

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.

GOLDPOLY NEW ENERGY HOLDINGS LIMITED

金保利新能源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITION OF EQUITY INTEREST IN CHANGZHOU DINGHUI NEW ENERGY LIMITED*

THE ACQUISITION

On 13 December 2013, Zhongli Changzhou, an indirect wholly-owned subsidiary of the Company, together with EBODHK entered into the Sale and Purchase Agreement with the Vendors pursuant to which the Vendors have conditionally agreed to sell and Zhongli Changzhou has conditionally agreed to purchase the Zhongli Changzhou Sale Interest, which represents 45% equity interest in the Target Company for a total cash consideration of RMB4,500,000 (equivalent to approximately HK\$5,670,000) and EBODHK has conditionally agreed to purchase the EBODHK Sale Interest, which represents 55% equity interest in the Target Company for a total cash consideration of RMB5,500,000 (equivalent to approximately HK\$6,930,000). Zhongli Changzhou and EBODHK will also acquire the existing shareholders' loan provided by Vendor 1 to the Target Company in the amount of RMB5,000,000 (equivalent to approximately HK\$6,300,000) in proportion to the equity interest in the Target Company to be acquired by them respectively.

On the same day, Zhongli Changzhou, EBODHK, the Vendors and the Project Companies entered into the EPC Cooperative Agreement, pursuant to which the parties agreed upon (i) the EPC Consideration to be paid to Vendor 1 as EPC contractor providing EPC services to the Project Companies; and (ii) the guarantee of volume of on-grid electricity generation of the Project Companies to be provided by the Vendors.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Zhongli Changzhou Acquisition and the EPC Cooperative Agreement is greater than 5% and less than 25% as calculated under Rule 14.07 of the Listing Rules, the entering into of the Sale and Purchase Agreement and the EPC Cooperative Agreement constitutes a discloseable transaction for the Company and is subject to the announcement but exempt from shareholders' approval requirements under Chapter 14 of the Listing Rules.

On 13 December 2013, Zhongli Changzhou, an indirect wholly-owned subsidiary of the Company, together with EBODHK entered into the Sale and Purchase Agreement with the Vendors pursuant to which the Vendors have conditionally agreed to sell and Zhongli Changzhou has conditionally agreed to purchase the Zhongli Changzhou Sale Interest, which represents 45% equity interest in the Target Company for a total cash consideration of RMB4,500,000 (equivalent to approximately HK\$5,670,000) and EBODHK has conditionally agreed to purchase the EBODHK Sale Interest, which represents 55% equity interest in the Target Company for a total cash consideration of RMB5,500,000 (equivalent to approximately HK\$6,930,000). Zhongli Changzhou and EBODHK will also acquire the existing shareholders' loan provided by Vendor 1 to the Target Company in the amount of RMB5,000,000 (equivalent to approximately HK\$6,300,000) in proportion to the equity interest in the Target Company to be acquired by them respectively.

On the same day, Zhongli Changzhou, EBODHK, the Vendors and the Project Companies entered into the EPC Cooperative Agreement, pursuant to which the parties agreed upon (i) the EPC Consideration (as defined below) to be paid to Vendor 1 as EPC contractor providing EPC services to the Project Companies; and (ii) the guarantee of volume of on-grid electricity generation of the Project Companies to be provided by the Vendors.

THE SALE AND PURCHASE AGREEMENT

Date

13 December 2013

Parties

- (A) Vendors: (i) Vendor 1
 (ii) Vendor 2
- (B) Purchasers: (i) EBODHK
 (ii) Zhongli Changzhou

The Directors confirm that to the best of their knowledge, information and belief, having made all reasonable enquiries, Vendor 1 is interested as to 3.46% of the issued share capital of the Company through its wholly-owned subsidiary, Zhongli New Energy (Hong Kong) Investment Limited. Vendor 2 is a wholly-owned subsidiary of Vendor 1.

EBODHK is a wholly-owned subsidiary of EBOD. EBOD is a party acting in concert with China Merchants New Energy Group Limited, a substantial Shareholder, and is interested in the Company as to a total of 1.25% of the issued share capital of the Company directly or indirectly.

