

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)

MAJOR AND CONNECTED TRANSACTION IN RELATION TO THE ACQUISITION OF THE REMAINING 55% EQUITY INTEREST IN CHANGZHOU DINGHUI NEW ENERGY LIMITED*

THE NEW SALE AND PURCHASE AGREEMENT

Reference is made to the announcements dated 13 December 2013, 2 January 2014 and 7 January 2014 in relation to, among other things, the Zhongli Changzhou Acquisition and EBODHK Acquisition in the Target Company, namely Changzhou Dinghui New Energy Limited* (常州鼎暉新能源有限公司), which owns (through its wholly-owned subsidiaries) three solar power plants located at Gonghe, Qinghai Province, China with an aggregate installed capacity of approximately 180MW.

On 8 January 2014, UP (Changzhou) and EBODHK entered into the New Sale and Purchase Agreement pursuant to which, EBODHK has conditionally agreed to sell and UP (Changzhou) has conditionally agreed to purchase the 55% 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). EBODHK shall assign the shareholders' loan to the Target Company in the amount of RMB2,750,000 (equivalent to approximately HK\$3,465,000) to UP (Changzhou) simultaneously with the transfer of the 55% Sale Interest to UP (Changzhou).

Upon Completion, UP (Changzhou) (which currently owns 45% of the equity interest in the Target Company) will hold 100% of the equity interest in the Target Company.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios for the 55% Acquisition (when aggregated with the Zhongli Changzhou Acquisition in accordance with Rule 14A.25 of the Listing Rules) are more than 25% but less than 100%, the 55% Acquisition constitutes a major transaction of the Company under the Listing Rules. In addition, EBODHK is a connected person of the Company under Rule 14A.11 of the Listing Rules, and therefore the 55% Acquisition also constitutes a connected transaction of the Company and is subject to the reporting, announcement and the Independent Shareholders' approval requirements under the Listing Rules. CMNEG and its associates are regarded as having material interest in the 55% Acquisition and therefore they are required to abstain from voting on the resolutions proposed to be passed at the SGM for approving the 55% Acquisition and the transactions contemplated under the New Sale and Purchase Agreement.

GENERAL

An Independent Board Committee (comprising all the independent non-executive Directors) has been established to advise the Independent Shareholders in connection with the terms of the New Sale and Purchase Agreement and the transactions contemplated thereunder. The Company, with the approval of the Independent Board Committee, has appointed Quam Capital Limited as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the terms of the New Sale and Purchase Agreement and the transactions contemplated thereunder in accordance with the Listing Rules.

A circular containing, among other things, further details of (i) the terms and conditions of the New Sale and Purchase Agreement and the 55% Acquisition; (ii) the letter from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders; (iv) the financial information of the Group, the Target Group and the Enlarged Group; (v) the business valuation report of the Target Group prepared by the Independent Valuer; and (vi) a notice convening the SGM is expected to be despatched to the Shareholders on or before 7 March 2014 as more time is required to prepare the financial information and the valuation report for inclusion in the circular.

Reference is made to the announcements dated 13 December 2013, 2 January 2014 and 7 January 2014 in relation to, among other things, the Zhongli Changzhou Acquisition and EBODHK Acquisition in the Target Company, namely Changzhou Dinghui New Energy Limited* (常州鼎暉新能源有限公司), which owns (through its wholly-owned subsidiaries) three solar power plants located at Gonghe, Qinghai Province, China with an aggregate installed capacity of approximately 180MW.

As at the date of this announcement, UP (Changzhou) (previously known as Zhongli Photovoltaic Changzhou Co., Ltd.*) and EBODHK own 45% and 55% of the equity interest, respectively, in the Target Company.

On 8 January 2014, UP (Changzhou) and EBODHK entered into the New Sale and Purchase Agreement, details of which are set out below.

THE NEW SALE AND PURCHASE AGREEMENT

Date

8 January 2014

Parties

(A) EBODHK

(B) UP (Changzhou)

EBODHK is a wholly-owned subsidiary of EBOD. EBOD is a party acting in concert with and an associate of CMNEG, a substantial Shareholder of the Company. EBODHK is therefore a connected person of the Company under Rule 14A.11 of the Listing Rules.

Subject matter of the New Sale and Purchase Agreement

EBODHK has conditionally agreed to sell and UP (Changzhou) has conditionally agreed to purchase the 55% Sale Interest, which represents 55% equity interest in the Target Company held by EBODHK for a total cash consideration of RMB5,500,000 (equivalent to approximately HK\$6,930,000). EBODHK shall assign the shareholders' loan to the Target Company in the amount of RMB2,750,000 (equivalent to approximately HK\$3,465,000) to UP (Changzhou) simultaneously with the transfer of the 55% Sale Interest to UP (Changzhou).

