

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



GCL New Energy Holdings Limited
協鑫新能源控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 451)

**CONTINUING CONNECTED TRANSACTION
IN RELATION TO THE STAFF TRAINING AGREEMENT WITH
SUZHOU XIN ZHI HAI MANAGEMENT CONSULTING CO., LTD.***

CONTINUING CONNECTED TRANSACTION

On 25 May 2017, GCL New Energy Investment, an indirect wholly-owned subsidiary of the Company, entered into the Staff Training Agreement with Suzhou Xin Zhi Hai which is a company engaged in the provision of corporate training services including the development of online platforms and the development of modernised training modules.

LISTING RULES IMPLICATIONS

Mr. Zhu Yufeng is a Director and therefore, a connected person of the Company. Suzhou Xin Zhi Hai is an indirect wholly-owned subsidiary of Golden Concord, which is in turn held by the Zhu Family Trust of which Mr. Zhu Yufeng is a beneficiary. Accordingly, Suzhou Xin Zhi Hai is an associate of Mr. Zhu Yufeng and hence a connected person of the Company. As a result, the entering into of the Staff Training Agreement with Suzhou Xin Zhi Hai constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As disclosed in the Company's announcements dated 22 August 2014 and 19 May 2016 (the "**Previous Announcements**"), the Group also entered into the following agreements with parties who are indirect subsidiaries of GCL-Poly:

- (1) the Existing Operation Service Agreement with Suzhou GCL-Poly (an indirect wholly-owned subsidiary of GCL-Poly), pursuant to which the Group provides certain operation and management services to Suzhou GCL-Poly; and

(2) the Existing Asset Management and Administrative Services Agreement with GCL Solar Energy (an indirect wholly-owned subsidiary of GCL-Poly), pursuant to which the Group provides certain asset management and administrative services to GCL Solar Energy,

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

Further, various subsidiaries of the Company have entered into various agreements with Suzhou Xin Zhi Hai in relation to the provision of customised training services for the employees from 30 September 2016 to 12 May 2017 (each a “**Previous De Minimis Agreement**” and together the “**Previous De Minimis Agreements**”) for considerations ranging from RMB2,400.00 (equivalent to approximately HK\$2,718.24) to RMB328,800.00 (equivalent to approximately HK\$372,398.88). The total aggregated consideration of the Previous De Minimis Agreements was RMB1,711,525.00 (equivalent to approximately HK\$1,938,473.22).

As each of the applicable percentage ratio of the Previous De Minimis Agreements (in aggregate) is less than 0.1%, they constitute de minimis transactions pursuant to Rule 14A.76(1) of the Listing Rules and are fully exempt from Shareholders’ approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

The Previous De Minimis Agreements, the Previous Agreements and Staff Training Agreement are of a similar nature. As a result, the Previous De Minimis Agreements, the Previous Agreements and the Staff Training Agreement shall be aggregated under Rule 14A.81 of the Listing Rules.

As the highest applicable percentage ratio of the aggregated Annual Cap of each of the transactions contemplated under the Previous De Minimis Agreements, the Previous Agreements and the Staff Training Agreement (in aggregate) is more than 0.1% but less than 5%, the entering into of the Staff Training Agreement is subject to the reporting, announcement and annual review requirements and is exempt from the circular (including independent financial advice) and Shareholders’ approval requirements as required under Chapter 14A of the Listing Rules.

As Mr. Zhu Yufeng has a material interest in the continuing connected transaction under the Staff Training Agreement, he has abstained from voting on the resolutions of the Board in respect of the approval of Staff Training Agreement.

1. CONTINUING CONNECTED TRANSACTION

On 25 May 2017, GCL New Energy Investment, an indirect wholly-owned subsidiary of the Company, entered into the Staff Training Agreement with Suzhou Xin Zhi Hai.

Principal terms of the Staff Training Agreement

(i) *Date*

25 May 2017

(ii) *Parties*

- (a) GCL New Energy Investment; and
- (b) Suzhou Xin Zhi Hai.

(iii) *Subject Matter*

Under the Staff Training Agreement, Suzhou Xin Zhi Hai will provide customised training services for the employees from 1 June 2017 to 31 May 2020, including:

- standardised training module designed for the entire Group;
- customised training modules targeting specific employees;
- implementation and management of training programs; and
- development of a system to maintain employee training records.

(iv) *Basis of Consideration*

During the period under the Staff Training Agreement, the employees of the Group will be subscribed to a e-learning Platform. This subscription will cost GCL New Energy Investment RMB730.00 (equivalent to approximately HK\$826.80) per employee annually.

