
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect about this Prospectus or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your securities in GCL-Poly Energy Holdings Limited (the "Company"), you should at once hand this Prospectus and the accompanying Provisional Allotment Letter (as defined herein) and the Excess Application Form (as defined herein) to the purchaser or transferee, or to the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Dealings in the Shares of the Company and the Rights Shares in their nil-paid form and fully-paid form may be settled through CCASS and you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed "Documents delivered to the Registrar of Companies" in Appendix IV to this Prospectus, has been registered with the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Securities and Futures Commission in Hong Kong take no responsibility for the contents of any of these documents.

Shareholders with registered addresses in any territory or jurisdiction outside of Hong Kong and Beneficial Owners (as defined herein) who are resident in any territory or jurisdiction outside of Hong Kong are referred to the important information set out in the sections headed "Non-Qualifying Shareholders". For the entitlement of the PRC Stock Connect Investors to participate in the Rights Issue, please refer to the section headed "Letter from the Board – PRC Stock Connect Investors" in this Prospectus.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Prospectus, 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 Prospectus.

The securities described herein have not been registered under the U.S. Securities Act of 1933, as amended, (the "U.S. Securities Act") or the laws of any state in the United States, and may not be offered or sold within the United States, absent registration or an exemption from the registration requirements of the U.S. Securities Act and applicable state laws. There is no intention to register any portion of the rights issue or any securities described herein in the United States or to conduct a public offering of securities in the United States.

Distribution of this Prospectus into jurisdictions other than Hong Kong may be restricted by law. Persons into whose possession this Prospectus comes should inform themselves of and observe any such restrictions. This Prospectus is not for release, publication or distribution, directly or indirectly, in or into the United States. This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the Rights Shares in their nil-paid or fully-paid form or to take up any entitlements to the Rights Shares in their nil-paid or fully-paid form in any jurisdiction in which such an offer or solicitation is unlawful. The Prospectus will not be registered or filed under any applicable securities or equivalent legislation of any jurisdictions other than (i) Hong Kong and (ii) the PRC (in accordance with the notice of China Securities and Regulatory Commission "Filing Requirement for Hong Kong Listed Issuers Making Rights Issues to Mainland Shareholders through Shanghai-Hong Kong Stock Connect" (Announcement [2014] No. 48). No action has been taken to permit the offering of the Rights Shares, or the distribution of the Prospectus Documents in any territory or jurisdiction outside of Hong Kong.



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)

RIGHTS ISSUE

OF 3,097,927,453 RIGHTS SHARES

AT HK\$1.12 PER RIGHTS SHARE

ON THE BASIS OF

ONE RIGHTS SHARE FOR EVERY FIVE SHARES

HELD ON THE RECORD DATE

Underwriter to the Rights Issue



The latest time for acceptance of, and payment for, the Rights Shares is 4:00 p.m. on Wednesday, 20 January 2016. The procedure for acceptance and payment or transfer of the Rights Shares is set out in the section headed "Letter from the Board – Procedures for Acceptance or Transfer" of this Prospectus.

It should be noted that the Underwriting Agreement contains provisions granting Haitong the right, in its absolute discretion, to terminate its obligations thereunder with immediate effect by written notice at any time at or prior to the Latest Time for Termination on the occurrence of certain events including force majeure events. These events are set out in the section headed "Termination of the Underwriting Agreement" on pages 11 to 14 of this Prospectus.

If Haitong exercises such right, the Rights Issue will not become unconditional and the Rights Issue will not proceed. Upon the giving of written notice of termination, all the obligations of Haitong and the Company under the Underwriting Agreement shall cease and no party will have any claim against any other for costs, damages, compensation or otherwise (other than for antecedent breaches) provided that the Company shall remain liable to pay Haitong's reasonable costs, fees and expenses in accordance with the Underwriting Agreement.

The Shares have been dealt in on an ex-rights basis from Tuesday, 29 December 2015. Dealings in the Nil Paid Rights are expected to take place from 9:00 a.m. on Friday, 8 January 2016 to 4:00 p.m. on Friday, 15 January 2016 (both days inclusive). The Rights Issue is conditional upon, among other things, (i) the Underwriting Agreement becoming unconditional and not being terminated; and (ii) the GNE Underwriting Agreement having been entered into and not being terminated. If the Rights Issue does not become unconditional, the Rights Issue will not proceed. Any dealings in the Shares or Nil Paid Rights during the period from the date hereof to the date on which all the conditions to which the Rights Issue is subject are fulfilled, which is currently expected to be 4:00 p.m., Monday, 25 January 2016, will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Any Shareholder or other person contemplating selling or purchasing Shares or Nil Paid Rights during such periods and who are in any doubt about their position are recommended to consult their professional advisers.

6 January 2016

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The Rights Issue is conditional upon, among other things, (i) the Underwriting Agreement becoming unconditional and not being terminated; and (ii) the GNE Underwriting Agreement having been entered into and not being terminated. If the Rights Issue does not become unconditional, the Rights Issue will not proceed. It should also be noted that the Shares have been dealt in on an ex-rights basis from Tuesday, 29 December 2015 and that the Rights Shares are expected to be dealt in their nil-paid form from 9:00 a.m. on Friday, 8 January 2016 to 4:00 p.m. Friday, 15 January 2016, (both days inclusive). Such dealings will take place when the conditions of the Rights Issue remain unfulfilled. Any person dealing in the securities of the Company up to the date on which such conditions are fulfilled or waived and any person dealing in the Nil Paid Rights from 9:00 a.m. Friday, 8 January 2016 to 4:00 p.m. on Friday, 15 January 2016 (being the first and last day of dealings in the Nil Paid Rights respectively) will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed and should exercise caution. Any person dealing or contemplating any dealing in the securities of the Company and/or the Nil Paid Rights during this period who is in any doubt about his or her position is recommended to consult his or her own professional adviser.

EXCEPT AS OTHERWISE SET OUT IN THIS PROSPECTUS, THE RIGHTS ISSUE DESCRIBED IN THIS PROSPECTUS IS NOT BEING MADE TO SHAREHOLDERS, BENEFICIAL OWNERS OR INVESTORS IN ANY TERRITORY OR JURISDICTION OUTSIDE OF HONG KONG (OTHER THAN MACAU). This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the Nil Paid Rights or Rights Shares or to take up any entitlements to the Nil Paid Rights or Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. None of the Nil Paid Rights, the Rights Shares, this Prospectus, the Provisional Allotment Letter and the Excess Application Form will be registered under the securities laws of any territory or jurisdiction outside of Hong Kong and none of the Nil Paid Rights, the Rights Shares, this Prospectus, the Provisional Allotment Letter and the Excess Application Form will qualify for distribution under any of the relevant securities laws of any territory or jurisdiction outside of Hong Kong (other than pursuant to any applicable exceptions as agreed by the Company). Accordingly, the Nil Paid Rights and the Rights Shares may not be offered, sold, pledged, taken up, resold, renounced, transferred or delivered, directly or indirectly, into or within any territory or jurisdiction outside of Hong Kong (other than Macau) absent registration or qualification under the respective securities laws of such territory or jurisdiction, or exemption from the registration or qualification requirement under applicable rules of such territory or jurisdiction.

Shareholders with registered addresses in any territory or jurisdiction outside of Hong Kong and Beneficial Owners who are resident in any territory or jurisdiction outside of Hong Kong are referred to the paragraph of this Prospectus headed “Non-Qualifying Shareholders” under the section headed “Letter from the Board”.

Each person acquiring the Nil Paid Rights and/or Rights Shares under the Rights Issue will be required to confirm, or be deemed by his/her/its acquisition of the Nil Paid Rights and/or Rights Shares to confirm, that he/she/it is aware of the restrictions on offers and sales of Nil Paid Rights and/or Rights Shares as described in this Prospectus.

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NOTICE TO PRC STOCK CONNECT INVESTORS

For the avoidance of doubt, the PRC Stock Connect Investors can participate in the Rights Issue through ChinaClear. ChinaClear will provide nominee services for the PRC Stock Connect Investors to (i) sell (in full or in part) their Nil Paid Rights on the Stock Exchange; and/or (ii) subscribe (in full or in part) for their pro-rata entitlement in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant laws and regulations. However, ChinaClear will not support applications by such PRC Stock Connect Investors for excess Rights Shares under the Rights Issue through Shanghai-Hong Kong Stock Connect. The PRC Stock Connect Investors (or the relevant ChinaClear participants as the case may be) whose stock accounts in the ChinaClear are credited with Nil Paid Rights can only sell those Nil Paid Rights on the Stock Exchange under Shanghai-Hong Kong Stock Connect and can neither purchase any Nil Paid Rights nor transfer such Nil Paid Rights to other PRC Stock Connect Investors.

NOTICE TO INVESTORS IN MACAU

The Nil Paid Rights and/or the fully-paid Rights Shares may not be promoted, distributed, sold, delivered or offered to any Macau residents or entities except under the terms of and in compliance with the Macau Financial System Act and any other laws in Macau that may apply to the promotion, distribution, sale, delivery or offer of the Nil Paid Rights and/or the fully-paid Rights Shares in Macau. The Nil Paid Rights and/or the fully-paid Rights Shares are not registered or otherwise authorised for public offer under the Macau Financial System Act, thus may not be promoted, distributed, sold, delivered or offered in Macau, unless such actions are made by credit or other financial institutions duly licensed in Macau and upon their communication to the Macau Monetary Authority.

NOTICE TO INVESTORS IN THE PRC (OTHER THAN A PRC STOCK CONNECT INVESTOR)

If a Shareholder resides in the PRC (other than a PRC Stock Connect Investor) and/or any other PRC resident (including both individuals and companies) (other than a PRC Stock Connect Investor) wishes to invest in Nil Paid Rights or fully paid Rights Shares, it shall be responsible for complying with relevant laws of the PRC. The Company will not be responsible for verifying the PRC legal qualification of such Shareholder and/or resident and thus, should the Company suffer any losses and damages due to non-compliance with the relevant laws of the PRC by any such Shareholder and/or resident, the Shareholder and/or other resident shall be responsible to compensate the Company for the same. The Company shall not be obliged to issue the Nil Paid Rights or fully paid Rights Shares to any such Shareholder and/or other resident, if in the Company's absolute discretion issuing the Nil Paid Rights or fully paid Rights Shares to them does not comply with the relevant laws of the PRC.

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NOTICE TO INVESTORS IN THE U.S.

