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GCL-Poly Energy Holdings Limited
保利協鑫能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 3800)



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
WITH SHANGHAI ELECTRIC POWER
CONSTRUCTION CO., LTD.

MAJOR TRANSACTION
WITH SHANGHAI ELECTRIC POWER
CONSTRUCTION CO., LTD.

THE TRANSACTION

On 8 September 2015, Yulin Longyuan (an indirect subsidiary of GCL-Poly and an indirect wholly owned subsidiary of GNE) entered into the following two EPC agreements (the “**EPC Agreements**”) with Shanghai Electric Construction and Shanghai Power Erection (independent third parties of GCL-Poly and GNE) respectively:

- (i) the EPC agreement in relation to the grid connection of the 200 MW photovoltaic power station project at Yuyang District of Yulin City of Shaanxi Province* (陝西省榆林市榆陽區) (the “**Xiaohaotu Project**”) entered into with Shanghai Electric Construction (the “**Photovoltaic Power Station EPC Agreement**”) at an estimated consideration of RMB 1,247,980,000 (equivalent to approximately HK\$1,521,162,822); and
- (ii) the EPC agreement in relation to the 330 KV and 110 KV Yulin Longyuan photovoltaic transformer substations at Yuyang District of Yulin City of Shaanxi Province* (陝西省榆林市榆陽區) entered into with Shanghai Power Erection (the “**Transformer Substations Project**”) at an estimated consideration of RMB 179,178,000 (equivalent to approximately HK\$218,400,064) and for the transmission project of the 330 KV Yulin Longyuan

photovoltaic power station at Yuyang District of Yulin City of Shaanxi Province* (陝西省榆林市榆陽區) entered into with Shanghai Power Erection (the “**Transmission Project**”) at an estimated consideration of RMB 15,000,000 (equivalent to approximately HK\$18,283,500) (the “**Transformer Substations and Transmission Project EPC Agreement**”).

In addition, the following agreement was entered into with Shanghai Electric Construction, the holding company of Shanghai Power Erection, in the past 12 months:

- (i) the EPC agreement for the 35 MW Shandong Shouguang photovoltaic power station (the “**Previous Agreement**”) at an estimated consideration of RMB 240,007,500 (equivalent to approximately HK\$292,545,142).

LISTING RULE IMPLICATIONS

The entering into of the Previous Agreement did not constitute a discloseable transaction of GCL-Poly and GNE pursuant to Chapter 14 of the Listing Rules.

As the EPC Agreements and the Previous Agreement were entered into with Shanghai Electric Construction and Shanghai Power Erection within a 12-month period prior to and inclusive of the date of the EPC Agreements, the EPC Agreements and the Previous Agreement 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 EPC Agreements and the Previous Agreement (in aggregate) exceeds 5% but is less than 25% for GCL-Poly, the entering into of the EPC Agreements and the Previous Agreement, in aggregate, constitutes a discloseable transaction of GCL-Poly and GCL-Poly shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the EPC Agreements and the Previous Agreement (in aggregate) exceeds 25% but is less than 100% for GNE, the entering into of the EPC Agreements and the Previous Agreement, in aggregate, constitutes a major transaction of GNE and GNE shall comply with the reporting and announcement and shareholders’ approval requirements under Chapter 14 of the Listing Rules.

GENERAL

Pursuant to the Listing Rules, shareholders' approval is required for a major transaction. To the best of the knowledge, information and belief of the GNE Directors and after having made all reasonable enquiries, as at the date of this announcement, none of the GNE Shareholders has a material interest in the major transaction and therefore none of them would be required to abstain from voting if GNE were to convene a general meeting for approving the major transaction. Pursuant to Rule 14.44 of the Listing Rules, GNE will request written shareholders' approval from Elite Time Global (which as at the date of this announcement, holds 8,640,000,000 GNE Shares, representing approximately 62.28% of the issued share capital of GNE) to approve the major transaction. If GNE receives such written shareholders' approval, no shareholders' meeting will be held to approve the major transaction pursuant to Rule 14.44 of the Listing Rules.

In accordance with the requirements of the Listing Rules, a circular of GNE containing further details of the major transaction will be despatched to the GNE Shareholders on or before 30 September 2015.

