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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)

CONNECTED TRANSACTION WITH GNE GROUP

SUMMARY

On 19 April 2018 (after trading hours), the Company, as lender, entered into a loan agreement (the “**Loan Agreement**”) with GNE Development (a wholly-owned subsidiary of GNE), as borrower, pursuant to which the Company agreed to advance a loan (the “**Loan**”) in the principal amount of US\$110,000,000 (equivalent to approximately HK\$863,500,000) to GNE Development. The Loan will be used by GNE Group for general working capital purpose.

LISTING RULES IMPLICATIONS

As at the date of the Loan Agreement, Mr. Zhu and Mr. Zhu Yufeng are both Directors and therefore connected persons of the Company. Mr. Zhu Yufeng and the Zhu Family Trust, a trust under which Mr. Zhu and his family (including Mr. Zhu Yufeng) are beneficiaries, hold approximately 22.40% and 28.19% of the issued shares in GCL System Integration, respectively. GCL System Integration is a substantial shareholder holding 10.01% of GNE. Mr. Zhu and Mr. Zhu Yufeng together can control the exercise of 10% or more of the voting power at GNE’s general meetings. GNE and its subsidiaries are therefore connected subsidiaries of the Company and the transaction contemplated under the Loan Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio in respect of the Loan Agreement is more than 0.1% but less than 5%, the entering into of the Loan Agreement is subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules but is exempted from the circular (including independent financial advice) and independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

As GNE is a subsidiary of the Company, the advancement of the Loan to the GNE Group does not constitute a transaction under Chapter 14 of the Listing Rules.

Apart from Mr. Zhu and Mr. Zhu Yufeng, (i) Ms. Sun Wei, vice chairman of Golden Concord Holdings Limited, a company controlled by Mr. Zhu; and (ii) Mr. Yeung Man Chung, Charles, vice president of Golden Concord Group Limited, a company controlled by the Zhu Family Trust, have abstained from voting on the relevant Board resolution to approve the Loan Agreement.

Save for the Directors mentioned above, none of the other Directors have a material interest in the transaction contemplated under the Loan Agreement, and therefore none of them is required to abstain from voting on the relevant Board resolution.

I. THE ADVANCEMENT OF LOAN BY THE COMPANY

On 19 April 2018 (after trading hours), the Company, as lender, entered into the Loan Agreement with GNE Development, as borrower, pursuant to which the Company agreed to advance the Loan in the principal amount of US\$110,000,000 (equivalent to approximately HK\$863,500,000) to GNE Development. The Loan will be used by GNE Group for general working capital purpose.

Principal Terms of the Loan Agreement

Date: 19 April 2018

Lender: The Company

Borrower: GNE Development

Principal Loan Amount: US\$110,000,000 (equivalent to approximately HK\$863,500,000)

Term: A period of 10 months, commencing from 19 April 2018 and ending on 18 February 2019 (or such other commencement date, being the actual date the Loan arrives in the relevant account (the “**Commencement Date**”), in which case the Maturity Date will be adjusted accordingly).

Purpose: The Loan will be used by GNE Group for general working capital purpose.

Interest: 7.3% per annum, calculated based on the actual number of days passed, and a year is considered to have 360 days.

GNE Development shall make a one-off payment of interest on the Maturity Date.

Repayment: GNE Development shall repay the principal amount and interest of the Loan in full and in cash on the Maturity Date.

If GNE Development fails to repay the whole or any part of the principal and interest of the Loan on the Maturity Date, the Company has the right to claim interest on the outstanding portion calculated based on the prescribed interest rate under this Loan Agreement.

Governing Law: Hong Kong law

II. REASONS FOR AND BENEFITS OF THE TRANSACTION

The terms of the Loan Agreement have been agreed after arm's length negotiations between the relevant parties. The Board believes that the Loan can help GNE Group improve its cash flow. The advancement of the Loan will also provide interest income to the Group.

