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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 WUHAN RIXIN TECHNOLOGY HOLDING COMPANY LIMITED

On 13 December 2015, Jinfu Solar Energy (an indirect subsidiary of GCL-Poly and an indirect wholly owned subsidiary GNE) as principal entered into an engineering, procurement and construction agreement with Wuhan Rixin Technology (an independent third party of GCL-Poly and GNE) as contractor in relation to a 110MW photovoltaic power station project located in Zhongguanyi Town, Macheng City of Hubei Province in the PRC (the “**Project**”) at a consideration of RMB940,500,000 (equivalent to approximately HK\$1,132,550,100) (the “**EPC Agreement**”).

In addition, on 10 December 2015, Suzhou GCL New Energy (an indirect wholly-owned subsidiary of GCL-Poly and GNE) as purchaser entered into a share purchase agreement (the “**SPA**”) with Wuhan Rixin Energy (an independent third party of GCL-Poly and GNE) as vendor to acquire the entire equity interest in Jinfu Solar Energy for a consideration of RMB45,000,000 (equivalent to approximately HK\$54,189,000). Wuhan Rixin Energy is a wholly owned subsidiary of Wuhan Rixin Technology.

LISTING RULE IMPLICATIONS

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

As the SPA was entered into with Wuhan Rixin Energy within a 12-month period prior to and inclusive of the date of the EPC Agreement, and Wuhan Rixin Energy is a wholly owned subsidiary of Wuhan Rixin Technology, the EPC Agreement and the SPA 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 Agreement and the SPA (in aggregate) exceeds 5% but is less than 25% for GCL-Poly, the entering into of the EPC Agreement and the SPA, 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 Agreement and the SPA (in aggregate) exceeds 5% but is less than 25% for GNE, the entering into of the EPC Agreement and the SPA, in aggregate, constitutes a discloseable transaction of GNE and GNE shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

1. PRINCIPAL TERMS OF THE EPC AGREEMENT

(i) Date

13 December 2015

(ii) Parties

Principal: Jinfu Solar Energy

Contractor: Wuhan Rixin Technology

(iii) Subject matter

Jinfu Solar Energy agreed to engage Wuhan Rixin Technology as contractor to provide engineering, procurement and construction services in relation to the Project. The Project is divided into three phases comprising (i) an initial phase of 50MW of production capacity (the “**First Phase**”); (ii) the second phase of up to an aggregate of 90MW of production capacity (the “**Second Phase**”); and (iii) the final phase of up to an aggregate of 110MW of production capacity (the “**Final Phase**”). It is expected that the construction of the First Phase will be completed in December 2015. The construction of the Second Phase and Final Phase is expected to be completed before 30 December 2015 and 1 February 2016 respectively. It is also expected that the Construction Completion Certificate* (工程竣工驗收鑑定書) will be obtained before 30 May 2016.

(iv) Basis of consideration

The consideration for the services under the EPC Agreement shall be RMB940,500,000 (equivalent to approximately HK\$1,132,550,100) (the “**Consideration**”)

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

(v) Payment terms

The Consideration shall be paid by Jinfu Solar Energy to Wuhan Rixin Technology in five instalments in accordance with the following milestones:

First Instalment	20% of the Consideration, within three business days after Wuhan Rixin Technology has issued to Jinfu Solar Energy a value-added tax invoice for RMB400,000,000 (equivalent to approximately HK\$481,680,000) and the successful on-grid connection of the First Phase of the Project
Second Instalment	up to RMB400,000,000 (equivalent to approximately HK\$481,680,000) of the Consideration before 30 December 2015, within three business days of completing 90MW of on-grid connection for the Project
Third Instalment	up to 80% of the Consideration, within three business days after Wuhan Rixin Technology has issued to Jinfu Solar Energy an invoice for up to 80% of the Consideration and the successful on-grid connection of the full capacity of the Project
Fourth Instalment	up to 90% of the Consideration, within three business days after Wuhan Rixin Technology has issued to Jinfu Solar Energy an invoice for up to 100% of the Consideration and the Project has passed relevant third party quality checks
Fifth Instalment	up to 100% of the Consideration, within three business days after the expiration of one year following the issuance of the Construction Completion Certificate* (工程竣工驗收鑑定書)

2. PRINCIPAL TERMS OF THE SPA

(i) Date

10 December 2015

(ii) Parties

Purchaser: Suzhou GCL New Energy

Vendor: Wuhan Rixin Energy

(iii) Equity interests acquired

Pursuant to the SPA, Suzhou GCL New Energy agreed to acquire the entire equity interest in Jinfu Solar Energy from the Wuhan Rixin Energy for a total consideration of RMB45,000,000 (equivalent to approximately HK\$54,189,000). Completion under the SPA took place on 11 December 2015.

The consideration under the SPA was determined on normal commercial terms after arm's length negotiations between Suzhou GCL New Energy and the Wuhan Rixin Energy after taking into account the actual paid up share capital of Jinfu Solar Energy.

Information about Jinfu Solar Energy

Jinfu Solar Energy is a company incorporated in the PRC with limited liability on 2 September 2014 and was set up by Wuhan Rixin Energy as a project company for the operation and development of the Project.

Based on the unaudited financial information of the Jinfu Solar Energy provided by Wuhan Rixin Energy, the unaudited total asset and net asset value of Jinfu Solar Energy as at 30 November 2015 were RMB45,000,000 (equivalent to approximately HK\$54,189,000) and RMB45,000,000 (equivalent to approximately HK\$54,189,000) respectively. For the financial year ended 31 December 2014, the unaudited net profit (before and after taxation and extraordinary items) of Jinfu Solar Energy was nil.