1. THE EPC AGREEMENTS

A. Principal terms of the Photovoltaic Power Station EPC Agreement

(i) Date

8 September 2015

(ii) Parties

Principal: Yulin Longyuan

Contractor: Shanghai Electric Construction

(iii) Subject matter

Yulin Longyuan agreed to engage Shanghai Electric Construction as the contractor to provide engineering, procurement and construction services in relation to the Xiaohaotu Project. The relevant construction work will commence upon notice being given by Yulin Longyuan. It is expected that the first grid connection for power generation will take place by 30 October 2015 and the grid connection of 120 MW will be completed by 31 December 2015. The grid connection for the full power generation of 200 MW will be completed by 30

April 2016. The construction work will be completed and the Construction Completion Certificate* (工程竣工驗收鑒定書) will be obtained within three months thereafter. Shanghai Electric Construction will also be responsible for obtaining the relevant permit for use of land for the project and the approval for application for price subsidies from the relevant government authorities in the PRC by 31 December 2016.

(iv) Basis of consideration

The consideration for the services under the Photovoltaic Power Station EPC Agreement is estimated to be RMB 1,247,980,000 (equivalent to approximately HK\$1,521,162,822), which may be adjusted according to a number of factors such as costs of raw materials and changes in the construction plan and the design of the project.

The Photovoltaic Power Station EPC Agreement was negotiated and entered into on an arm's length basis and on normal commercial terms. The consideration under the Photovoltaic Power Station EPC Agreement was determined with reference to (a) the quality standard and cost of the services to be provided; (b) the profit margin of the project; and (c) the prevailing market price of similar services.

(v) Payment terms

The consideration for the services under the Photovoltaic Power Station EPC Agreement shall be paid by Yulin Longyuan to Shanghai Electric Construction in accordance with the milestones as follows:

| | | |
|-------------------|----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| First instalment | RMB100,000,000 (equivalent to approximately HK\$121,890,000) | In December 2015 |
| Second instalment | Up to 95% of the amount of the total adjusted consideration (after deducting the first instalment) | 12 months upon successful grid connection of the full capacity of the Xiaohaotu Project, provided that the relevant permit for use of land for the project and approval for price subsidies from the relevant government authorities in the PRC are obtained |

| | | | |
|------------------|---------------------------------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Third instalment | 5% of the amount of the total consideration | adjusted | 15 days after the expiration of the warranty period of 12 months from the date of the Construction Completion Certificate* (工程竣工驗收鑒定書), provided that there are no issues in relation to the quality of services and construction work or any issues have been remedied |
|------------------|---------------------------------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

B. Principal terms of the Transformer Substations and Transmission Project EPC Agreement

(i) Date

8 September 2015

(ii) Parties

Principal: Yulin Longyuan

Contractor: Shanghai Power Erection

(iii) Subject Matter

The Transformer Substations Project

Yulin Longyuan agreed to engage Shanghai Power Erection as the contractor to provide engineering, procurement and construction services, technical and design services in relation to the 330 KV and 110 KV Yulin Longyuan photovoltaic transformer substations at Yuyang District of Yulin City of Shaanxi Province* (陝西省榆林市榆陽區). The relevant construction work will commence upon notice given by Yulin Longyuan. It is expected that the construction work will be completed and the grid connection for power generation in relation to the 330 KV and 110 KV Yulin Longyuan photovoltaic transformer substations be completed by 31 December 2015.

The Transmission Project

Yulin Longyuan agreed to engage Shanghai Power Erection as the contractor to provide management and supervision services to the engineering and construction work in relation to the transmission project of the 330 KV Yulin Longyuan photovoltaic power station at Yuyang District of Yulin City of Shaanxi Province* (陝西省榆林市榆陽區). The relevant work will commence upon notice given by Yulin Longyuan. It is expected that the construction work will be completed and the electricity transmission be successfully completed by 31 December 2015.

(iv) Basis of consideration

The consideration for the services for the Transformer Substations Project is estimated to be RMB 179,178,000 (equivalent to approximately HK\$218,400,064), which may be adjusted according to a number of factors such as costs of raw materials.

The consideration for the services for the Transmission Project is estimated to be RMB 15,000,000 (equivalent to approximately HK\$18,283,500), which may be adjusted according to the final design of the construction of the project.

The estimated total consideration under the Transformer Substations and Transmission Project EPC Agreement is RMB 194,178,000 (equivalent to approximately HK\$236,683,564).