This Prospectus may not be circulated, distributed, forwarded, delivered or redistributed, electronically or otherwise, to persons within the United States. The Prospectus Documents do not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Rights Shares in both nil-paid and fully-paid forms have not been and will not be registered under the U.S. Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with applicable laws.

The Rights Shares in both nil-paid and fully-paid forms and the Prospectus Documents have not been approved or disapproved by the U.S. Securities and Exchange Commission, any securities commission of any state in the United States or any U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Shares in either nil-paid or fully-paid forms, the Prospectus Documents or the accuracy or adequacy of this Prospectus or any of the other Prospectus Documents. There will be no public offer of these Rights Shares in either nil-paid or fully-paid forms in the United States.

The Rights Shares are being offered in reliance on Regulation S under the U.S. Securities Act. Each purchaser or subscriber of the Rights Shares being offered and sold outside the U.S. will be deemed to have represented and agreed, among other things, that the purchaser or subscriber is acquiring the Rights Shares in an offshore transaction meeting the requirements of Regulation S under the U.S. Securities Act.

Each purchaser of Nil Paid Rights or subscriber of Rights Shares will be deemed (by accepting delivery of this Prospectus) to have agreed and given each of the following representations and warranties to the Company and Haitong and to any person acting on their behalf, unless in their sole discretion the Company and Haitong waive such requirement expressly in writing:

- he/she/it was a Shareholder as at 5:00 p.m. on the Record Date, or he/she/it lawfully acquired or may lawfully acquire the Nil Paid Rights, directly or indirectly, from such a person;
- he/she/it may lawfully be offered, take up, obtain, subscribe for and receive the Nil Paid Rights and/or the Rights Shares in the jurisdiction in which he/she/it resides or is currently located;
- he/she/it is not resident or located in, or a citizen of, the U.S.;
- he/she/it is not accepting an offer to acquire or take up the Nil Paid Rights or Rights Shares on a non-discretionary basis for a person who is resident or located in, or a citizen of, the U.S. at the time the instruction to accept was given;

NOTICES

- he/she/it is not taking up for the account of any person who is located in the U.S., unless (a) the instruction to purchase or take up the Nil Paid Rights or to subscribe for or accept Rights Shares was received from a person outside the U.S. and (b) the person giving such instruction has confirmed that it (1) has the authority to give such instruction and (2) either (A) has investment discretion over such account or (B) is an investment manager or investment company that is acquiring the Nil Paid Rights and/or the Rights Shares in an “offshore transaction” within the meaning of Regulation S;
- he/she/it is acquiring the Nil Paid Rights and/or the Rights Shares in an “offshore transaction” as defined in Regulation S;
- he/she/it has not been offered the Rights Shares by means of any “directed selling efforts” as defined in Regulation S;
- he/she/it is not acquiring the Nil Paid Rights or Rights Shares with a view to the offer, sale, allotment, take up, exercise, resale, renouncement, pledge, transfer, delivery or distribution, directly or indirectly, of such Nil Paid Rights or Rights Shares into the U.S.; and
- he/she/it understands that neither the Nil Paid Rights nor the Rights Shares have been or will be registered under the U.S. Securities Act or with any securities regulatory authority of any state, territory, or possession of the U.S. and the Nil Paid Rights and Rights Shares are being distributed and offered only outside the U.S. in reliance on Regulation S. Consequently he/she/it understands the Nil Paid Rights or Rights Shares may not be offered, sold, allotted, taken up, exercised, resold, renounced, pledged, delivered, distributed or otherwise transferred in or into the U.S., except in reliance on an exemption from, or in transactions not subject to, the registration requirements of the U.S. Securities Act.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties above.

FORWARD-LOOKING STATEMENTS

All statements in this Prospectus other than statements of historical fact are forward-looking statements. In some cases, forward-looking statements may be identified by the use of words such as “might”, “may”, “could”, “would”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “seek”, “continue”, “illustration”, “projection” or similar expressions and the negative thereof. Forward-looking statements in this Prospectus include, without limitation, statements in respect of the Group’s business strategies, product offerings, market position, competition, financial prospects, performance, liquidity and capital resources, as well as statements regarding trends in the relevant industries and markets in which the Group operates, technological advances, financial and economic developments, legal and regulatory changes and their interpretation and enforcement.

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The forward-looking statements in this Prospectus are based on management's present expectations about future events. Management's present expectations reflect numerous assumptions regarding the Group's strategy, operations, industry, developments in the credit and other financial markets and trading environment. By their nature, they are subject to known and unknown risks and uncertainties, which could cause actual results and future events to differ materially from those implied or expressed by forward-looking statements. Should one or more of these risks or uncertainties materialise, or should any assumptions underlying forward-looking statements prove to be incorrect, the Group's actual results could differ materially from those expressed or implied by forward-looking statements. Additional risks not known to the Group or that the Group does not currently consider material could also cause the events and trends discussed in this Prospectus not to occur, and the estimates, illustrations and projections of financial performance not to be realised.

Prospective investors are cautioned that forward-looking statements speak only as at the date of publication of this Prospectus. Except as required by applicable law, the Group does not undertake, and expressly disclaims, any duty to revise any forward-looking statement in this Prospectus, be it as a result of new information, future events or otherwise.

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DEFINITIONS

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

“Acceptance Date”	Wednesday, 20 January 2016, or such later date as Haitong may agree in writing with the Company as the last date for acceptance of, and payment for, the Rights Shares
“Announcement”	the announcement of the Company jointly issued with GNE dated 15 December 2015 relating to, inter alia, the Rights Issue
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Beneficial Owner(s)”	any beneficial owner(s) of Shares whose Shares are registered in the name of a Registered Owner
“Board”	the board of Directors
“Business Day”	any day (other than a Saturday and Sunday) on which licensed banks are open for normal banking business in Hong Kong
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Clearing Participant”	means a person admitted by HKSCC to participate in CCASS as a direct clearing participant or general clearing participant
“CCASS Custodian Participant”	means a person admitted by HKSCC to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a CCASS Clearing Participant or a CCASS Custodian Participant or a CCASS Investor Participant
“ChinaClear”	China Securities Depository and Clearing Corporation Limited

DEFINITIONS

“Closing Date”	the date falling on the third Business Day after the Acceptance Date or such later date as the Company and Haitong may agree in writing
“Companies Ordinance”	the Companies Ordinance (Cap. 622 of the Laws of Hong Kong), as amended from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong), as amended from time to time
“Company” or “we”/“us”	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 whose Shares are listed on the Main Board of the Stock Exchange, with stock code 3800. As at the Latest Practicable Date, the Company is indirectly interested in, through GNE Registered Committed Shareholder, a wholly-owned subsidiary of the Company, approximately 62.28% of the issued share capital of GNE
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Convertible Bonds”	the outstanding convertible bonds issued by the Company in the principal amount of US\$225,000,000, held by PA International and due on 22 July 2019; the convertible bonds entitle the holder(s) thereof to convert into 711,964,286 Shares (having taken into account the adjustment of the special dividend as declared by the Company on 8 December 2015)
“CSRC”	the China Securities and Regulatory Commission
“CSRC Notice”	the notice of the CSRC “Filing Requirements for Hong Kong Listed Issuers Making Rights Issues to Mainland Shareholders through Shanghai-Hong Kong Stock Connect” (Announcement [2014] No. 48)
“Direct Shares”	the 4,769,843,327 Shares, representing approximately 30.79% of the Company’s total issued share capital, held directly by the Registered Committed Shareholders
“Director(s)”	the director(s) of the Company from time to time

DEFINITIONS

“EAF(s)” or “Excess Application Form(s)”	the excess application form(s) to be issued to the Qualifying Shareholders (other than the PRC Stock Connect Investors) in respect of applications for excess Rights Shares in connection with the Rights Issue
“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
“GNE Acceptance Date”	Wednesday, 27 January 2016, or such later date as Haitong may agree in writing with GNE as the latest date for acceptance of, and payment for, the GNE Rights Shares
“GNE Closing Date”	the date falling on the third Business Day after the GNE Acceptance Date (or such later date as GNE and Haitong may agree)
“GNE Group”	GNE and its subsidiaries
“GNE Prospectus”	the Prospectus dated 6 January 2016 issued by GNE in connection with the GNE Rights Issue
“GNE Record Date”	Tuesday, 5 January 2016, or such other date as Haitong may agree in writing with GNE as the date by reference to which entitlements under the GNE Rights Issue will be determined
“GNE Registered Committed Shareholder”	Elite Time Global Limited, a wholly-owned subsidiary of the Company
“GNE Registered Committed Shareholder Irrevocable Undertaking”	the irrevocable undertaking given, as part of the GNE Underwriting Agreement, by the GNE Registered Committed Shareholder in favour of GNE and Haitong to subscribe for 3,240,000,000 GNE Rights Shares to be provisionally allotted to the GNE Registered Committed Shareholder in respect of 8,640,000,000 GNE Shares held by the GNE Registered Committed Shareholder

DEFINITIONS

“GNE Rights Issue”	the proposed offer by way of rights of the GNE Rights Shares to GNE qualifying shareholders on the terms set out in the Announcement and in the prospectus, provisional allotment letter(s) and the excess application form(s) to be issued by GNE in connection with the GNE Rights Issue
“GNE Rights Share(s)”	the new GNE Share(s) proposed to be allotted and issued under the GNE Rights Issue
“GNE Share(s)”	ordinary share(s) in the capital of GNE
“GNE Subscription Price”	the subscription price of HK\$0.45 per GNE Rights Share pursuant to the GNE Rights Issue
“GNE Underwriting Agreement”	the underwriting agreement dated 15 December 2015 entered into between GNE, the GNE Registered Committed Shareholder and Haitong in relation to the underwriting of the GNE Rights Shares and certain other arrangements in respect of the GNE Rights Issue
“Group”	the Company and its subsidiaries (including GNE Group)
“Haitong” or the “Underwriter”	Haitong International Securities Company Limited, a licensed corporation under the SFO to conduct Type 1 (Dealing in securities), Type 3 (Leveraged foreign exchange trading) and Type 4 (Advising on securities) regulated activities under the SFO
“Happy Genius”	Happy Genius Holdings Limited, a company incorporated in the British Virgin Islands and one of the Registered Committed Shareholders
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Intermediary”	in relation to a Beneficial Owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, means the Beneficial Owner’s broker, custodian, nominee or other relevant person who is a CCASS Participant or who has deposited the Beneficial Owner’s Shares with a CCASS Participant
“Last Trading Day”	Friday, 11 December 2015, being the last full trading day for the Shares before the release of the Announcement
“Latest Practicable Date”	Thursday, 31 December 2015, being the latest practicable date prior to the printing of this Prospectus for ascertaining certain information contained herein
“Latest Time for Termination”	4:00 p.m. on the Closing Date
“Lent Shares”	260,000,000 Shares, representing approximately 1.68% of the Company’s total issued share capital as at the Latest Practicable Date, lent by Happy Genius to PAA, and subject to their return to Happy Genius, under the SLA
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange from time to time
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Nil Paid Rights”	rights to subscribe for Rights Shares (in the form of Rights Shares in nil-paid form) before the Subscription Price is paid
“Non-Qualifying Shareholder(s)”	(i) those Overseas Shareholder(s) (other than the PRC Stock Connect Investors); and (ii) those Shareholders and Beneficial Owners who are known by the Company to be residents of any territory or jurisdiction outside of Hong Kong, in respect of whom the Directors, based on relevant enquiries made by the Directors, consider it necessary or expedient not to offer the Rights Shares on account either of the legal restrictions under the laws of the relevant territory or jurisdiction in which the Shareholder or Beneficial Owner (as the case may be) is located or the requirements of the relevant regulatory body or stock exchange in that place, as more fully described under “Non-Qualifying Shareholders” under the section headed “Letter from the Board” of this Prospectus