Upon Completion, UP (Changzhou) will hold 100% of the equity interest in the Target Company.

Consideration

The 55% Consideration shall be settled by UP (Changzhou) in cash within 10 Business Days after the 55% Sale Interest is duly transferred and registered in the name of UP (Changzhou).

The Company will satisfy the 55% Consideration from its internal resources.

Basis of Consideration

The 55% Consideration was arrived at after arm's length negotiations between UP (Changzhou) and EBODHK on normal commercial terms and by reference to the registered capital of the Target Company. The amount of the 55% Consideration was also the same amount that EBODHK had previously paid for acquiring the 55% Sale Interest.

Conditions precedent

Completion is conditional upon the fulfillment of the following conditions:

- (a) EBODHK continues to legally and beneficially own the 55% Sale Interest and 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, completed the testing for on-grid connection and all work relating to the on-grid connection;
- (d) EBODHK having provided financial statements of the Target Group satisfactory to UP (Changzhou) or valuation report(s) issued by an internationally recognised independent valuer appointed by the parties;
- (e) the information and materials provided by EBODHK being complete, true and accurate, and UP (Changzhou) having been satisfied with the due diligence investigation results of the Project Companies; and
- (f) each of the respective parties to the New Sale and Purchase Agreement having obtained their respective internal approvals.

If any of the conditions precedent are not fulfilled within 90 days from the date of the New Sale and Purchase Agreement due to the default of any party, the other non-defaulting party may give written notice of termination to the defaulting party. If the default is not resolved within 10 days from such notice of termination, the New Sale and Purchase Agreement shall automatically terminate and lapse upon 15 days from the date of the written notice of termination.

Completion

EBODHK shall, within 10 Business Days upon the fulfillment of all of the conditions precedent, complete the registration of transfer of the 55% Sale Interest with the relevant authorities and obtain the updated new business licence of the Target Company. UP (Changzhou) shall pay the 55% Consideration to EBODHK within 10 Business Days from the date of issuance of the updated new business licence of the Target Company.

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 and operating two solar power plants located at Gonghe, Qinghai Province, China with an aggregate installed 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 and operating one solar power plant located at Gonghe, Qinghai Province, China with an aggregate installed 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 RMB (Unaudited)	For the year ended 31 December 2012 RMB (Unaudited)	For the eleven months ended 30 November 2013 RMB (Unaudited)
Result			
Turnover	0	0	0
Net loss (before taxation and extraordinary items)	0	0	600,012
Net loss (after taxation and extraordinary items)	0	0	600,012
	As at 31 December 2011 RMB (Unaudited)	As at 31 December 2012 RMB (Unaudited)	As at 30 November 2013 RMB (Unaudited)
Assets and liabilities			
Total assets	0	0	869,481,542
Net assets	0	0	860,081,554
Total liabilities	0	0	9,399,988

There was no loss or profit attributable to the Target Company for the two financial years ended 31 December 2012 and 2011.

As at 30 November 2013, the net asset value of the Target Group was approximately RMB9,399,988 (equivalent to approximately HK\$11,843,985).

REASONS FOR THE 55% 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. Having taken the fact into consideration that the Projects have successfully achieved the on-grid connection, the Directors believe that the 55% Acquisition will enable the Group to consolidate control over the Target Group and 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 the New Sale and Purchase Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE COMPANY AND UP (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. UP (Changzhou) is an indirect wholly-owned subsidiary of the Company principally engaged in investment, construction, operation, maintenance and management of solar power plants.

INFORMATION ON EBODHK

EBODHK was incorporated in Hong Kong with limited liability on 20 December 2012 and is a wholly-owned subsidiary of EBOD. As at the date of this announcement, EBOD holds approximately 1.35% of the issued share capital of the Company and is a party acting in concert with and an associate of CMNEG, a substantial Shareholder.

As at the date of this announcement, CMNEG holds approximately 13.48% of the issued share capital of the Company, and together with its associate, EBOD, hold an aggregate of approximately 14.83% of the issued share capital of the Company.

EBODHK is therefore a connected person of the Company under Rule 14A.11 of the Listing Rules.