Other than the subscription to the e-learning Platform, GCL New Energy Investment can also coordinate with Suzhou Xin Zhi Hai to arrange for other customised training programs provided by the latter (協鑫大學培訓服務) at additional costs agreed between themselves.

(v) *Payment Terms*

GCL New Energy Investment shall pay the annual subscription fee for the e-learning Platform in the first quarter every year. Fees of other training provided by Suzhou Xin Zhi Hai shall be paid under separate arrangements.

Principal terms of the Previous Agreements

Please refer to the Previous Announcements for the principal terms of the Previous Agreements.

Principal terms of the Previous De Minimis Agreements

Various subsidiaries of the Company entered into the Previous De Minimis Agreements with Suzhou Xin Zhi Hai in relation to the provision of customised training services for the employees from 30 September 2016 to 12 May 2017 for considerations ranging from RMB2,400.00 (equivalent to approximately HK\$2,718.24) to RMB328,800.00 (equivalent to approximately HK\$372,398.88). The total aggregated consideration of the Previous De Minimis Agreements was RMB1,711,525.00 (equivalent to approximately HK\$1,938,473.22).

2. ANNUAL CAPS

The Annual Caps of the Existing Operation Service Agreement, the Existing Asset Management and Administrative Services Agreement and the Staff Training Agreement will be as follows:

	For the period from 1 June 2017 to 31 December 2017	For the year ended 31 December 2018	For the year ended 31 December 2019	For the period from 1 January 2020 to 31 May 2020
Staff Training Agreement ⁽¹⁾	RMB4,788,119.58 (equivalent to approximately HK\$5,423,024.24)	RMB8,424,610.00 (equivalent to approximately HK\$9,541,713.29)	RMB8,585,601.67 (equivalent to approximately HK\$9,724,052.45)	RMB3,579,243.75 (equivalent to approximately HK\$4,053,851.47)
Existing Asset Management and Administrative Services Agreement	US\$4,500,000.00 (equivalent to approximately HK\$35,045,100.00)	US\$4,500,000.00 (equivalent to approximately HK\$35,045,100.00)	US\$4,190,860.22 (equivalent to approximately HK\$32,637,581.22)	
Existing Operation Service Agreement	RMB18,375,342.00 (equivalent to approximately HK\$20,811,912.35)			
Aggregate Annual Cap in HK\$	61,280,036.59	44,586,813.29	42,361,633.67	4,053,851.47

Note 1: The Staff Training Agreement was entered for a term of three years commencing 1 June 2017 to 31 May 2020.

The Annual Caps are based on the total amount of fees payable for the period from 1 June 2017 to 31 December 2017, the two years ending 31 December 2018 and 31 December 2019, and the period from 1 January 2020 to 31 May 2020.

3. REASONS FOR AND BENEFITS OF THE STAFF TRAINING AGREEMENT

The Staff Training Agreement was entered into in the usual and ordinary course of the Company's business. The Company believes that it is important to the success of the Group that its staff receives continued professional development and training. Having considered all relevant factors, the Directors (including the independent non-executive Directors) believe and consider that the terms of the Staff Training Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

4. LISTING RULES IMPLICATIONS

Mr. Zhu Yufeng is a Director and therefore, a connected person of the Company. Suzhou Xin Zhi Hai is an indirect wholly-owned subsidiary of Golden Concord, which is in turn held by the Zhu Family Trust of which Mr. Zhu Yufeng is a beneficiary. Accordingly, Suzhou Xin Zhi Hai is hence, an associate of Mr. Zhu Yufeng and hence a connected person of the Company. As a result, the entering into of the Staff Training Agreement with Suzhou Xin Zhi Hai constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratio of the Previous De Minimis Agreements (in aggregate) is less than 0.1%, they constitute de minimis transactions pursuant to Rule 14A.76(1) of the Listing Rules and are fully exempt from Shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules.

The Previous De Minimis Agreements, the Previous Agreements and Staff Training Agreement are of a similar nature. As a result, the Previous De Minimis Agreements, the Previous Agreements and the Staff Training Agreement shall be aggregated under Rule 14A.81 of the Listing Rules.

As the highest applicable percentage ratio of the aggregated Annual Cap of each of the transactions contemplated under the Previous De Minimis Agreements, the Previous Agreements and the Staff Training Agreement (in aggregate) is more than 0.1% but less than 5%, the entering into of the Staff Training Agreement is subject to the reporting, announcement and annual review requirements and is exempt from the circular (including independent financial advice) and Shareholders' approval requirements as required under Chapter 14A of the Listing Rules.