DEFINITIONS

“Overseas Shareholder(s)”	the Shareholder(s) whose name(s) appeared on the register of members of the Company at 5:00 p.m. on the Record Date and whose address(es) as shown on such register is/are in a territory or jurisdiction outside of Hong Kong (other than a PRC Stock Connect Investor)
“PA International”	PA International Opportunity III Limited, the holder of the Convertible Bonds
“PAA”	Pacific Alliance Asia Opportunity Fund LP, the borrower of the Lent Shares under the SLA
“PAL(s)” or “Provisional Allotment Letter(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in respect of their assured entitlements in connection with the Rights Issue
“Participation”	the proposed acceptance by the GNE Registered Committed Shareholder of the provisional allotment of 3,240,000,000 GNE Rights Shares, being its pro-rata entitlement under the GNE Rights Issue, pursuant to the GNE Registered Committed Shareholder Irrevocable Undertaking
“PRC”	the People’s Republic of China, which for the purpose of this Prospectus excludes Hong Kong, Macau and Taiwan
“PRC Stock Connect Investor(s)”	the PRC southbound trading investors through Shanghai-Hong Kong Stock Connect who hold the Shares through ChinaClear as nominee
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme adopted by the Company on 22 October 2007
“Prospectus”	this prospectus to be issued in connection with the Rights Issue
“Prospectus Date”	the date of this Prospectus
“Prospectus Documents”	this Prospectus, the PAL and the EAF
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appeared on the register of members of the Company at 5:00 p.m. on the Record Date

DEFINITIONS

“Record Date”	Tuesday, 5 January 2016, the date by reference to which entitlements to participate in the Rights Issue was determined
“Registered Committed Shareholders”	Highexcel Investments Limited, a company incorporated in the British Virgin Islands, Get Famous Investments Limited, a company incorporated in the British Virgin Islands and Happy Genius
“Registered Committed Shareholders Irrevocable Undertakings”	the irrevocable undertakings given, as part of the Underwriting Agreement, by the Registered Committed Shareholders in favour of the Company and Haitong to accept, and to procure the acceptance, of an aggregate of 953,968,665 Rights Shares provisionally allotted to them in respect of the Direct Shares based on their pro rata entitlement under the Rights Issue
“Registered Owner”	in respect of a Beneficial Owner, means a nominee, trustee, depository or any other authorised custodian or third party which is the registered holder in the register of members of the Company of the Shares in which the Beneficial Owner is beneficially interested
“Registrar”	the Company’s share registrar and transfer office, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Regulation S”	Regulation S under the U.S. Securities Act
“Rights Issue”	the proposed issue by the Company of the Rights Shares on the basis of one Rights Share for every five existing Shares held on the Record Date, on a pro rata basis, payable in full on acceptance and subject to the terms set out in the Prospectus Documents
“Rights Share(s)”	the new Share(s) proposed to be allotted and issued under the Rights Issue
“RMB”	Renminbi, the lawful currency of the PRC
“Schemes”	collectively, the Pre-IPO Share Option Scheme and the Share Option Scheme

DEFINITIONS

“Settlement Sum”	an amount in cash of RMB1,160 million, particulars of which are set out in section headed “Business Trends and Financial and Trading Prospects” in Appendix II of this Prospectus
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), as amended and supplemented from time to time
“Share(s)”	ordinary share(s) of HK\$0.1 each in the capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 22 October 2007
“Share Options”	the outstanding share option(s) granted by the Company pursuant to the Schemes
“Shareholder(s)”	holder(s) of the Company’s Shares
“SLA”	a securities lending agreement dated 23 November 2013 (as amended by an agreement dated 15 July 2015) entered into between Happy Genius as lender of the Lent Shares and PAA as borrower of the Lent Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$1.12 per Rights Share pursuant to the Rights Issue
“Subsidiary”	has the meaning ascribed to it under the Companies Ordinance
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Underwriting Agreement”	the underwriting agreement dated 15 December 2015 entered into between the Company, the Registered Committed Shareholders and Haitong, in relation to among others, the underwriting of the Rights Shares and certain other arrangements in respect of the Rights Issue

DEFINITIONS

“Underwritten Rights Shares”	all of the Rights Shares (excluding, in aggregate, the 953,968,665 Rights Shares to be subscribed (or procured to be subscribed by the Registered Committed Shareholders pursuant to the Registered Committed Shareholders Irrevocable Undertakings), being 2,143,958,788 Rights Shares
“U.S.” or “United States”	the United States of America, its territories and possessions, any State of the United States, and the District of Columbia
“US Dollar” or “US\$”	United States Dollar, the lawful currency of the United States of America
“U.S. Person(s)”	any person(s) or entity(ies) deemed to be a U.S. person for the purposes of Regulation S
“U.S. Securities Act”	the U.S. Securities Act of 1933, as amended
“%”	per cent.

In this Prospectus, unless the context otherwise requires, any reference to the singular includes the plural and vice versa and any reference to a gender includes a reference to the other gender and the neuter.

SUMMARY OF THE RIGHTS ISSUE

The following information is derived from, and should be read in conjunction with, the full text of this Prospectus:

Number of Rights Shares to be issued:	3,097,927,453 Rights Shares
Amount to be raised:	Approximately HK\$3,469.7 million, before expenses, by way of the Rights Issue
Subscription Price:	HK\$1.12 per Rights Share
Latest time for payment and acceptance:	4:00 p.m. on Wednesday, 20 January 2016, (or such other date as Haitong may agree in writing with the Company as the last date for acceptance of, and payment for, the Rights Shares)
Basis of Rights Issue:	one Rights Share for every five Shares held at 5:00 p.m. on the Record Date, on a pro rata basis
Excess applications:	Qualifying Shareholders (other than the PRC Stock Connect Investors) may apply for Rights Shares in excess of their provisional allotments

TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriting Agreement contains provisions granting Haitong the right, which may be exercised by Haitong at any time prior to the Latest Time for Termination, to terminate the obligations of Haitong if any of the following occurs:

- (i) any material breach of any of the warranties or the undertakings given by the Company comes to the knowledge of Haitong, or there has been a material breach on the part of the Company of any other provision of the Underwriting Agreement; or
- (ii) any event occurs or matter arises, which, if it had occurred before the date of the Underwriting Agreement or before any of the times on which the warranties given by the Company are deemed to be given would have rendered any of those warranties untrue, incorrect or misleading in any material respect; or
- (iii) any statement contained in this Prospectus has become or been discovered to be untrue, incorrect, incomplete or misleading in any material respect, or matters have arisen or have been discovered which would, if this Prospectus was to be issued at the time, constitute a material omission therefrom; or
- (iv) there is any material adverse change or prospective material adverse change in the condition, results of operations, management, business, stockholders' equity or in the financial or trading position of any member of the Group which, in the reasonable opinion of Haitong, is or may be materially adverse in the context of the Rights Issue; or
- (v) permission to deal in and listing of all the Rights Shares (in their nil-paid and fully-paid forms) has been withdrawn by the Stock Exchange; or
- (vi) the GNE Underwriting Agreement is terminated or becomes incapable of becoming unconditional in accordance with its terms; or
- (vii) any expert, who has given advice which is contained in this Prospectus, has withdrawn its respective consent to the issue of this Prospectus with the inclusion of its reports, letters, opinions or advices and references to its name included in the form and context in which it respectively appears prior to the issue of this Prospectus; or
- (viii) the Company withdraws this Prospectus (and/or any other documents issued or used in connection with the Rights Issue) or the Rights Issue; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (ix) there has occurred, happened, come into effect or become public knowledge any event, series of events or circumstances concerning or relating to (whether or not foreseeable):
- (A) any change (whether or not permanent) in the local, national or international financial, political, military, industrial, economic, legal, fiscal, regulatory or securities market matters or conditions or currency exchange rates or exchange controls in or affecting the PRC, Hong Kong or the United States; or
 - (B) any event of force majeure (including, without limitation, economic sanctions, strike or lock-out (whether or not covered by insurance), riot, fire, explosion, flooding, earthquake, civil commotion, act or declaration of war, outbreak or escalation of hostilities (whether or not war is or has been declared), act of terrorism (whether or not responsibility has been claimed), act of God, pandemic, epidemic, outbreak of infectious disease, declaration of a state of emergency or calamity or crisis) in or affecting the PRC, Hong Kong or the United States; or
 - (C) the declaration of a banking moratorium by the PRC, Hong Kong or United States authorities occurring due to exceptional financial circumstances or otherwise; or
 - (D) any moratorium, suspension or restriction on trading in shares or securities generally, or the establishment of minimum prices, on the Stock Exchange or any major disruption of any securities settlement or clearing services in Hong Kong; or
 - (E) any suspension of dealings in the Shares (other than pending publication of announcements in respect of the Rights Issue or where such suspension is temporary or routine in nature for not more than two trading days); or
 - (F) any new law or regulation or any change, or any development involving a prospective change, in existing laws or regulations in Hong Kong or any other place in which any member of the Group conducts or carries on business; or
 - (G) any change or development occurs involving a prospective change in taxation in Hong Kong, the PRC or any other jurisdiction(s) to which any member of the Group is subject or the implementation of any exchange controls; or
 - (H) any litigation or claim of material importance to the business, financial or operations of the Group being threatened or instituted against any member of the Group; or
 - (I) the imposition of economic sanctions, in whatever form, directly or indirectly, in Hong Kong, the PRC or any other jurisdiction(s) relevant to the Company and its subsidiary; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (J) any governmental or regulatory commission, body, authority or agency, or any stock exchange, self-regulatory organisation or other non-government regulatory authority or any court, tribunal or arbitrator, whether national, central, federal, provincial, state, regional, municipal, in any relevant jurisdiction commencing any investigation, or formally announcing to investigate or take other legal actions, against the Group or any of the Directors in respect of any matter related to the Group's business, which investigation has or would have material adverse effect on the traded price of the Shares or the Group (taken as a whole); or
- (K) order or petition for the winding up of any members of the Group or any composition or arrangement made by any members of the Group with its creditors or a scheme of arrangement entered into by any members of the Group or any resolution for the winding up of any members of the Group or the appointment of a provisional liquidator, receiver or manager over all or part of the material assets or undertaking of any members of the Group or anything analogous thereto occurring in respect of any members of the Group;

