in-Tariff rate is subject to final determination upon grid-connection.

## Exhibit B

### Call Right Price Methodology, Terms and Conditions

The Call Right Price of each Call Right Asset shall be calculated in accordance with the following formula:

Call Right Price = the greater of (a) and (b),

(a) is equal to (Adjusted EBITDA during Designated 12-month of Operation + Sales revenue PRC value added tax\*) x Implied Multiple

and

(b) is equal to such amount representing one hundred ten percent (110%) of the actual reasonable and documented construction costs of such Call Right Asset.

\* Representing the cash flow benefit arising from the set-off of PRC value added tax (VAT) incurred on sales (Sales revenue VAT, charged on revenue derived from the electricity generated and transmitted as well as tariff adjustment) against the VAT incurred on purchases (VAT receivable, previously incurred when the capital expenditure was paid during the construction period of the Call Right Asset).

The Call Right Price of the Completed Solar Farm Projects will be deducted by such amount representing the net liabilities as of the date of completion of the transaction.

If the proposed acquisition of the Completed Solar Farm Projects is to be conducted by way of acquisition of the shares of the holding company of the relevant Completed Solar Farm Projects, the Call Right Price shall be deducted accordingly by such amount representing the net liabilities of the holding company of the Completed Solar Farm Projects as of the date of completion of the transaction.

where “**Adjusted EBITDA**” is defined as the consolidated earnings before interest payments, taxes, depreciations and amortization of intangible assets (EBITDA) after eliminating the effect of the Adjustments, if applicable, for that year.

“**Adjustments**” refer to adjustments of certain items which are charged or credited to the consolidated income statements for the relevant year, being:

- other gain/(loss), net;
- other income;
- unrealized revaluation gains, including impairment provisions or reversal of impairment provisions;
- impairment of goodwill/recognition of negative goodwill;

- material non-cash gains/losses; and
- costs of any offering of ordinary shares of Xinyi Energy that are expensed through the consolidated income statements but are funded by proceeds from the issuance of such shares.

**“Designated 12-month of Operation”** shall commence from the first calendar day of the calendar month immediately after the targeted date of completion of the acquisition of the Call Right Asset. If there is any unexpected delay of more than one month to such targeted completion date, the Parties shall negotiate the postponement of the commencement date of the Designated 12-month of Operation.

**“Implied Multiple”** = 7.2 or as otherwise agreed upon by the Parties with reference to advice from the Third Party Advisor and in compliance with the applicable requirements under the Listing Rules.

The Call Right Price for each Call Right Asset shall be (a) calculated and payable in the currency of the location in which such Call Right Asset is located and (b) if applicable, shall be payable in installments with reference to the payment of the tariff adjustment under the “Feed-in-Tariff” regime of the PRC in relation to such Call Right Asset. The exchange rate to be used for the purpose of determining the Call Right Price in Hong Kong Dollars shall be the average exchange rate between RMB and Hong Kong Dollars during a period of ten (10) days immediately preceding the date of the settlement of the Call Right Price.