Subject matter of the Sale and Purchase Agreement

The Vendors have conditionally agreed to sell and Zhongli Changzhou has conditionally agreed to purchase the Zhongli Changzhou Sale Interest, which represents 45% equity interest in the Target Company for a total cash consideration of RMB4,500,000 (equivalent to approximately HK\$5,670,000) and EBODHK has conditionally agreed to purchase the EBODHK Sale Interest, which represents 55% equity interest in the Target Company for a total cash consideration of RMB5,500,000 (equivalent to approximately HK\$6,930,000). Zhongli Changzhou and EBODHK will also acquire the existing shareholders' loan provided by Vendor 1 to the Target Company in the amount of RMB5,000,000 (equivalent to approximately HK\$6,300,000) in proportion to the equity interest in the Target Company to be acquired by them respectively.

Upon Completion, Zhongli Changzhou and EBODHK will hold 45% and 55% equity interest in the Target Company, respectively.

Net profit attributable to the Zhongli Changzhou Sale Interest for the two financial years ended 31 December 2012 were:

- (i) RMB0 (equivalent to HK\$0) (before taxation and extraordinary items) or RMB0 (equivalent to HK\$0) (after taxation and extraordinary items) for the financial year ended 31 December 2011; and
- (ii) RMB0 (equivalent to HK\$0) (before taxation and extraordinary items) or RMB0 (equivalent to HK\$0) (after taxation and extraordinary items) for the financial year ended 31 December 2012.

As at 30 September 2013, the net asset value of the Zhongli Changzhou Sale Interest was approximately RMB4,500,000 (equivalent to approximately HK\$5,670,000).

Consideration

The Zhongli Changzhou Consideration and the EBODHK Consideration shall be settled by Zhongli Changzhou and EBODHK in cash respectively by 15 December 2013 (or such other date as may be agreed by the Parties). Zhongli Changzhou and EBODHK shall acquire the shareholders' loan provided by Vendor 1 to the Target Company by way of cash by 31 December 2013.

An aggregate refundable deposit of HK\$250,000,000 or an equivalent sum in RMB or United States dollar (the “**Deposit**”) is payable by Zhongli Changzhou to Vendor 1 within ten days upon the execution of the Sale and Purchase Agreement. If the Parties do not proceed to Completion within 20 days from the date of the payment of the Deposit, Vendor 1 shall refund the Deposit together with interest at an interest rate to be determined with reference to the prevailing market rate at the material time to Zhongli Changzhou. If the Parties proceed to Completion, the Deposit shall be used towards the EPC Consideration (as defined below) under the EPC Cooperative Agreement.

The Company will satisfy the Zhongli Changzhou Consideration from its internal resources.

Basis of Consideration

The Zhongli Changzhou Consideration was arrived at after arm's length negotiations between Zhongli Changzhou and the Vendors on normal commercial terms and by reference to the registered capital of the Target Company.

Conditions precedent

Completion is conditional upon the fulfillment of the following conditions:

- (a) each member of the Target Group having been duly established and existing under and by virtue of the laws of the PRC and having obtained all the requisite approvals, licenses and permits concerning their operation and business as set forth in their respective business license;
- (b) the Project Companies having been the sole legal entities for the initial development, investment, construction and operation of the Projects, which beneficially own the assets and rights of the Projects;
- (c) the Projects having been approved by the relevant authorities, obtained the approval for the connection of the access system, completed the construction of the principal part of the Projects and fulfilled the conditions for on-grid connection;
- (d) the Vendors having provided warranty as to the quality of the design, equipments, construction, installation and operation of the Projects and each of Zhongli Changzhou and EBODHK having been satisfied with the terms of the EPC contract in respect of Projects;
- (e) the Vendors having guaranteed that the electricity generation capacity of the Projects will meet the target set by the Parties;
- (f) the Vendors having provided financial statements of the Target Group satisfactory to each of Zhongli Changzhou and EBODHK or valuation report(s) issued by an internationally recognised independent valuer appointed by the Parties;
- (g) the information and materials provided by the Vendors are complete, true and accurate, and each of Zhongli Changzhou and EBODHK having been satisfied with the due diligence investigation results of the Project Companies; and
- (h) the Target Company holds the entire equity interest in each of the Project Companies.

None of the conditions precedent is waivable by the parties to the Sale and Purchase Agreement. If any of the conditions precedent shall not have been fulfilled by 1 January 2014, the Sale and Purchase Agreement shall lapse.