the effect of which events or circumstances referred to in (ix) above, individually or in the aggregate (in the reasonable opinion of Haitong): (1) is or will likely be materially adverse to the Group (taken as a whole), or materially and prejudicially affects or would materially and prejudicially affect, the Group (taken as a whole) or the Rights Issue; or (2) makes or will likely make it inadvisable or inexpedient to proceed with the Rights Issue, or (3) will make or is likely to make the Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Rights Issue or pursuant to the underwriting thereof.

If Haitong exercises such right and a notice to terminate the Underwriting Agreement is given to the Company by Haitong prior to the Latest Time for Termination, the obligations of all parties under the Underwriting Agreement shall terminate and the Rights Issue will not proceed.

WARNING OF THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES

The Shares have been dealt in on an ex-rights basis from Tuesday, 29 December 2015. Dealings in the Nil Paid Rights are expected to take place from 9:00 a.m. on Friday, 8 January 2016 to 4:00 p.m. on Friday, 15 January 2016 (both days inclusive). The Rights Issue is conditional upon, among other things, the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. If the conditions of the Rights Issue are not fulfilled or waived, the Rights Issue will not proceed.

The Rights Issue is not conditional upon the completion of the GNE Rights Issue.

TERMINATION OF THE UNDERWRITING AGREEMENT

Any Shareholder or other person contemplating selling or purchasing Shares and/or Nil Paid Rights are advised to exercise caution when dealing in the Shares and/or Rights Shares. Any person who is in any doubt about his/her/its position is recommended to consult his/her/its own professional adviser. Any Shareholder or other person dealing in Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which Haitong's right to terminate the Underwriting Agreement ceases) and any person dealing in the Nil Paid Rights during the period from 9:00 a.m. on Friday, 8 January 2016 to 4:00 p.m. on Friday, 15 January 2016 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

EXPECTED TIMETABLE

EXPECTED TIMETABLE

Record Date	5:00 p.m., Tuesday, 5 January 2016
Despatch of the Prospectus Documents	Wednesday, 6 January 2016
Dealings in Nil Paid Rights commence	9:00 a.m., Friday, 8 January 2016
Latest time for splitting of Nil Paid Rights	4:30 p.m., Tuesday, 12 January 2016
Dealings in Nil Paid Rights close	4:00 p.m., Friday, 15 January 2016
Latest time for payment for and acceptance of Rights Shares and the application and payment for excess Rights Shares	4:00 p.m., Wednesday, 20 January 2016
Rights Issue expected to become unconditional after ..	4:00 p.m., Monday, 25 January 2016
Announcement of results of acceptances of and excess applications for the Rights Issue	Tuesday, 26 January 2016
Despatch of refund cheques for wholly and partially unsuccessful excess applications on or before	Wednesday, 27 January 2016
Share certificates of Rights Shares to be posted on or before	Wednesday, 27 January 2016
Dealings in fully-paid Rights Shares commence	9:00 a.m., Thursday, 28 January 2016

Note: All times and dates herein refer to Hong Kong local times and dates. Shareholders should note that the dates or deadlines specified in the expected timetable of the Rights Issue as set out above, and in other parts of this Prospectus, are indicative only and may be varied by agreement between the Company and Haitong. In the event any special circumstances arise, the Board may extend, or make adjustment to, the timetable if it considers appropriate. Any such extension or adjustment to the expected timetable will be published or notified to Shareholders and the Stock Exchange as and when appropriate.

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER ON LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR RIGHTS SHARES AND EXCESS RIGHTS SHARES

The latest time for acceptance of, and payment for, the Rights Shares and for application of, and payment for, excess Rights Shares will not take place as shown in the section headed “Expected Timetable” if there is a tropical cyclone warning signal no. 8 or above or a “black” rainstorm warning:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Wednesday, 20 January 2016. Instead the latest time for acceptance of and payment for the Rights Shares and excess Rights Shares will be extended to 5:00 p.m. on the same Business Day; and
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Wednesday, 20 January 2016. Instead the latest time of acceptance of and payment for the Rights Shares and excess Rights Shares will be rescheduled to 4:00 p.m. on the next Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

If the latest time for acceptance of and payment for the Rights Shares and excess Rights Shares does not take place on Wednesday, 20 January 2016, the dates as shown in the section headed “Expected Timetable” above may be affected. The Company will notify Shareholders by way of announcement(s) on any change to the expected timetable as soon as practicable.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Zhu Gongshan

(Chairman and Chief Executive Officer)

Mr. Zhu Yufeng

Mr. Ji Jun

Mr. Yeung Man Chung, Charles

Mr. Zhu Zhanjun

Non-executive Director:

Mr. Shu Hua

Independent Non-executive Directors:

Dr. Ho Chung Tai, Raymond

Mr. Yip Tai Him

Dr. Shen Wenzhong

Registered office:

Cricket Square

Hutchins Drive, P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Principal place of business
in Hong Kong:*

Units 1703B-1706, Level 17

International Commerce Centre

1 Austin Road West

Kowloon, Hong Kong

6 January 2016

To the Qualifying Shareholders

and, for information only, holders of the Share Options,

and certain Non-Qualifying Shareholders

Dear Sir or Madam,

**RIGHTS ISSUE
OF 3,097,927,453 RIGHTS SHARES
AT HK\$1.12 PER RIGHTS SHARE
ON THE BASIS OF
ONE RIGHTS SHARE FOR EVERY FIVE SHARES
HELD ON THE RECORD DATE**

INTRODUCTION

On 15 December 2015, the Company jointly with GNE announced, inter alia, the Rights Issue. Subject to the fulfilment of the conditions of the Rights Issue, the Company proposes to raise approximately HK\$3,469.7 million, before expenses, by way of the Rights Issue of 3,097,927,453 Rights Shares at the Subscription Price of HK\$1.12 per Rights Share.

LETTER FROM THE BOARD

The Company has provisionally allotted one Nil Paid Right for every five Shares held by each Qualifying Shareholder on the Record Date on a pro rata basis. Fractional entitlements have not been provisionally allotted but will be aggregated and sold for the benefit of the Company.

The Rights Issue is not available to the Non-Qualifying Shareholders.

As at the Latest Practicable Date, the Company had 15,489,637,268 Shares in issue.

Pursuant to the Underwriting Agreement, the Underwritten Rights Shares are fully underwritten by Haitong, subject to the conditions set out in the Underwriting Agreement. The Rights Issue is conditional upon, among other things, the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. If the Rights Issue does not become unconditional, the Rights Issue will not proceed.

The Company intends to use the net proceeds from the Rights Issue (i) as to HK\$1,458 million in paying the subscription price for GNE Registered Committed Shareholder's subscription of 3,240,000,000 GNE Rights Shares, being GNE Registered Committed Shareholder's pro-rata entitlement under the GNE Rights Issue, that will be provisionally allotted to the GNE Registered Committed Shareholder subject to the terms and conditions of the GNE Rights Issue, (ii) as to approximately HK\$1,163 million for further reducing its indebtedness; and (iii) as to approximately HK\$775 million for general working capital. In the event that the GNE Rights Issue does not become unconditional or does not proceed after the Rights Issue has become unconditional, the Company intends to apply the equivalent amount of the proceeds intended to be used for the subscription for GNE Rights Issues to GNE to support its business operation in the form of loans.

The purpose of this Prospectus is to provide you with further details of (i) the Rights Issue, including information on dealings in and transfers of Nil Paid Rights and the procedure for the acceptance of provisional allotments of Rights Shares and certain financial and other information of the Group; and (ii) the Company's proposed Participation in the GNE Rights Issue.

1. RIGHTS ISSUE

(A) Terms of the Rights Issue

Issue Statistics

Basis of Rights Issue:	one Rights Share for every five Shares held at 5:00 p.m. on the Record Date, on a pro rata basis
Number of existing Shares in issue as at the Latest Practicable Date:	15,489,637,268 Shares

LETTER FROM THE BOARD

Number of Rights Shares to be issued:	3,097,927,453 Rights Shares
Subscription Price:	HK\$1.12 per Rights Share
Excess applications:	Qualifying Shareholders (other than the PRC Stock Connect Investors) may apply for Rights Shares in excess of their provisional allotment. Any Rights Shares available for excess application would be those Rights Shares (if any) representing unsold aggregated fractional entitlements and any Rights Shares provisionally allotted but not accepted by Qualifying Shareholders or otherwise subscribed for by renounees or transferees of Nil Paid Rights and any Rights Shares representing any unsold entitlements of the Non-Qualifying Shareholders
Status:	<p>The Rights Shares to be allotted and issued will, subject to the articles of association of the Company, rank pari passu in all respects with each other, including, in particular, as to dividends, voting and capital, and with all Shares in issue as at the date of allotment and issue of Rights Shares in their fully paid form, such that holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions, the record dates of which are on or after the date of allotment and issue of the Rights Shares in their fully paid form. For the avoidance of doubt, the Rights Shares, whether in their nil-paid form or fully paid form, will not carry the right to participate in the special dividend declared by the Company as disclosed in its announcement dated 8 December 2015, the record date for determining the entitlement to which was 23 December 2015.</p>

As at the Latest Practicable Date, there were:-

- (i) outstanding vested Share Options in respect of 157,398,000 Shares granted and exercisable under the Schemes; and
- (ii) there were outstanding Convertible Bonds in the principal amount of US\$225,000,000. Pursuant to the terms and conditions of the documents constituting the Convertible Bonds, the exercise period of the Convertible Bonds for conversion

LETTER FROM THE BOARD

into Shares will commence on or after 22 January 2016, which is beyond the Record Date for determining the Shareholders' entitlement to participate in (should they wish to) the Rights Issue according to the expected timetable of the Rights Issue.