As Mr. Zhu Yufeng has a material interest in the continuing connected transaction under the Staff Training Agreement, he has abstained from voting on the resolutions of the Board in respect of the approval of Staff Training Agreement.

5. INFORMATION ON THE PARTIES TO THE CONTINUING CONNECTED TRANSACTION

Suzhou Xin Zhi Hai

Suzhou Xin Zhi Hai is a company incorporated with limited liability in the PRC and its principal businesses is the provision of corporate training services including the development of online platforms and the development and organisation of modernised training modules.

The Group

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

6. DEFINITIONS

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

“Annual Caps”	the maximum amount of fees payable under the Existing Operation Service Agreement, Existing Asset Management and Administrative Service Agreement and Staff Training Agreement for the period from 1 June 2017 to 31 December 2017, the years ending 31 December 2018 and 31 December 2019 and the period from 1 January 2020 to 31 May 2020
“associate”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	GCL New Energy Holdings Limited 協鑫新能源控股有限公司, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange, with stock code 451
“connected person”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Existing Asset Management and Administrative Service Agreement”	the agreement dated 19 May 2016 between GCL New Energy International and GCL Solar Energy in relation to certain asset management and administrative services to be provided by GCL New Energy International to GCL Solar Energy

“Existing Operation Service Agreement”	the operation service agreement dated 22 August 2014 between Nanjing GCL New Energy and Suzhou GCL-Poly
“e-learning Platform”	the e-learning platform (鑫知海網絡學習平台) developed and maintained by Suzhou Xin Zhi Hai
“GCL New Energy International”	GCL New Energy International Limited 協鑫新能源國際有限公司, an indirect wholly-owned subsidiary of the Company which is incorporated in Hong Kong with limited liability
“GCL New Energy Investment”	GCL New Energy Investment (China) Co., Ltd* 協鑫新能源投資(中國)有限公司, an indirect wholly-owned subsidiary of the Company which is incorporated in PRC with limited liability
“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, the shares of which are listed on the Main Board of the Stock Exchange, with stock code 3800
“GCL Solar Energy”	GCL Solar Energy Limited 協鑫光伏有限公司, an indirect wholly-owned subsidiary of GCL-Poly which is incorporated in Hong Kong with limited liability
“Golden Concord”	Golden Concord Group Management Limited 協鑫集團管理有限公司, a company incorporated in Hong Kong with limited liability
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nanjing GCL New Energy”	Nanjing GCL New Energy Development Co., Ltd. (南京協鑫新能源發展有限公司), an indirect wholly-owned subsidiary of the Company which is incorporated in the PRC with limited liability

“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Previous Agreements”	the Existing Operation Service Agreement and the Existing Asset Management and Administrative Services Agreement
“Previous Announcements”	the Company’s announcements dated 22 August 2014 and 19 May 2016 respectively
“Previous De Minimis Agreement(s)”	staff training agreement(s) between Suzhou Xin Zhi Hai and various subsidiaries of the Company from 30 September 2016 to 12 May 2017
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of one-two-hundred-fortieth (1/240) of one Hong Kong dollar each (equivalent to HK\$0.00416) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Staff Training Agreement”	the staff training agreement between GCL New Energy Investment and Suzhou Xin Zhi Hai dated 25 May 2017
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“Suzhou GCL-Poly”	Suzhou GCL-Poly Solar Power Investment Ltd.* (蘇州保利協鑫光伏電力投資有限公司), a company incorporated in the PRC with limited liability, an indirect wholly-owned subsidiary of GCL-Poly
“Suzhou Xin Zhi Hai”	Suzhou Xin Zhi Hai Management Consulting Co., Ltd.* (蘇州鑫之海企業管理諮詢有限公司), a company incorporated in the PRC with limited liability
“U.S.”	United States of America
“US\$”	U.S. dollars, the lawful currency of the U.S.

“Zhu Family Trust” a trust, under which Mr. Zhu Yufeng, an executive Director and the chairman of the Board, and his family are beneficiaries

% per cent

This announcement contains translations between US\$ and Hong Kong dollar amounts at US\$1=HK\$7.7878 and translations between RMB and Hong Kong dollar amounts at RMB1=HK\$1.1326, being the exchange rates prevailing on 24 May 2017. The translations should not be taken as a representation that the US\$ and RMB could actually be converted into Hong Kong dollars at that rate or at all.

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

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

Hong Kong, 25 May 2017

As at the date of this announcement, the Board comprises Mr. Zhu Yufeng, Mr. Sun Xingping, Ms. Hu Xiaoyan and Mr. Tong Wan Sze 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. Lee Conway Kong Wai, Mr. Wang Yanguo and Dr. Chen Ying as independent non-executive Directors.