The Transformer Substations and Transmission Project EPC Agreement was negotiated and entered into on an arm's length basis and on normal commercial terms. The consideration under the Transformer Substations and Transmission Project EPC Agreement was determined with reference to (a) the quality standard and cost of the services to be provided; (b) the profit margin of the project; and (c) the prevailing market price of similar services.

(v) Payment terms

The consideration for the services under the Transformer Substations and Transmission Project EPC Agreement shall be paid by Yulin Longyuan to Shanghai Power Erection in accordance with milestones as follows:

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|-------------------|----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| First instalment | RMB140,000,000 (equivalent to approximately HK\$170,646,000) | September 2015 |
| Second instalment | Up to 95% of the amount of the total adjusted consideration (after deducting the first instalment) | 12 months upon successful grid connection of the full capacity of the Xiaohaotu Project, provided that the relevant permit for use of land of the project and approval for price subsidies from the relevant government authorities in the PRC are obtained |
| Third instalment | 5% of the amount of the total adjusted consideration | 10 days after the expiration of the warranty period of 12 months from the date of completion of the project, provided that there are no issues in relation to the quality of services and construction work or any issues have been remedied |

2. THE PREVIOUS AGREEMENT

A. Principal terms of Previous Agreement

(i) Date

26 June 2015

(ii) Parties

Principal: Shandong Wanhai

Contractor: Shanghai Electric Construction

(iii) Subject matter

Shandong Wanhai agreed to engage Shanghai Electric Construction as the contractor to provide engineering, procurement and construction services in relation to the 35 MW photovoltaic power station in Shandong Shouguang. The construction work had already commenced and it was expected that the construction work would be completed and the grid connection for power generation be completed by 15 October 2015. It was expected that the Construction Completion Certificate would be obtained after three months from the date of completion of grid connection.

(iv) Basis of consideration

The consideration for the services under the Previous Agreement was estimated at RMB 240,007,500 (equivalent to approximately HK\$292,545,142). The Previous Agreement was negotiated and entered into on an arm's length basis and on normal commercial terms. The consideration under the Previous Agreement was determined with reference to (a) the quality standard of the services to be provided; (b) the profit margin of the project; and (c) the prevailing market price of similar services.

(v) Payment terms

The consideration for the services under the Previous Agreement shall be paid by Shandong Wanhai to Shanghai Electric Construction in accordance with milestones as follows:

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|-------------------|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| First instalment | 10% of the outstanding amount of the total consideration | Upon the signing of the Previous Agreement |
| Second instalment | 30% of the outstanding amount of the total consideration | Upon the delivery of the first batch of equipment to the construction site |
| Third instalment | 55% of the outstanding amount of the total consideration | Within 3 months after completion of grid connection for power generation for the full capacity of the power station |
| Fourth instalment | 5% of the outstanding amount of the total consideration | After the expiration of the warranty period of 12 months from the date of the Construction Completion Certificate* (工程竣工驗收鑒定書), provided that there are no issues in relation to the quality of services and construction work or any issues have been remedied |

3. REASONS AND BENEFITS OF THE TRANSACTION

Since May 2014, GNE has announced various renewable energy projects and acquisitions relating to the new nature and scope of the business of the GNE Group, including GNE's announcements dated 21 May 2014, 26 August 2014, 28 August 2014, 6 October 2014, 10 November 2014, 28 November 2014, 4 December 2014, 6 January 2015, 12 February 2015, 2 March 2015 and 31 July 2015.

As a developer of greenfield projects, the GNE Group has to engage contractors to provide engineering, procurement and constructions services to construct its power generation projects. Shanghai Electric Construction and Shanghai Power Erection are established EPC contractors and have extensive local resources. The GNE Group believes that they can deliver service at a quality standard which meets the expectations of the GNE Group.

Based on the above reasons, the GNE Directors believe and consider that the terms of the EPC Agreements and the Previous Agreement are fair and reasonable and are in the interests of GNE and the GNE Shareholders as a whole.

Having considered the view of the GNE Directors and all relevant factors, the GCL-Poly Directors believe and consider that the terms of the EPC Agreements and the Previous Agreement are fair and reasonable and are in the interests of the GCL-Poly and the GCL-Poly Shareholders as a whole.