As at the Latest Practicable Date, save for the outstanding vested Share Options and the Convertible Bonds as mentioned above, the Company had no outstanding share options, convertible securities, options or warrants in issue which conferred any right to subscribe for, convert or exchange into Shares.

The Nil Paid Rights proposed to be provisionally allotted represent:

- (i) approximately 20.00% of the Company's issued share capital as at the Latest Practicable Date; and
- (ii) approximately 16.67% of the Company's enlarged issued share capital as enlarged by the issue of the Rights Shares.

Subscription Price

The Subscription Price for the Rights Shares is HK\$1.12 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of Rights Shares or, where applicable, upon application for excess Rights Shares under the Rights Issue, or when a renounee or transferee of Nil Paid Rights applies for the relevant Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 3.45% to the closing price of HK\$1.16 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 15.79% to the closing price of HK\$1.33 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 13.51% to the theoretical ex-rights price of HK\$1.295 per Share, which is calculated on the basis of the closing price of HK\$1.33 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iv) a discount of approximately 20.23% to the average of the closing prices per Share as quoted on the Stock Exchange for the five (5) trading days ending on the Last Trading Day of approximately HK\$1.404 per Share;
- (v) a discount of approximately 22.01% to the average of the closing prices per Share as quoted on the Stock Exchange for the ten (10) trading days ending on the Last Trading Day of approximately HK\$1.436 per Share; and
- (vi) a discount of approximately 58.67% to the audited consolidated net asset value attributable to equity holders of the Company as at 31 December 2014 of approximately HK\$2.71 per Share.

LETTER FROM THE BOARD

The Subscription Price was determined by the Directors with reference to the market price of the Shares prior to and including the Last Trading Day. Each Qualifying Shareholder is entitled to subscribe for the Rights Shares at the same price in proportion to his/her/its shareholding in the Company held at 5:00 p.m. on the Record Date.

The Directors consider the terms of the Rights Issue, including the Subscription Price (and the discounts to the relative values as indicated above), to be fair and reasonable and to be in the interests of the Company and the Shareholders as a whole.

Qualifying Shareholders

To qualify for the Rights Issue, a Shareholder must:

- (i) have been registered as a member of the Company at 5:00 p.m. on the Record Date; and
- (ii) not be a Non-Qualifying Shareholder.

In order to be registered as members of the Company on the Record Date, the Shareholders must have already lodged any transfer documents of the Shares (together with the relevant share certificates) with the Registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by no later than 4:30 p.m. on Thursday, 31 December 2015.

Holders of outstanding vested Share Options who wish to participate in the Rights Issue should have already exercised their Share Options in accordance with the terms and conditions of the Schemes so as to enable them to be registered as members of the Company before 5:00 p.m. on the Record Date.

Qualifying Shareholders who take up their pro-rata entitlements in full will not suffer any dilution to their interests in the Company under the Rights Issue (save in respect of fractions). If a Qualifying Shareholder does not take up his/her/its entitlement under the Rights Issue in full, depending on the extent to which he/she/it takes up the entitlement, his/her/its proportionate shareholding in the Company will be diluted. If a Qualifying Shareholder does not take up any of his/her/its entitlement under the Rights Issue, his/her/its shareholding interests in the Company will be diluted by a maximum of 16.67% upon completion of the Rights Issue.

For the entitlement of the PRC Stock Connect Investors in participation of the Rights Issue, please refer to section headed "PRC Stock Connect Investors" below.

Basis of Provisional Allotment of Rights Shares

Qualifying Shareholders will receive a PAL in respect of the Rights Issue. The Rights Shares have been provisionally allotted on the pro-rata basis of one Nil Paid Right, for every five existing Shares held by a Qualifying Shareholder at 5:00 p.m. on the Record Date (i.e. the

LETTER FROM THE BOARD

number of Rights Shares to be allotted to each Qualifying Shareholder shall be the number of Shares held at 5:00 p.m. on the Record Date divided by five, rounded down to the nearest whole number). The board lot of the Nil Paid Rights will be 1,000 Shares.

Application for all of a Qualifying Shareholder's provisional allotment of Rights Shares should be made by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for. Please refer to the section headed "Procedures for acceptance or transfer" below for further details.

If a Qualifying Shareholder wishes to accept only part of, or transfer a part of, his/her/its Rights Shares provisionally allotted to him/her/it under the PAL or to transfer his/her/its rights to more than one person, please refer to the paragraphs headed "Transfers and "splitting" of Nil Paid Rights" under the section headed "Procedures for acceptance or transfer" below.

Distribution of this Prospectus and the other Prospectus Documents

The Company will only send this Prospectus accompanied by the other Prospectus Documents to the Qualifying Shareholders. However, to the extent reasonably practicable and legally permitted, the Company will send this Prospectus, for information purposes only, to the Non-Qualifying Shareholders. The Company will not send any Provisional Allotment Letter or Excess Application Form to the Non-Qualifying Shareholders.

This Prospectus will not be sent to any Shareholders in any territory or jurisdiction outside of Hong Kong (other than Macau).

Distribution of this Prospectus and the other Prospectus Documents into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of the Prospectus Documents (including, without limitation, agents, custodians, nominees and trustees) should inform themselves of and observe any such restriction. Any failure to comply with those restrictions may constitute a violation of the securities laws of any such jurisdiction. Any Shareholder or Beneficial Owner who is in any doubt as to his/her/its position should consult an appropriate professional adviser without delay.

It is the responsibility of any person (including but not limited to any agent, custodian, nominee or trustee) outside Hong Kong wishing to make an application for the Rights Shares to satisfy himself as to the full observance of the laws and regulations of the relevant territory or jurisdiction, including obtaining any governmental or other consents and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection therewith. Any acceptance of the offer of the Rights Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that these local laws and requirements have been fully complied with. Such persons should consult their professional advisers if in doubt.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to the representations and warranties above.

LETTER FROM THE BOARD

The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than (i) the PRC, in accordance with the CSRC Notice with the approval from the Stock Exchange for the listing of the Rights Shares (in nil-paid and fully paid forms) has been obtained; and (ii) Hong Kong.

Non-Qualifying Shareholders

Non-Qualifying Shareholders are:

- (i) those Overseas Shareholders; and
- (ii) those Shareholders and Beneficial Owners who are known by the Company to be residents of places outside Hong Kong,

in respect of whom the Directors, based on relevant enquiries made by the Directors, consider it necessary or expedient not to offer the Rights Shares on account either of the legal restrictions under the laws of the relevant place in which the Shareholder or Beneficial Owner (as the case maybe) is located or the requirements of the relevant regulatory body or stock exchange in that place.

The Board has made due enquiries pursuant to Rule 13.36(2) of the Listing Rules as to the applicable securities legislation and the requirements of any relevant regulatory body or stock exchange for the issue of the Rights Shares in Macau and the PRC (in relation to the PRC Stock Connect Investors). Having considered the circumstances, the Directors have formed the view that the Rights Issue can be extended to the Overseas Shareholders in Macau and the PRC Stock Connect Investors with minimal compliance with local regulatory requirements.

Accordingly, for the purposes of the Rights Issue, Non-Qualifying Shareholders are:

- (a) Shareholders whose name(s) appeared in the register of members of the Company on the 5:00 p.m. on the Record Date and whose address(es) as shown in such register is/are in any territory or jurisdiction outside of Hong Kong (other than Macau); and
- (b) any Shareholders or Beneficial Owners (other than the PRC Stock Connect Investors) on the Record Date who are otherwise known by the Company to be residing in any territory or jurisdiction outside of Hong Kong (other than Macau).

Notwithstanding any other provision in this Prospectus or the Provisional Allotment Letter or the Excess Application Form, the Company reserves the right to permit any Shareholder to take up his/her/its Nil Paid Rights and/or to apply for excess Rights Shares if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question.

Receipt of this Prospectus and/or a Provisional Allotment Letter and/or an Excess Application Form or the crediting of Nil Paid Rights to a stock account in CCASS does not and will not constitute an offer in those jurisdictions in which it would be illegal to make an offer

LETTER FROM THE BOARD

and, in those circumstances, this Prospectus and/or a Provisional Allotment Letter and/or an Excess Application Form must be treated as sent for information only and should not be copied or redistributed. Persons (including, without limitation, agents, custodians, nominees and trustees) who receive a copy of this Prospectus and/or a Provisional Allotment Letter and/or an Excess Application Form or whose stock account in CCASS is credited with Nil Paid Rights should not, in connection with the Rights Issue, distribute or send the same in, into or from, or transfer Nil Paid Rights to any person in, into or from, any territory or jurisdiction outside of Hong Kong (other than Macau). If a Provisional Allotment Letter or an Excess Application Form or a credit of Nil Paid Rights in CCASS is received by any person in any such territory, or by his/her/its agent or nominee, he/she/it should not seek to take up the rights referred to in the Provisional Allotment Letter or transfer the Provisional Allotment Letter (or apply for any excess Rights Shares under the Excess Application Form) or transfer the Nil Paid Rights in CCASS unless the Company and Haitong determine that such actions would not violate applicable legal or regulatory requirements. Any person (including, without limitation, agents, custodians, nominees and trustees) who does forward this Prospectus or a Provisional Allotment Letter or an Excess Application Form in, into or from any territory or jurisdiction outside of Hong Kong (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section.

Arrangements will be made for the Nil Paid Rights which would otherwise have been allotted to Non-Qualifying Shareholders, had they been Qualifying Shareholders, to be provisionally allotted to Haitong or its nominee and to be sold in the market in their nil-paid form after dealings in the Nil Paid Rights commence on the Stock Exchange and in any event before the Acceptance Date, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses and stamp duty, will be paid to the relevant Non-Qualifying Shareholder(s) (pro rata to their shareholdings at 5:00 p.m. on the Record Date), provided that the Company will retain individual amounts of HK\$100 or less for the benefit of the Company. Any Rights Shares in respect of unsold entitlements of Non-Qualifying Shareholders, together with any Rights Shares (if any) representing unsold aggregated fractional entitlements, Rights Shares in respect of Nil Paid Rights not taken up by the Qualifying Shareholders or otherwise not subscribed for by renounees or transferees of Nil Paid Rights, will be made available for excess application on Excess Application Forms by Qualifying Shareholders (other than the PRC Stock Connect Investors).