Completion

Subject to the fulfillment of the conditions precedent, Zhongli Changzhou and EBODHK shall settle the Zhongli Changzhou Consideration and EBODHK Consideration respectively by 15 December 2013 (or such other date as may be agreed

by the Parties). The Vendors shall, within ten Business Days upon the settlement of the Zhongli Changzhou Consideration and the EBODHK Consideration by Zhongli Changzhou and EBODHK, respectively, but no later than 31 December 2013 (or such other date as may be agreed by the Parties), complete the registration of transfer of the Zhongli Changzhou Sale Interest and the EBODHK Sale Interest with the relevant authorities and Completion shall fall on the date of issuance of the updated new business license of the Target Company.

THE EPC COOPERATIVE AGREEMENT

Date

13 December 2013

Parties

- (A) Vendor 1
- (B) Vendor 2
- (C) EBODHK
- (D) Zhongli Changzhou
- (E) Zhongli Gonghe
- (F) Hainanzhou Yahui

Subject matter of the EPC Cooperative Agreement

In the EPC Cooperative Agreement, the parties agreed upon (i) the EPC Consideration (as defined below) to be paid to Vendor 1 as EPC contractor providing EPC services to the Project Companies; and (ii) the guarantee of volume of on-grid electricity generation of the Project Companies to be provided by the Vendors.

Consideration

The consideration for the EPC services shall be determined with reference to the actual on-grid electricity price obtained by the Projects. Where the on-grid electricity price obtained is RMB0.95 per KWh, the total consideration for the EPC services will be RMB1,854,000,000 (equivalent to approximately HK\$2,336,040,000) and where the on-grid electricity price obtained is RMB1.00 per KWh, the total consideration for the EPC services will be RMB1,962,000,000 (equivalent to approximately HK\$2,472,120,000) (the “**EPC Consideration**”).

Major terms of the EPC Cooperative Agreement

Major terms of the EPC Cooperative Agreement are summarised as follows:

- (a) Vendor 1 shall serve as the EPC contractor of the Projects;
- (b) the EPC Consideration shall be settled by the Project Companies in the following manner:
 - (i) a sum equivalent to 51% of the EPC Consideration shall be paid by the Project Companies to Vendor 1 by 28 December 2013;
 - (ii) a sum equivalent to 39% of the EPC Consideration shall be paid by the Project Companies to Vendor 1 by 30 June 2014;
 - (iii) the balance of the EPC Consideration shall be paid to Vendor 1 within one year from the date of the EPC Cooperative Agreement;
- (c) the Vendors guarantee and warrant that the electricity actually generated by the Projects will meet the target set by the Parties for a term of ten years from the date on which the Projects are connected to the grid and delivered, however, the guarantee does not cover any loss of electricity generation caused by force majeure, repair and maintenance of grid lines by electricity authorities or grid companies, or operation of power transmission etc.

- (d) in the event that the Projects fail to complete the on-grid connection and delivery within 180 days from 1 January 2014, Vendor 1 shall pay to Zhongli Changzhou and EBODHK a compensation sum of RMB X

$$\text{RMB X} = (A-B) \times C$$

A = guaranteed volume of electricity generated

B = actual volume of electricity generated

C = on-grid electricity price obtained per KWh

The compensation sum can be netted off from the EPC Consideration payable.

- (e) the Vendors shall assist Zhongli Changzhou and EBODHK to obtain bank facilities to finance the construction of the Projects (the “**Projects Loan**”). Upon the restructuring of the RMB800,000,000 loan in respect of Project Jiayuguan (A) (as disclosed in the circular of the Company dated 10 May 2013), Vendor 1 agrees to provide guarantee in respect of the Projects Loan for a term of no longer than six months. Zhongli Changzhou and EBODHK shall provide guarantee in respect of the Projects Loan from 30 June 2014.

INFORMATION ON THE TARGET GROUP

The Target Group includes the Target Company, Zhongli Gonghe and Hainanzhou Yahui. The Target Company was established in the PRC on 9 September 2013 and is principally engaged in investment, construction, operation, maintenance and management of solar power plants. Zhongli Gonghe, the subsidiary of the Target Company, was established in the PRC on 21 June 2013 and is principally engaged in developing two solar power plants located at Gonghe, Qinghai Province, China with an aggregate solar electricity generation capacity of approximately 150MW owned by such subsidiary. Hainanzhou Yahui, the subsidiary of the Target Company, was established in the PRC on 12 July 2013 and is principally engaged in developing one solar power plant project located at Gonghe, Qinghai Province, China with an aggregate solar electricity generation capacity of approximately 30MW owned by such subsidiary.