4. LISTING RULES IMPLICATIONS

The entering into of the Previous Agreement did not constitute a discloseable transaction of GCL-Poly and GNE pursuant to Chapter 14 of the Listing Rules.

As the EPC Agreements and the Previous Agreement were entered into with Shanghai Electric Construction and Shanghai Power Erection within a 12-month period prior to and inclusive of the date of the EPC Agreements, the EPC Agreements and the Previous Agreement 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 EPC Agreements and the Previous Agreement (in aggregate) exceeds 5% but is less than 25% for GCL-Poly, the entering into of the EPC Agreements and the Previous Agreement, in aggregate, constitutes a discloseable transaction of GCL-Poly and GCL-Poly shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the EPC Agreements and the Previous Agreement (in aggregate) exceeds 25% but is less than 100% for GNE, the entering into of the EPC Agreements and the Previous Agreement, in aggregate, constitutes a major transaction of GNE and GNE shall comply with the reporting and announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the GCL-Poly Directors and the GNE Directors having made all reasonable enquiries, Shanghai Electric Construction and Shanghai Power Erection and each of their respective ultimate beneficial owners are third parties independent of GCL-Poly and GNE and each of their connected persons.

5. GENERAL

Pursuant to the Listing Rules, shareholders' approval is required for a major transaction. To the best knowledge, information and belief of the GNE Directors and after having made all reasonable enquiries, as at the date of this announcement, none of the GNE Shareholders has a material interest in the major transaction and therefore none of them would be required to abstain from voting if GNE were to convene a general meeting for approving the major transaction. Pursuant to Rule 14.44 of the Listing Rules, GNE will request written shareholders' approval from Elite Time Global (which as at the date of this announcement, holds 8,640,000,000 GNE Shares, representing approximately 62.28% of the issued share capital of GNE) to approve the major transaction. If GNE receives such written shareholders' approval, no shareholders' meeting will be held to approve the major transaction pursuant to Rule 14.44 of the Listing Rules.

In accordance with the requirements of the Listing Rules, a circular of GNE containing further details of the major transaction will be despatched to GNE Shareholders on or before 30 September 2015.

6. INFORMATION ON THE PARTIES TO THE EPC AGREEMENTS AND THE PREVIOUS AGREEMENT

Shanghai Electric Construction

Shanghai Electric Construction is principally engaged in overseas and domestic power, industrial, urban and roadway engineering, construction, installation and contracting work; design of construction machinery; marketing of equipment and materials; non-standard parts processing; import and export of self-developed products, raw materials and technology; bidding on construction projects; technology consulting, transfer, testing and maintenance; training of employees; manufacture and transport of power station equipment; and overseas technology cooperation.

Shanghai Power Erection

Shanghai Power Erection is principally engaged in electrical engineering; electrical and mechanical equipment installation; environmental engineering; pipeline construction; boiler installation and repairs; crane installation and repairs; construction works; scaffolding construction and installation; contracting

services for overseas electrical installation work and internationally-bid domestic engineering projects; export of equipment and materials and despatch of labour for the above activities; and quality testing of construction and installation work.

The GCL-Poly Group

GCL-Poly is an investment company and its subsidiaries are principally engaged in the manufacturing of polysilicon and wafers for the solar industry as well as the development, management and operation of environmentally friendly power plants.

The GNE Group

The GNE 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 GNE Group is also engaged in manufacturing and selling of printed circuit boards.

7. DEFINITIONS

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

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| “connected persons” | has the same meaning ascribed to it under the Listing Rules |
| “Elite Time Global” | Elite Time Global Limited, a company incorporated in British Virgin Islands with limited liability, a wholly-owned subsidiary of GCL-Poly which, as at the date of this announcement, holds 8,640,000,000 GNE Shares representing approximately 62.28% of the issued share capital of GNE |
| “EPC” | engineering, procurement and construction |
| “EPC Agreements” | collectively, the Photovoltaic Power Station EPC Agreement and the Transformer Substations and Transmission Project EPC Agreement |