The arrangements described in the above paragraph will not apply to any Non-Qualifying Shareholder who is a Shareholder or Beneficial Owner residing in any territory or jurisdiction outside of Hong Kong (other than Macau) but (in the case of a Shareholder) whose address, or (in the case of a Beneficial Owner) who holds his/her/its interest in Shares through a Registered Owner whose address, was shown in the register of members of the Company at 5:00 p.m. on the Record Date as not being in any territory or jurisdiction outside of Hong Kong (other than Macau). Such Shareholders and Beneficial Owners are referred to herein as "Non-Qualifying Beneficial Owners" and may include Beneficial Owners holding interests in Shares through CCASS (which Shares are registered in the register of members of the Company in the name of HKSCC Nominees Limited, a company incorporated in Hong Kong). The Company is unable to extend those arrangements to such Non-Qualifying Beneficial Owners as the

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Company does not have the necessary information in relation to such Non-Qualifying Beneficial Owners to make a unilateral determination as to whether those Shareholders or Beneficial Owners are Non-Qualifying Shareholders for the purposes of the Rights Issue. Instead of the arrangements described above, the Nil Paid Rights which would otherwise have been available to be taken up by those Non-Qualifying Beneficial Owners will not be sold in the market and the relevant Non-Qualifying Beneficial Owners will not receive the proceeds of any such sale. All Non-Qualifying Beneficial Owners are advised to seek their own legal advice as to whether or not they may be permitted, having regard to their own particular circumstances (including the laws and regulations of the relevant jurisdiction in which they are resident), to sell their Nil Paid Rights in the market. Any such Nil Paid Rights which are not sold in the market by Non-Qualifying Beneficial Owners will be made available for excess applications on Excess Application Forms by Qualifying Shareholders (other than the PRC Stock Connect Investors).

With respect to Non-Qualifying Shareholders who hold interests in Shares through CCASS, their nominees, custodians or other Intermediaries may sell, on such Non-Qualifying Shareholders' behalf, their entitlements to the Nil Paid Rights in compliance with applicable securities laws and distribute the proceeds thereof as appropriate.

The Company reserves the right to treat as invalid any acceptance of or application for the Nil Paid Rights where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders and Beneficial Owners who are residing outside Hong Kong should exercise caution when dealing in the Shares and/or the Nil Paid Rights.

PRC Stock Connect Investors

According to the "CCASS Shareholding Search" available on the Stock Exchange's website (www.hkexnews.hk), as at 30 December 2015, ChinaClear holds 459,429,000 Shares, representing approximately 2.97% of the total issued share capital of the Company. ChinaClear is a CCASS Participant with HKSCC Nominees Limited.

The Directors have made the relevant enquiries with its PRC legal advisers and were advised that the PRC Stock Connect Investors can participate in the Rights Issue through ChinaClear. ChinaClear will provide nominee services for the PRC Stock Connect Investors to (i) sell (in full or in part) their Nil Paid Rights on the Stock Exchange; and/or (ii) subscribe (in full or in part) for their pro-rata entitlement in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant laws and regulations. However, ChinaClear will not support applications by such PRC Stock Connect Investors for excess Rights Shares under the Rights Issue through Shanghai-Hong Kong Stock Connect. In addition, according to the PRC legal adviser of the Company, the PRC Stock Connect Investors (or the relevant ChinaClear participants as the case may be) whose stock accounts in the ChinaClear are credited with Nil Paid Rights can only sell those Nil Paid Rights on the Stock Exchange under Shanghai-Hong Kong Stock Connect and can neither purchase any Nil Paid Rights nor transfer such Nil Paid Rights to other PRC Stock Connect Investors.

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The PRC Stock Connect Investors should seek advice from their Intermediary (including broker, custodian, nominee or ChinaClear participant) and/or other professional advisers for details of the logistical arrangements as required by ChinaClear, and provide instructions with such Intermediary in relation to the acceptance and/or sale of the Nil Paid Rights. Such instructions should be given in advance of the relevant dates stated in the section headed “Expected Timetable” of this Prospectus and otherwise in accordance with the requirements of the Intermediary of the PRC Stock Connect Investors and/or ChinaClear in order to allow sufficient time to ensure that such instructions are given effect.

According to the PRC legal adviser of the Company, as the Prospectus Documents have not been and are not intended to be filed with or approved by the CSRC other than in accordance with the CSRC Notice, the Rights Shares (in both their nil-paid and fully-paid forms) shall not be offered and may not be offered or sold directly or indirectly in the PRC to any person or entity, unless such person or entity is a PRC Stock Connect Investor (subject to certain limitations in relation to its rights to participate in the Rights Issue as explained in this Prospectus), or it has otherwise been exempt by or has obtained the necessary and appropriate approvals from the relevant PRC authorities in accordance with the applicable PRC laws and regulations.

As such, the Prospectus Documents may not be distributed in or forwarded to the PRC or used in connection with any offer for subscription or sale of the Rights Shares (in nil-paid and fully-paid forms) in the PRC, except that the same may be despatched to ChinaClear in the PRC or to the extent in compliance with applicable PRC laws and regulations, and the Prospectus Documents may not be made publicly available in the PRC.

Save and except for the PRC Stock Connect Investors, based on the legal advice of the PRC legal adviser of the Company, other Shareholders in the PRC are not entitled to participate in the Rights Issue.

The Company reserves the absolute discretion in determining whether to allow such participation as well as the identity of the persons who may be allowed to do so.

Procedures for acceptance or transfer

General

Any person (including, without limitation, agents, nominees and trustees) wishing to take up his/her/its rights under the Rights Issue must satisfy himself/herself/itself as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. The attention of Shareholders with registered addresses in, and Shareholders or Beneficial Owners who are otherwise residing in, any territory or jurisdiction outside of Hong Kong and persons holding Shares on behalf of persons with such addresses or residences is drawn to the sections above headed “Non-Qualifying Shareholders”.

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Each purchaser of Nil Paid Rights or subscriber of Rights Shares will be deemed (by accepting delivery of this Prospectus) to have agreed and given each of the following representations and warranties to the Company and Haitong and to any person acting on their behalf, unless in their sole discretion the Company and Haitong waive such requirement expressly in writing:

- he/she/it was a Shareholder as at 5:00 p.m. on the Record Date, or he/she/it lawfully acquired or may lawfully acquire the Nil Paid Rights, directly or indirectly, from such a person;
- he/she/it may lawfully be offered, take up, obtain, subscribe for and receive the Nil Paid Rights and/or the Rights Shares in the jurisdiction in which he/she/it resides or is currently located;
- he/she/it is not resident or located in, or a citizen of, the U.S.;
- he/she/it is not accepting an offer to acquire or take up the Nil Paid Rights or Rights Shares on a non-discretionary basis for a person who is resident or located in, or a citizen of, the U.S. at the time the instruction to accept was given;
- he/she/it is not taking up for the account of any person who is located in the U.S., unless (a) the instruction to purchase or take up the Nil Paid Rights or to subscribe for or accept Rights Shares was received from a person outside the U.S. and (b) the person giving such instruction has confirmed that it (1) has the authority to give such instruction and (2) either (A) has investment discretion over such account or (B) is an investment manager or investment company that is acquiring the Nil Paid Rights and/or the Rights Shares in an “offshore transaction” within the meaning of Regulation S;
- he/she/it is acquiring the Nil Paid Rights and/or the Rights Shares in an “offshore transaction” as defined in Regulation S;
- he/she/it has not been offered the Rights Shares by means of any “directed selling efforts” as defined in Regulation S;
- he/she/it is not acquiring the Nil Paid Rights or Rights Shares with a view to the offer, sale, allotment, take up, exercise, resale, renouncement, pledge, transfer, delivery or distribution, directly or indirectly, of such Nil Paid Rights or Rights Shares into the U.S.; and
- he/she/it understands that neither the Nil Paid Rights nor the Rights Shares have been or will be registered under the U.S. Securities Act or with any securities regulatory authority of any state, territory, or possession of the U.S. and the Nil Paid Rights and Rights Shares are being distributed and offered only outside the U.S. in reliance on Regulation S. Consequently he/she/it understands the Nil Paid Rights or

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Rights Shares may not be offered, sold, allotted, taken up, exercised, resold, renounced, pledged, delivered, distributed or otherwise transferred in or into the U.S., except in reliance on an exemption from, or in transactions not subject to, the registration requirements of the U.S. Securities Act.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties above.

Action to be taken by Qualifying Shareholders

Subscription for all Rights Shares provisionally allotted

For each Qualifying Shareholder, a Provisional Allotment Letter is enclosed with this Prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown thereon. If a Qualifying Shareholder wishes to take up his/her/its right to subscribe for any or all of the Rights Shares provisionally allotted to him/her/it as specified in the Provisional Allotment Letter, he/she/it must lodge the Provisional Allotment Letter in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by no later than 4:00 p.m. on the Acceptance Date, i.e. Wednesday, 20 January 2016. All remittances must be made in Hong Kong dollars and cheques must be drawn on a bank account with, or cashier's orders issued by, a licensed bank in Hong Kong and made payable to "**GCL-Poly Energy Holdings Ltd. – Rights Issue Account**" and crossed "**Account Payee Only**".

It should be noted that unless the Provisional Allotment Letter, together with the appropriate remittance, has been lodged with the Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:00 p.m. on the Acceptance Date, whether by the original allottee or any person in whose favour the rights have been validly renounced or transferred, that provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. The Company may, at its discretion, treat a Provisional Allotment Letter as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it has not been completed in accordance with the relevant instructions.

The Provisional Allotment Letter contains further information regarding the procedure to be followed for acceptance of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders.

All cheques and cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Any Provisional Allotment Letter in respect of which the cheque or cashier's order is dishonoured on first presentation is liable to be rejected, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. Completion and return of a Provisional Allotment Letter together with a cheque or cashier's order in payment for the Rights Shares accepted will constitute a warranty by the applicant(s) that the cheque or

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cashier's order will be honoured on first presentation. If the Rights Issue does not proceed, the monies received in respect of the relevant provisional allotments will be refunded to the Qualifying Shareholders or such other person to whom the Nil Paid Rights have been validly renounced or transferred or, in the case of joint acceptances, to the first-named person, without interest and by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders or such other persons to their registered addresses by the Registrar on or before Wednesday, 27 January 2016.