FINANCIAL INFORMATION ON THE TARGET GROUP

Set out below is a summary of the key financial data of the Target Group as extracted from the management accounts of the Target Group prepared in accordance with the Accounting System for Business Enterprises in the PRC.

	For the year ended 31 December 2011 <i>RMB</i> (Unaudited)	For the year ended 31 December 2012 <i>RMB</i> (Unaudited)	For the nine months ended 30 September 2013 <i>RMB</i> (Unaudited)
Result			
Turnover	0	0	0
Net profit (before taxation and extraordinary items)	0	0	0
Net profit (after taxation and extraordinary items)	0	0	0
	As at 31 December 2011 <i>RMB</i> (Unaudited)	As at 31 December 2012 <i>RMB</i> (Unaudited)	As at 30 September 2013 <i>RMB</i> (Unaudited)
Assets and liabilities			
Total asset	0	0	32,200,100
Net assets	0	0	10,000,000
Total liabilities	0	0	22,200,100

INFORMATION ON EBODHK

EBODHK was incorporated in Hong Kong with limited liability on 20 December 2012 and is a wholly-owned subsidiary of EBOD. EBOD is a party acting in concert with China Merchants New Energy Group Limited, a substantial Shareholder, and is interested in a total of 1.25% of the issued share capital of the Company.

INFORMATION ON THE VENDORS

Vendor 1 was established in the PRC on 23 June 2009 and is principally engaged in the research and development, manufacturing and sale of solar power products; investment and operation of solar power plants; provision of engineering, procurement and construction services in respect of solar power plants.

Vendor 2 was established in the PRC on 5 July 2012 and is principally engaged in sale of photovoltaic materials, solar power plant equipments and accessories, design of solar power plants.

INFORMATION ON THE COMPANY AND ZHONGLI CHANGZHOU

The Company is an investment holding company and engaged in the development, investment, operation and management of the solar power plants through its subsidiaries. Zhongli Changzhou is an indirect wholly-owned subsidiary of the Company principally engaged in investment, construction, operation, maintenance and management of solar power plants.

REASONS FOR THE ZHONGLI CHANGZHOU ACQUISITION

The Group is principally engaged in the provision of solar energy products and solutions and development, operation and management of solar power plants. It is the Group's strategy to identify suitable investment opportunity to acquire the solar power plants with good prospects and potential for stable returns. The Directors consider that the Zhongli Changzhou Acquisition shall enable the Group to further expand its scale of business in the solar energy sector and enhance the return to Shareholders.

The Directors (including the independent non-executive Directors) consider that the terms of each of the Sale and Purchase Agreement and the EPC Cooperation Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Listing Rules Implications

As one or more of the applicable percentage ratios in respect of the Zhongli Changzhou Acquisition and the EPC Cooperative Agreement is greater than 5% and less than 25%, as calculated under Rule 14.07 of the Listing Rules, the entering into of the Sale and Purchase Agreement and the EPC Cooperative Agreement constitutes a discloseable transaction for the Company and is subject to the announcement but exempt from shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

Shareholders and potential investors of the Company should be aware that the Zhongli Changzhou Acquisition and the transactions contemplated thereunder are subject to certain conditions being satisfied, and consequently the Zhongli Changzhou Acquisition may or may not proceed.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which banks are generally open for business in the PRC;
“Company”	Goldpoly New Energy Holdings Limited (金保利新能源有限公司*), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“Completion”	completion of the Zhongli Changzhou Acquisition and the EBODHK Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement;
“Directors”	the directors of the Company;
“EBOD”	Renewable Energy Trade Board Corporation, a company incorporated in the British Virgin Islands with limited liability;
“EBODHK”	Renewable Energy (Hong Kong) Trade Board Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of EBOD;
“EBODHK Acquisition”	the acquisition of the EBODHK Sale Interest by EBODHK pursuant to the Sale and Purchase Agreement;
“EBODHK Consideration”	RMB5,500,000 (equivalent to approximately HK\$6,930,000), being the aggregate consideration for the EBODHK Acquisition;
“EBODHK Sale Interest”	55% equity interest in the Target Company, which is currently owned by the Vendors;