Listing Rules Implications

As the applicable percentage ratios for the 55% Acquisition (when aggregated with the Zhongli Changzhou Acquisition in accordance with Rule 14A.25 of the Listing Rules) are more than 25% but less than 100%, the 55% Acquisition constitutes a major transaction of the Company under the Listing Rules. In addition, EBODHK is a connected person of the Company under Rule 14A.11 of the Listing Rules, and therefore the 55% Acquisition also constitutes a connected transaction of the Company and is subject to the reporting, announcement and the Independent Shareholders' approval requirements

under the Listing Rules. CMNEG and its associates are regarded as having a material interest in the 55% Acquisition and therefore they are required to abstain from voting on the resolutions proposed to be passed at the SGM for approving the 55% Acquisition and the transactions contemplated under the New Sale and Purchase Agreement.

GENERAL

An Independent Board Committee (comprising all the independent non-executive Directors) has been established to advise the Independent Shareholders in connection with the terms of the New Sale and Purchase Agreement and the transactions contemplated thereunder. The Company, with the approval of the Independent Board Committee, has appointed Quam Capital Limited as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the terms of the New Sale and Purchase Agreement and the transactions contemplated thereunder in accordance with the Listing Rules.

A circular containing, among other things, further details of (i) the terms and conditions of the New Sale and Purchase Agreement and the 55% Acquisition; (ii) the letter from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders; (iv) the financial information of the Group, the Target Group and the Enlarged Group; (v) the business valuation report of the Target Group prepared by the Independent Valuer; and (vi) a notice convening the SGM is expected to be despatched to the Shareholders on or before 7 March 2014 as more time is required to prepare the financial information and the valuation report for inclusion in the circular.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed to it in the Listing Rules;
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which banks are generally open for business in the PRC;
“CMNEG”	China Merchants New Energy Group Limited (招商新能源集團有限公司), a company incorporated in the BVI with limited liability and a substantial Shareholder;
“Company”	Goldpoly New Energy Holdings Limited, 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 55% Acquisition in accordance with the terms and conditions of the New 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 Sale Interest”	55% equity interest in the Target Company;
“Enlarged Group”	the Group as enlarged by the Target Group upon Completion;
“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;
“Independent Board Committee”	an independent committee of the Board, comprising Mr. Kwan Kai Cheong, Mr. Ching Kwok Ho, Samuel, Mr. Yen Yuen Ho, Tony, Mr. Shi Dinghuan and Mr. Ma Kwong Wing being all the independent non-executive Directors, which has been established for the purpose of advising the Independent Shareholders in relation to the New Sale and Purchase Agreement and the transactions contemplated thereunder;
“Independent Shareholders”	the Shareholders other than CMNEG and its associates;
“Independent Valuer”	American Appraisal China Limited, an independent valuer engaged by the Company to provide assistance to the Group in preparing the business valuation report of the Target Group to be included in the circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“MW”	Megawatt, which equals 1,000,000 watt;

“New Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 8 January 2014 entered into between UP (Changzhou) and EBODHK in respect of the sale and purchase of the 55% Sale Interest;
“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 installed capacity of approximately 150MW owned by Zhongli Gonghe and one located at Gonghe, Qinghai Province, China with an aggregate installed 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 中利騰暉光伏科技有限公司 (Zhongli Photovoltaic Science and Technology Group Company Limited*) and 江蘇中利騰暉光伏材料銷售有限公司 (Jiangsu Zhongli Talesun Photovoltaic Materials Sales Company Limited*), Zhongli Changzhou and EBODHK in respect of the sale and purchase of the Zhongli Changzhou Sale Interest and the EBODHK Sale Interest;
“SGM”	the special general meeting of the Company to be convened to consider and if thought fit, approve, among other things, the New Sale and Purchase Agreement and the transactions contemplated thereunder;
“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 45% by UP (Changzhou) and 55% by EBODHK;
“Target Group”	the Target Company, Zhongli Gonghe and Hainanzhou Yahui;
“UP (Changzhou)”	聯合光伏(常州)投資有限公司 (United Photovoltaics (Changzhou) Investment 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 Sale Interest”	45% equity interest in the Target Company;
“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;
“%”	per cent.;
“55% Acquisition”	the acquisition of the 55% Sale Interest by UP (Changzhou) pursuant to the New Sale and Purchase Agreement;
“55% Consideration”	RMB5,500,000 (equivalent to approximately HK\$6,930,000), being the consideration for the 55% Acquisition; and
“55% Sale Interest”	55% equity interest in the Target Company, which is currently owned by EBODHK.

For and on behalf of
Goldpoly New Energy Holdings Limited
Li, Alan
Chairman of the Board

Hong Kong, 8 January 2014

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. Li, Alan (Chairman and Chief Executive Officer) and Mr. Lu Zhenwei; 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*