Transfers and "splitting" of Nil Paid Rights

The Nil Paid Rights can be traded on the Stock Exchange. A Qualifying Shareholder can accept all of his/her/its provisional allotment of Rights Shares, or sell all of his/her/its provisional allotment on the Stock Exchange or accept only part of his/her/its provisional allotment and sell the remaining part on the Stock Exchange.

If a Qualifying Shareholder wishes to accept only part of, or renounce or transfer a part of, his/her/its Rights Shares provisionally allotted to him/her/it under the Provisional Allotment Letter or to renounce or transfer his/her/its rights to more than one person, the entire Provisional Allotment Letter must be surrendered and lodged for cancellation together with a covering letter stating clearly the number of split Provisional Allotment Letters required and the number of Nil Paid Rights to be comprised in each split Provisional Allotment Letter (which, in aggregate, should be equal to the number of Rights Shares provisionally allotted to such holder as stated in Box B of the original Provisional Allotment Letter), by no later than 4:30 p.m. on Tuesday, 12 January 2016 to the Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. The Registrar will cancel the original Provisional Allotment Letter and issue new Provisional Allotment Letters in the denominations required which will be available for collection from the Registrar at the above address after 9:00 a.m. on the second Business Day after the surrender of the original Provisional Allotment Letter. This process is commonly known as "splitting" the Nil Paid Rights.

Having "split" the Nil Paid Rights, a Qualifying Shareholder who wishes to accept the provisional allotment of Rights Shares represented by a new Provisional Allotment Letter should do so in accordance with the instructions given above in the section headed "Subscription for all Rights Shares provisionally allotted".

If a Qualifying Shareholder wishes to renounce or transfer all of his/her/its Nil Paid Rights under a Provisional Allotment Letter (or a split Provisional Allotment Letter, as the case may be) to another person, he/she/it should complete and sign the "Form of Transfer and Nomination" (Form B) in the Provisional Allotment Letter and hand the Provisional Allotment Letter to the person to or through whom he/she/it is transferring his/her/its Nil Paid Rights. The transferee must then complete and sign the "Registration Application Form" (Form C) in the Provisional Allotment Letter and lodge the Provisional Allotment Letter intact together with a remittance for the full amount payable on acceptance with the Registrar at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by no later than 4:00 p.m. Wednesday, 20 January 2016.

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It should be noted that Hong Kong stamp duty is payable in connection with the transfer of Nil Paid Rights to the transferee(s) and the acceptance by the transferee(s) of such rights.

The Provisional Allotment Letter contains further information regarding the procedures to be followed for transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders.

The Company reserves the right to refuse to register any transfer in favour of any person in respect of which the Company believes such transfer may violate applicable legal or regulatory requirements.

Important notice and representations and warranties relating to Qualifying Shareholders

Any Qualifying Shareholder accepting and/or transferring the Provisional Allotment Letter or requesting registration of the Rights Shares comprised therein represents and warrants to the Company that, except where proof has been provided to the satisfaction of the Company that such Qualifying Shareholder's use of the Provisional Allotment Letter will not result in the contravention of any applicable legal requirement in any jurisdiction, he/she/it: (i) is not in, or accepting and/or transferring this Provisional Allotment Letter, or requesting registration of the relevant Nil Paid Rights or Rights Shares from within, any territory or jurisdiction outside of Hong Kong (other than Macau) which it is otherwise unlawful, to make or accept an offer to acquire the Nil Paid Rights or the Rights Shares or, to use this Provisional Allotment Letter in any manner in which such person has used or will use it; (ii) is not acting on a non-discretionary basis for a person resident in any territory or jurisdiction outside of Hong Kong (other than Macau) at the time the instruction to accept or transfer was given; and (iii) is not acquiring the Nil Paid Rights or the Rights Shares with a view to the offer, sale, allotment, take up, exercise, resale, renouncement, pledge, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights or Rights Shares into any territory or jurisdiction outside of Hong Kong (other than Macau).

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties above.

The Company may treat as invalid any acceptance or purported acceptance of the allotment of Rights Shares comprised in, or transfer or purported transfer of, a Provisional Allotment Letter if it: (a) appears to the Company to have been executed in, or despatched from, any territory or jurisdiction outside of Hong Kong (other than Macau) and the acceptance or transfer may involve a breach of the laws of any territory or jurisdiction or if it or its agents believe the same may violate any applicable legal or regulatory requirement; (b) provides an address for delivery of definitive share certificates in any other jurisdiction outside Hong Kong (other than Macau) in which it would be unlawful to deliver such certificates; or (c) purports to exclude the representation and/or warranty required by the paragraph immediately above.

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Action to be taken by Beneficial Owners whose Shares are held by a Registered Owner (other than Shares deposited in CCASS)

Subscription for Rights Shares provisionally allotted and transfers and “splitting” of Nil Paid Rights

If you are a Beneficial Owner whose Shares are registered in the name of a Registered Owner and you wish to subscribe for the Rights Shares provisionally allotted to such Registered Owner in respect of your Shares or sell the respective Nil Paid Rights or “split” those Nil Paid Rights and accept part of the provisional allotment and sell the remaining part, you should contact the Registered Owner and provide the Registered Owner with instructions or make arrangements with the Registered Owner in relation to the acceptance, transfer and/or “splitting” of the Nil Paid Rights.

Such instructions and/or arrangements should be given or made in advance of the relevant dates stated in the section headed “Expected Timetable” and otherwise in accordance with the requirements of the Registered Owner in order to allow the Registered Owner sufficient time to ensure that your instructions are given effect.

Important notice and representations and warranties relating to Beneficial Owners in any territory or jurisdiction outside of Hong Kong (other than Macau) whose Shares are held by a Registered Owner (other than HKSCC Nominees Limited)

As described above, Beneficial Owners resident in any territory or jurisdiction outside of Hong Kong (other than Macau) are only permitted to take up their rights under the Rights Issue if they fulfil relevant requirements to the satisfaction of the Company.

Any Beneficial Owner instructing a Registered Owner to accept and/or transfer a Provisional Allotment Letter or request registration of the Rights Shares comprised therein, and the Registered Owner accepting and/or transferring or requesting registration, represents and warrants to the Company that, except where proof has been provided to the satisfaction of the Company that such person’s use of the Provisional Allotment Letter will not result in the contravention of any applicable legal requirement in any jurisdiction, he/she/it: (i) is not in, or accepting and/or renouncing the Provisional Allotment Letter, or requesting registration of the relevant Nil Paid Rights or Rights Shares from within any territory or jurisdiction outside of Hong Kong (other than Macau) in which it is otherwise unlawful to make or accept an offer to acquire the Nil Paid Rights and/or the Rights Shares or to use the Provisional Allotment Letter in any manner in which such person has used or will use it; (ii) is not acting on a non-discretionary basis for a person resident in any territory or jurisdiction outside of Hong Kong (other than Macau) at the time the instruction to accept or transfer was given; and (iii) is not acquiring Nil Paid Rights and/or the Rights Shares with a view to the offer, sale, allotment, take up, exercise, resale, renouncement, pledge, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights and/or Rights Shares into any territory or jurisdiction outside of Hong Kong (other than Macau).

The Company may treat as invalid any acceptance or purported acceptance of the allotment of Rights Shares comprised in, or transfer or purported transfer of, a Provisional Allotment Letter if it: (a) appears to the Company to have been executed in, or despatched

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from, any territory or jurisdiction outside of Hong Kong (other than Macau) and the acceptance or transfer may involve a breach of the laws of any territory or jurisdiction or if it or its agents believe the same may violate any applicable legal or regulatory requirement; (b) provides an address for delivery of definitive share certificates in any other jurisdiction outside Hong Kong (other than Macau) in which it would be unlawful to deliver such certificates; or (c) purports to exclude the representation and/or warranty required by the paragraph immediately above.

Action to be taken by Beneficial Owners holding interests in Shares through CCASS

Subscription for Rights Shares provisionally allotted and transfers and “splitting” of Nil Paid Rights

If you are a Beneficial Owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, and you wish to subscribe for the Rights Shares provisionally allotted to HKSCC Nominees Limited in respect of your Shares, or sell the respective Nil Paid Rights or “split” those Nil Paid Rights and accept part of the provisional allotment and sell the remaining part, you should (unless you are a CCASS Investor Participant) contact your Intermediary and provide your Intermediary with instructions or make arrangements with your Intermediary in relation to the acceptance, transfer and/or “splitting” of your Nil Paid Rights.

Such instructions and/or arrangements should be given or made in advance of the relevant dates stated in the section headed “Expected Timetable” of this Prospectus and otherwise in accordance with the requirements of your Intermediary in order to allow your Intermediary sufficient time to ensure that your instructions are given effect. The procedure for acceptance, transfer and/or “splitting” by CCASS Participants of the Rights Shares provisionally allotted to CCASS stock accounts in respect of the Shares registered in the name of HKSCC Nominees Limited shall be in accordance with the “General Rules of CCASS”, the “CCASS Operational Procedures” and any other requirements of CCASS.

Beneficial Owners who are CCASS Investor Participants should contact CCASS and provide CCASS with instructions or make arrangements with CCASS in relation to the manner in which such Beneficial Owners’ interests in Rights Shares should be dealt with. The procedures for acceptance, transfer and/or “Splitting” of Rights Shares provisionally allotted to Beneficial Owners who have been admitted to participate in CCASS as CCASS Investor Participants shall be in accordance with “An Operating Guide for Investor Participants” and any other requirements of CCASS.

Important notice and representations and warranties relating to Beneficial Owners in any territory or jurisdiction outside of Hong Kong (other than Macau) holding interests in Shares through CCASS

As described above, Beneficial Owners resident in any territory or jurisdiction outside of Hong Kong (other than Macau) are only permitted to take up their rights under the Rights Issue if they fulfil relevant requirements to the satisfaction of the Company.