“EPC”	Engineering, Procurement and Construction;
“EPC Cooperative Agreement”	the EPC cooperative agreement dated 13 December 2013 entered into among the Vendors, Zhongli Changzhou, EBODHK and the Project Companies in respect of the construction of the Projects;
“Group”	the Company and its subsidiaries;
“Hainanzhou Yahui”	海南州亞暉新能源電力有限公司 (Hainanzhou Yahui New Energy Power Company Limited*), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Target Company;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“KWh”	Kilowatt hours, which equals 1,000 watt hour, unit of energy which refers to the specific amount of energy provided in a 3,600-second time period;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“MW”	Megawatt, which equals 1,000,000 watt;
“Parties”	the Vendors, Zhongli Changzhou and EBODHK, being the parties to the Sale and Purchase Agreement, and the word “Party” shall be construed accordingly;
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC;
“Project Companies”	Zhongli Gonghe and Hainanzhou Yahui;

“Projects”	three solar power plant projects, two located at Gonghe, Qinghai Province, China with an aggregate solar electricity generation capacity of approximately 150MW owned by Zhongli Gonghe and one located at Gonghe, Qinghai Province, China with an aggregate solar electricity generation capacity of approximately 30MW owned by Hainanzhou Yahui;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 13 December 2013 entered into among the Vendors, Zhongli Changzhou and EBODHK in respect of the sale and purchase of the Zhongli Changzhou Sale Interest and the EBODHK Sale Interest;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	has the meaning assigned to it by section 2 of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), save that any reference therein to a company shall be deemed to include a reference to a body corporate incorporated or established outside Hong Kong or under any other ordinances of the Laws of Hong Kong and to any unincorporated body of persons;
“Target Company”	常州鼎暉新能源有限公司 (Changzhou Dinghui New Energy Company Limited*), a company established in the PRC with limited liability, which is owned as to 90% by Vendor 1 and 10% by Vendor 2;
“Target Group”	the Target Company, Zhongli Gonghe and Hainanzhou Yahui;

“Vendor 1”	中利騰暉光伏科技有限公司 (Zhongli Photovoltaic Science and Technology Group Company Limited*), a company established in the PRC with limited liability, which is interested in 90% equity interest in the Target Company;
“Vendor 2”	江蘇中利騰暉光伏材料銷售有限公司 (Jiangsu Zhongli Talesun Photovoltaic Materials Sales Company Limited*), a company established in the PRC with limited liability, which is interested in 10% equity interest in the Target Company;
“Vendors”	Vendor 1 and Vendor 2;
“Zhongli Changzhou”	中利騰暉光伏常州有限公司 (Zhongli Photovoltaic Changzhou Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company;
“Zhongli Changzhou Acquisition”	the acquisition of the Zhongli Changzhou Sale Interest by Zhongli Changzhou pursuant to the Sale and Purchase Agreement;
“Zhongli Changzhou Consideration”	RMB4,500,000 (equivalent to approximately HK\$5,670,000), being the aggregate consideration for the Zhongli Changzhou Acquisition;
“Zhongli Changzhou Sale Interest”	45% equity interest in the Target Company, which is currently owned by the Vendors;
“Zhongli Gonghe”	中利騰暉共和新能源有限公司 (Zhongli Talesun Gonghe New Energy Limited*), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Target Company; and
“%”	per cent.

For and on behalf of
Goldpoly New Energy Holdings Limited
Lam Ho Fai
Executive Director

Hong Kong, 13 December 2013

In this announcement, the conversion of RMB into Hong Kong dollars have been made at a rate of RMB1 to HK\$1.26. Such conversion are for reference only and should not be construed as representations that the RMB amount could be converted into Hong Kong dollars at that or any other rate.

As at the date of this announcement, the executive directors of the Company are Mr. Lam Ho Fai, Mr. Li, Alan (Chief Executive Officer), Mr. Lu Zhenwei, and Mr. Yiu Ka So; the non-executive directors of the Company are Academician Yao Jiannian, Mr. Yang Baiqian, Ms. Qiu Ping, Maggie and Mr. Wu Zhenmian; and the independent non-executive directors of the Company are Mr. Kwan Kai Cheong, Mr. Ching Kwok Ho, Samuel, Mr. Yen Yuen Ho, Tony, Mr. Shi Dinghuan and Mr. Ma Kwong Wing.

** For identification purpose only*