The Directors (including the independent non-executive Directors) consider that the terms of the Loan Agreement are fair and reasonable, and that the transaction contemplated under the Loan Agreement is on normal commercial terms and entered into in the ordinary and usual course of business of the Group and that the entering into of the Loan Agreement is in the interests of the Company and the Shareholders as a whole.

III. LISTING RULES IMPLICATIONS

As at the date of the Loan Agreement, Mr. Zhu and Mr. Zhu Yufeng are both Directors and therefore connected persons of the Company. Mr. Zhu Yufeng and the Zhu Family Trust, a trust under which Mr. Zhu and his family (including Mr. Zhu Yufeng) are beneficiaries, hold approximately 22.40% and 28.19% of the issued shares in GCL System Integration, respectively. GCL System Integration is a substantial shareholder holding 10.01% of GNE. Mr. Zhu and Mr. Zhu Yufeng together can control the exercise of 10% or more of the voting power at GNE's general meetings. GNE and its subsidiaries are therefore connected subsidiaries of the Company and the transaction contemplated under the Loan Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

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Apart from Mr. Zhu and Mr. Zhu Yufeng, (i) Ms. Sun Wei, vice chairman of Golden Concord Holdings Limited, a company controlled by Mr. Zhu; and (ii) Mr. Yeung Man Chung, Charles, vice president of Golden Concord Group Limited, a company controlled by the Zhu Family Trust, have abstained from voting on the relevant Board resolution to approve the Loan Agreement.

Save for the Directors mentioned above, none of the other Directors have a material interest in the transaction contemplated under the Loan Agreement, and therefore none of them is required to abstain from voting on the relevant Board resolution.

IV. INFORMATION ON THE PARTIES TO THE TRANSACTION

The GNE Group

The GNE Group is principally engaged in the development, construction, operation and management of solar power stations.

The Group

The Company is an investment company and its subsidiaries are principally engaged in the manufacturing and sale of polysilicon and wafer products, and developing, owning and operation of solar farms.

V. DEFINITIONS

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

“Board”	the board of the Directors
“Commencement Date”	the actual date the Loan arrives in the relevant account
“Company”	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
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules

“connected subsidiary(ies)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“GCL System Integration”	GCL System Integration Technology Co., Ltd., a company incorporated in the PRC with its shares listed on the SME Board of the Shenzhen Stock Exchange (stock code: 002506)
“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. As at the date of this announcement, the Company indirectly holds approximately 62.28% of the issued share capital of GNE
“GNE Development”	GCL New Energy Development Limited 協鑫新能源發展有限公司, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of GNE
“GNE Group”	GNE and its subsidiaries
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	a term loan in the principal amount of US\$110,000,000 (equivalent to approximately HK\$863,500,000) granted by the Company to GNE Development pursuant to the terms of the Loan Agreement
“Loan Agreement”	a loan agreement dated 19 April 2018 entered into between the Company and GNE Development, the details of which are set out in the section headed “Principal Terms of the Loan Agreement” in this announcement
“Maturity Date”	the date falling 10 months from the Commencement Date
“Mr. Zhu”	Mr. Zhu Gongshan, the Chairman and an executive Director

“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
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning ascribed to it under the Listing Rules
“US\$”	U.S. dollars, the lawful currency of the United States of America
“Zhu Family Trust”	the discretionary trust known as the “Asia Pacific Energy Fund”, of which Mr. Zhu and his family (including Mr. Zhu Yufeng, an executive Director and son of Mr. Zhu) are beneficiaries
“%”	per cent.

This announcement contains translations between U.S. dollar and Hong Kong dollar, which amounts at US\$1 = HK\$7.85, being the exchange rate prevailing on 19 April 2018. The translations should not be taken as a representation that the U.S. dollar could actually be converted into Hong Kong dollars at that rate or at all.

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, 19 April 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. Ho Chung Tai, Raymond, Mr. Yip Tai Him, Dr. Shen Wenzhong and Mr. Wong Man Chung, Francis as independent non-executive Directors.