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 GNE. The acquisition of Jinfu Solar Energy provides an opportunity for the GNE Group to further expand in the solar energy industry which is a core part of the GNE Group's strategy.

As a developer of photovoltaic power station projects, the GNE Group has to engage contractors to provide engineering, procurement and constructions services to construct its power generation projects. Wuhan Rixin Technology is an established engineering, procurement and construction contractor and has extensive local resources. The GNE Group believes that it 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 Agreement and the SPA are fair and reasonable and are in the interests of GNE and the GNE Shareholders as a whole.

Accordingly, based on the views of the GNE Directors and having considered all relevant factors, the GCL-Poly Directors believe and consider that the terms of the EPC Agreement and the SPA are fair and reasonable and are in the interests of GCL-Poly and the GCL-Poly Shareholders as a whole.

4. LISTING RULES IMPLICATIONS

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

As the SPA was entered into with Wuhan Rixin Energy within a 12-month period prior to and inclusive of the date of the EPC Agreement, and Wuhan Rixin Energy is a wholly owned subsidiary of Wuhan Rixin Technology, the EPC Agreement and the SPA 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 Agreement and the SPA (in aggregate) exceeds 5% but is less than 25% for GCL-Poly, the entering into of the EPC Agreement and the SPA, 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 Agreement and the SPA (in aggregate) exceeds 5% but is less than 25% for GNE, the entering into of the EPC Agreement and the SPA, in aggregate, constitutes a discloseable transaction of GNE and GNE shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the GCL-Poly Directors and GNE Directors having made all reasonable enquiries, Wuhan Rixin Technology and Wuhan Rixin Energy and each of its respective ultimate beneficial owners are third parties independent of GCL-Poly and GNE and each of its connected persons.

5. INFORMATION ON THE PARTIES TO THE EPC AGREEMENT AND THE SPA

Wuhan Rixin Technology

Wuhan Rixin Technology is a company incorporated in the PRC principally engaged in solar energy technology and product research and development; product development, manufacturing and distribution; solar energy system and photovoltaic power station technology consulting, design and construction services; export of products developed by Wuhan Rixin Technology and its group members; and the export and import of raw materials, instruments, machinery, equipment and services required for the research and development of Wuhan Rixin Technology and its group members.

Wuhan Rixin Energy

Wuhan Rixin Energy is a company incorporated in the PRC principally engaged in solar energy and photovoltaic power station design, installation, construction, operation management, and solar energy technology and engineering consulting services.

The GCL-Poly Group

GCL-Poly is an investment company and its subsidiaries are principally engaged in the manufacturing and sale of polysilicon and wafers for the solar industry as well as the developing, owning and operating downstream solar farms.

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.

6. DEFINITIONS

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

“connected persons”	has the same meaning ascribed to it under the Listing Rules
“Consideration”	the consideration under the EPC Agreement, being RMB940,500,000 (equivalent to approximately HK\$1,132,550,100)
“EPC Agreement”	the engineering, procurement and construction agreement dated 13 December 2015 entered into between JinFu Solar Energy (as the principal) and Wuhan Rixin Technology (as the contractor) under which Wuhan Rixin Technology undertakes to provide engineering, procurement and construction services in relation to the Project
“Final Phase”	the final phase of up to an aggregate of 110MW of production capacity under the Project
“First Phase”	the initial phase of construction of 50MW of production capacity under the Project
“GCL-Poly”	GCL-Poly Energy Holdings Limited 保利協鑫能源控股有限公司, 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 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 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 Directors”	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
“Jinfu Solar Energy”	Hubei Province Macheng City Jinfu Solar Energy Company Limited* (湖北省麻城市金伏太陽能電力有限公司), an indirect subsidiary of GCL-Poly and an indirect wholly owned subsidiary of GNE which is incorporated in the PRC with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MW”	megawatt(s)
“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
“Project”	a 110MW photovoltaic power station project in Zhongguanyi Town, Macheng City of Hubei Province in the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Second Phase”	the second phase of up to an aggregate of 90MW of production capacity under the Project
“SPA”	the share purchase agreement dated 10 December 2015 entered into between Suzhou GCL New Energy as purchaser and Wuhan Rixin Energy as vendor in relation to the sale and purchase of the entire equity interest in Jinfu Solar Energy
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“Suzhou GCL New Energy”	Suzhou GCL New Energy Investment Company Limited* (蘇州協鑫新能源投資有限公司), an indirect subsidiary of GCL-Poly and an indirect wholly owned subsidiary of GNE which is incorporated in the PRC with limited liability
“Wuhan Rixin Energy”	Wuhan Rixin Energy Limited* (武漢日新能源有限公司), a company incorporated in the PRC with limited liability

“Wuhan Rixin
Technology”

Wuhan Rixin Technology Holding Company Limited* (武漢日新
科技股份有限公司), 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\$1.2042, being the exchange rate prevailing on 11 December 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
保利協鑫能源控股有限公司
Zhu Gongshan
Chairman

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, 13 December 2015

As at the date of this announcement, the GCL-Poly Board comprises Mr. Zhu Gongshan (Chairman), 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; Ir. Dr. Ho Chung Tai, Raymond, 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. Zhu Yufeng, Mr. Sun Xingping, Ms. Hu Xiaoyan, Mr. Tong Wan Sze and Mr. Yip Sum Yin as executive directors; Ms. Sun Wei, Mr. Sha Hongqiu and Mr. Yeung Man Chung, Charles 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.