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| “GCL-Poly” | GCL-Poly Energy Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange, with stock code 3800. As at the date of this announcement, GCL-Poly is interested in approximately 62.28% of the issued share capital of GNE |
| “GCL-Poly Board” | the board of the GCL-Poly Directors |
| “GCL-Poly Director(s)” | director(s) of the GCL-Poly |
| “GCL-Poly Group” | GCL-Poly and its subsidiaries |
| “GCL-Poly Share(s)” | ordinary shares of HK\$0.10 each in the share capital of the GCL-Poly |
| “GCL-Poly Shareholder(s)” | holder(s) of the GCL-Poly Share(s) |
| “GNE” | 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 |
| “GNE Board” | the board of the GNE Directors |
| “GNE Director(s)” | director(s) of GNE |
| “GNE Group” | GNE and its subsidiaries |
| “GNE 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 GNE |
| “GNE Shareholder(s)” | holder(s) of the GNE Share(s) |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | Hong Kong Special Administrative Region of the PRC |
| “KV” | kilovolt |
| “MW” | megawatt(s) |

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| “Photovoltaic Power Station EPC Agreement” | the EPC agreement dated 8 September 2015 between Yulin Longyuan and Shanghai Electric Construction in relation to the grid connection of the Xiaohaotu Project |
| “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 Agreement” | the EPC agreement dated 26 June 2015 entered into between Shanghai Electric Construction and Shandong Wanhai in relation to a 35 MW Shandong Shouguang photovoltaic power station in Shandong Shouguang |
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Shandong Wanhai” | Shandong Wanhai Electric Company Limited* (山東萬海電力有限公司), an indirect subsidiary of GCL-Poly and an indirect subsidiary of GNE which is incorporated in the PRC with limited liability |
| “Shanghai Electric Construction” | Shanghai Electric Power Construction Co., Ltd.* (上海電力建設有限責任公司), a company incorporated in the PRC with limited liability |
| “Shanghai Power Erection” | Shanghai Electrical Power Erection No. 1 Company* (上海電力安裝第一工程公司), a company incorporated in the PRC with limited liability |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiaries” | has the same meaning ascribed to it under the Listing Rules |
| “Transformer Substations and Transmission Project EPC Agreement” | the EPC agreement dated 8 September 2015 between Yulin Longyuan and Shanghai Power Erection in relation to the Transformer Substations Project and the Transmission Project |
| “Transformer Substations Project” | the 330 KV and 110 KV Yulin Longyuan photovoltaic transformer substation project at Yuyang District of Yulin City of Shaanxi Province* (陝西省榆林市榆陽區) |

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| “Transmission Project” | the 330 KV Yulin Longyuan photovoltaic power station transmission project at Yuyang District of Yulin City of Shaanxi Province* (陝西省榆林市榆陽區) |
| “Xiaohaotu Project” | the 200 MW photovoltaic power station project at Yuyang District of Yulin City of Shannxi Province* (陝西省榆林市榆陽區) |
| “Yulin Longyuan” | Yulin Longyuan Solar Power Company Limited* (榆林隆源光伏電力有限公司), an indirect subsidiary of GCL-Poly and an indirect wholly owned subsidiary of GNE which is incorporated in the PRC with limited liability |
| “%” | per cent. |

This announcement contains translations between Renminbi and Hong Kong dollar amounts at RMB1= HK\$1.2189, being the exchange rate prevailing on 7 September 2015. 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-Poly Energy Holdings Limited
Zhu Gongshan
Chairman

By order of the board
GCL New Energy Holdings Limited
Tang Cheng
Chairman

Hong Kong, 8 September 2015

As at the date of this announcement, the GCL-Poly Board comprises Mr. Zhu Gongshan, Mr. Ji Jun, Mr. Zhu Yufeng, Mr. Yeung Man Chung, Charles and Mr. Zhu Zhanjun as executive directors; Mr. Shu Hua as a non-executive director; Dr. Raymond Ho Chung Tai , Mr. Yip Tai Him and Dr. Shen Wenzhong as independent non-executive directors.

As at the date of this announcement, the GNE Board comprises Mr. Zhu Gongshan, Mr. Tang Cheng, Mr. Sun Xingping, Ms. Hu Xiaoyan and Mr. Yip Sum Yin as executive directors; Mr. Zhu Yufeng, Ms. Sun Wei and Mr. Sha Hongqiu as non-executive directors; and Mr. Wang Bohua, Mr. Xu Songda, Mr. Wang Yanguo, Mr. Lee Conway Kong Wai and Dr. Chen Ying as independent non-executive directors.