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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)

INSIDE INFORMATION
FRAMEWORK AGREEMENT IN RELATION TO
THE POTENTIAL DISPOSAL OF JIANGSU ZHONGNENG
AND
RESUMPTION OF TRADING

This announcement is made by GCL-Poly Energy Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE FRAMEWORK AGREEMENT

The board (the “**Board**”) of directors (“**Directors**”) of the Company is pleased to announce that on 6 June 2018, the Company entered into a framework agreement (the “**Framework Agreement**”) with Shanghai Electric Group Company Limited (上海電氣集團股份有限公司) (“**Shanghai Electric**”), pursuant to which, subject to entry into definitive agreement(s), the Company intends to sell, and Shanghai Electric intends to acquire, 51% equity interest (the “**Target Assets**”) in Jiangsu Zhongneng Polysilicon Technology Development Co., Ltd.* (江蘇中能硅業科技發展有限公司) (“**Jiangsu Zhongneng**”, an indirect subsidiary of the Company) (the “**Potential Disposal**”).

It is expected that the valuation of 100% equity interest in Jiangsu Zhongneng will not exceed Renminbi 25 billion, but the final purchase price for the Target Assets shall be determined after arm's length negotiations between the parties with reference to a valuation report to be prepared by a qualified valuation institution engaged by Shanghai Electric and approved by the Company. The purchase price will be settled 50% in cash and 50% by the allotment and issue of A shares by Shanghai Electric.

Pursuant to the terms of the Framework Agreement, the Potential Disposal will only be implemented upon the fulfilment or waiver (as the case may be) of the following conditions precedent:

- (1) The parties having agreed that if the Potential Disposal is completed, Shanghai Electric will be entitled to the undistributed profits of Jiangsu Zhongneng since the valuation date in proportion to its then actual shareholding percentage in Jiangsu Zhongneng, and no distribution of net profits shall be made to all the shareholders of Jiangsu Zhongneng during the period between the valuation date and the completion date;
- (2) All resolutions relating to the Potential Disposal (including but not limited to the change of company form) having been approved at the shareholders meeting of Jiangsu Zhongneng;
- (3) The Company having obtained approval of all resolutions relating to the Potential Disposal at a general meeting of the shareholders in accordance with the requirements of the Listing Rules and any other applicable laws and regulations;
- (4) The financial, legal and business due diligence on Jiangsu Zhongneng having been completed to the satisfaction of Shanghai Electric, including but not limited to, (i) the financial information of Jiangsu Zhongneng during the audit period is true and accurate and an unqualified opinion is issued by a qualified accountants firm appointed by Shanghai Electric and approved by the Company, and (ii) the ownership of Jiangsu Zhongneng and the Target Assets is clear, legally compliant and will not cause any significant impediment to the completion of the Potential Disposal;
- (5) There being no charge or any other encumbrance over the Target Assets and no circumstance or possibility exists in relation to the freezing, sealing or seizure of the Target Assets or any third party claims;

- (6) There being no legal restriction on the transfer of Target Assets;
- (7) Materials or information provided by the Company, Jiangsu Zhongneng and its shareholders being true, accurate and complete in all material respects, and there being no false records, concealed information or misleading statements;
- (8) All resolutions relating to the Potential Disposal having been approved by the board and at shareholders meeting of Shanghai Electric;
- (9) The Potential Disposal having been approved by the Shanghai State-owned Assets Supervision and Administration Commission; and
- (10) The Potential Disposal having passed the review, checks or approval of the China Securities Regulatory Commission and other relevant government authorities.

REASONS FOR ENTERING INTO THE FRAMEWORK AGREEMENT

The Company has been adhering to the philosophy of “Bringing Green Power to Life” since it was founded in 2006. Our mission is to continuously provide efficient clean energy for a better living environment. Over the years, we have remained a leading supplier in the global photovoltaic industry, and we have spared no effort in research and development to increase the efficiency of our products and reduce the production costs. We have led the development of the photovoltaic industry to achieve grid-parity and consolidate China’s position as a leading photovoltaic market in the world.

Following the recent indication by the Central Government to introduce measures aiming at promoting sustainable development of the photovoltaic industry, enhancing development quality and speeding up reduction of subsidies, the Directors consider that it is important to find a strategic partner in order to continue the Group’s initiative for grid-parity.

The Directors consider that the potential formation of a strategic alliance with Shanghai Electric can support the growth and development of Jiangsu Zhongneng and unlock the value of Jiangsu Zhongneng which will be beneficial to the shareholders of the Company.

Following the Potential Disposal, the Company will retain a significant stake in Jiangsu Zhongneng and actively participate in the future development of the photovoltaic market.

INFORMATION ON SHANGHAI ELECTRIC

Shanghai Electric is a joint stock limited company incorporated in the People's Republic of China with limited liability, the H shares of which are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) under stock code 02727 and the A shares of which are listed on the Shanghai Stock Exchange under stock code 601727.

Shanghai Electric is one of the largest industrial equipment manufacturing conglomerates in China engaged in the following principal activities: (i) design, manufacture and sale of nuclear power nuclear island equipment products, wind power equipment products and heavy machinery including large forging components, and provision of solution package for comprehensive utilisation of solid waste, sewage treatment, power generation environmental protection and distributed energy systems; (ii) design, manufacture and sale of thermal power equipment products and auxiliary equipment, nuclear power conventional island equipment products and power transmission and distribution equipment products; (iii) design, manufacture and sale of elevators, electric motors, machine tools, marine crankshafts and other electromechanical equipment products; and (iv) provision of integrated engineering services for power station projects and other industries, financial products and services, and functional services including international trading services, financial lease and related consulting services and insurance brokerage services.

Shareholders of the Company and other investors should note that the Potential Disposal may or may not proceed and is subject to the conclusion of definitive agreement(s) and various regulatory and corporate approvals and conditions precedent. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

The Company will issue further announcement(s) as and when required under the Listing Rules.

RESUMPTION OF TRADING

At the request of the Company, trading in the Company's shares on the Stock Exchange was halted with effect from 9:00 a.m. on Wednesday, 6 June 2018 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Company's shares with effect from 9:00 a.m. on Thursday, 7 June 2018.

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

Hong Kong, 6 June 2018

As at the date of this announcement, the Board comprises Mr. Zhu Gongshan (Chairman), Mr. Zhu Zhanjun, Mr. Ji Jun, Mr. Zhu Yufeng, Ms. Sun Wei, Mr. Yeung Man Chung, Charles, Mr. Jiang Wenwu and Mr. Zheng Xiongjiu as executive Directors; Ir. Dr. Raymond Ho Chung Tai, Mr. Yip Tai Him, Dr. Shen Wenzhong and Mr. Wong Man Chung, Francis as independent non-executive Directors.

* For identification purpose only