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Any Beneficial Owner holding interests in Shares through CCASS and any CCASS Participant who instructs his/her/its Intermediary to make an acceptance and/or transfer in accordance with the procedures set out above represents and warrants to the Company that, except where proof has been provided to the satisfaction of the Company that his/her/its acceptance or transfer will not result in the contravention of any applicable legal requirement in any jurisdiction, he/she/it: (i) is not in, or accepting or requesting registration of the relevant Nil Paid Rights and/or Rights Shares from within any territory or jurisdiction outside of Hong Kong (other than Macau) in which it is otherwise unlawful to make or accept an offer to acquire Nil Paid Rights or Rights Shares; (ii) is not acting on a non-discretionary basis for a person resident in any territory or jurisdiction outside of Hong Kong (other than Macau) at the time the instruction to accept was given; and (iii) is not acquiring the Nil Paid Rights or Rights Shares with a view to the offer, sale, allotment, take up, exercise, resale, renouncement, pledge, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights or Rights Shares into any territory or jurisdiction outside of Hong Kong (other than Macau).

The Company may treat as invalid any instruction (a) which appears to the Company to have been despatched from any territory or jurisdiction outside of Hong Kong (other than Macau) and which may involve a breach of the laws of any territory or jurisdiction or if it or its agents believes the same may violate any applicable legal or regulatory requirement; or (b) which purports to exclude the representation and/or warranty required by the paragraph immediately above.

For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties above.

Share certificates and refund cheques for the Rights Issue

Subject to the fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted on or before Wednesday, 27 January 2016 to those who have accepted and (where applicable) applied and paid for the Rights Shares by ordinary post at their own risk. Applicant(s) will receive one share certificate for all Rights Shares allotted and issued to him/her.

Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Wednesday, 27 January 2016 by ordinary post to the applicants at their own risk.

Status of the Rights Shares

All of the Rights Shares to be allotted and issued will, subject to the articles of association of the Company, rank pari passu in all respects with each other, including, in particular, as to dividends, voting and capital, and with all Shares in issue as at the date of allotment and issue of the Rights Shares such that holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions the record dates of which are on or after the date of allotment of the Rights Shares. **For the avoidance of doubt, the Rights Shares, whether in their nil-paid form or fully-paid form, will not carry the right to participate in the special dividend declared by the Company as disclosed in its announcement dated 8 December 2015, the record date for determining the entitlement to which was 23 December 2015.**

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Fractional entitlements

The Company will not provisionally allot fractions of Rights Shares. All fractions of Rights Shares will be aggregated (rounded down to the nearest whole number). All Nil Paid Rights arising from such aggregation will be provisionally allotted (in nil-paid form) to Haitong or its nominee, and will be sold in the market on behalf of the Company if a premium (net of expenses) can be obtained, with the Company retaining the proceeds for its own benefit. Any unsold fractions of Rights Shares will be available to meet excess applications by Qualifying Shareholders (other than the PRC Stock Connect Investors) (please refer to the section headed “Application for Excess Rights Shares” for details).

No odd lot matching services will be provided as the Directors are of the view that, having compared the fees to be charged by a designated securities broker and the market value of the odd lots of Shares, it will not be cost-effective for the Company to appoint such a broker to provide matching services for odd lots of Shares.

Application for excess Rights Shares

Qualifying Shareholders (other than the PRC Stock Connect Investors) may apply, by way of excess applications, for any unsold entitlements of the Non-Qualifying Shareholders (if any), any unsold Rights Shares created by adding together fractions of the Rights Shares (if any), and any Rights Shares provisionally allotted but not accepted by Qualifying Shareholders or otherwise subscribed for by renounees or transferees of Nil Paid Rights.

Action to be taken by Registered Shareholders who wish to apply for excess Rights Shares

Excess Rights Shares application procedures

Applications for excess Rights Shares can be made only by Qualifying Shareholders (other than the PRC Stock Connect Investors). If a Qualifying Shareholder (other than the PRC Stock Connect Investors) wishes to apply for any Rights Shares in addition to his/her/its provisional allotment, he/she/it may do so only by completing and signing the enclosed Excess Application Form in accordance with the instructions printed thereon and lodging it, together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for, with the Registrar, by no later than 4:00 p.m. on Wednesday, 20 January 2016 or such later time and/or date as may be agreed between the Company and Haitong. All remittances must be made in Hong Kong dollars and cheques must be drawn on an account with, and cashier’s orders must be issued by, a licensed bank in Hong Kong and made payable to “**GCL-Poly Energy Holdings Ltd. – Excess Application Account**” and crossed “**Account Payee Only**”.

The Directors will, upon consultation with the Underwriter, allocate the excess Rights Shares at their discretion on a fair and equitable basis according to the principle that any excess Rights Shares will be allocated to Qualifying Shareholders (other than the PRC Stock Connect Investor) who apply for them on a pro rata basis by reference to the number of the excess

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Rights Shares applied for, but no reference will be made to the number of Rights Share applied for under a PAL or the existing number of Shares held by such Qualifying Shareholders. If the aggregate number of Rights Shares not taken up by the Qualifying Shareholders under PALs is greater than the aggregate number of excess Rights Shares applied for through EAFs, the Directors will allocate in full to each Qualifying Shareholder (other than the PRC Stock Connect Investors) the number of excess Rights Shares applied for under the EAFs. No preference will be given to topping up odd lots to whole board lots.

In applying the above principles, reference will only be made to the number of excess Rights Shares being applied for.

All cheques and cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Any Excess Application Form in respect of which a cheque or cashier's order is dishonoured on first presentation is liable to be rejected. Completion and return of a Provisional Allotment Letter together with a cheque or cashier's order in payment for the Rights Shares accepted will constitute a warranty by the applicant(s) that the cheque or cashier's order will be honoured on first presentation. The Excess Application Form is for use only by the person(s) to whom it is addressed and is not transferable. All documents, including cheques or cashier's orders for amounts due, will be sent at the risk of the person(s) entitled thereto to their registered addresses by the Registrar. The Company may, at its discretion, treat an Excess Application Form as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it has not been completed in accordance with the relevant instructions.

If no excess Rights Shares are allotted and issued to a Qualifying Shareholder, the amount tendered on application is expected to be refunded to that Qualifying Shareholder in full without any interest by means of cheque(s) despatched by ordinary post and at the risk of such Shareholder on or before Wednesday, 27 January 2016. If the number of excess Rights Shares allotted and issued to a Qualifying Shareholder is less than that applied for, the surplus application monies are also expected to be refunded to such Shareholder without any interest by means of cheque(s) despatched by ordinary post and at the risk of such Shareholder on or before Wednesday, 27 January 2016.

If the Rights Issue does not proceed, the monies received in respect of relevant applications for excess Rights Shares will be refunded to the relevant persons without interest, by means of cheque(s) to be despatched by ordinary post at the risk of such persons on or before Wednesday, 27 January 2016.

Important notice and representations and warranties relating to Qualifying Shareholders

The matters set out in the paragraphs under the heading "Important notice and representations and warranties relating to Qualifying Shareholders" above in the section headed "Procedures for acceptance or transfer" on page 30 of this Prospectus also apply to applications for excess Rights Shares, with appropriate changes to reflect that the context is an application for excess Rights Shares.

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Important notice to Beneficial Owners

Beneficial Owners whose Shares are held by a Registered Owner, or which are held in CCASS, should note that the Board will regard the Registered Owner (including HKSCC Nominees Limited) as a single Shareholder on the register of members of the Company. Accordingly, Beneficial Owners whose Shares are registered in the name of a Registered Owner, or which are held in CCASS, should note that the aforesaid arrangement in relation to the allocation of excess Rights Shares will not be extended to them individually.

Action to be taken by Beneficial Owners whose Shares are held by a Registered Owner (other than Shares deposited in CCASS) who wish to apply for excess Rights Shares

Excess Rights Shares application procedures

If you are a Beneficial Owner whose Shares are registered in the name of a Registered Owner and you wish to apply for excess Rights Shares, you should contact the Registered Owner and provide the Registered Owner with instructions or make arrangements with the Registered Owner in relation to such application. Such instructions and/or arrangements should be given or made in advance of the latest time for application and payment for excess Rights Shares stated in the section headed “Expected Timetable” in this Prospectus and otherwise in accordance with the requirements of the Registered Owner, in order to allow the Registered Owner sufficient time to ensure that your instructions are given effect.

Important notice and representations and warranties relating to Beneficial Owners whose Shares are held by a Registered Owner (other than HKSCC Nominees Limited) in relation to any territory or jurisdiction outside of Hong Kong (other than Macau)

The matters set out in the paragraphs under the heading “Important notice and representations and warranties relating to Beneficial Owners in any territory or jurisdiction outside of Hong Kong (other than Macau) whose Shares are held by a Registered Owner (other than HKSCC Nominees Limited)” in the section headed “Procedures for acceptance or transfer” on pages 31 to 32 of this Prospectus also apply to applications for excess Rights Shares, with appropriate changes to reflect that the context is an application for excess Rights Shares.

Action to be taken by Beneficial Owners holding interests in Shares through CCASS who wish to apply for excess Rights Shares

Excess Rights Shares application procedures

If you are a Beneficial Owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, and you wish to apply for excess Rights Shares, you should (unless you are a CCASS Investor Participant) contact your Intermediary and provide your Intermediary with instructions or make arrangements with your Intermediary in relation to the application for excess Rights Shares. Such instructions and/or arrangements should be given or made in advance of the date stated in the section headed “Expected Timetable” in this Prospectus and otherwise in accordance with the requirements of your Intermediary, in order to allow your Intermediary sufficient time to ensure that your instructions are given effect.

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Beneficial Owners who are CCASS Participants should contact CCASS and provide CCASS with instructions or make arrangements with CCASS in relation to any applications for excess Rights Shares. HKSCC Nominees Limited will allocate the excess Rights Shares it receives to the relevant CCASS Participants pro rata to the number of excess Rights Shares each has applied for, or in such other manner as HKSCC Nominees Limited considers fair and appropriate which is pursuant to the allocation basis stipulated in Rule 8.10.4(ix) of the CCASS Operational Procedures. The procedures for application for excess Rights Shares shall be in accordance with the “General Rules of CCASS”, the “CCASS Operational Procedures” and any other requirements of CCASS.

For the avoidance of doubt, ChinaClear, a CCASS Participant, will not support applications by the PRC Stock Connect Investors for excess Rights Shares under the Rights Issue through Shanghai-Hong Kong Stock Connect.

Important notice and representations and warranties relating to Beneficial Owners in any territory or jurisdiction outside of Hong Kong (other than Macau) holding interests in Shares through CCASS

Please note that the contents of the paragraphs under the heading “Important notice and representations and warranties relating to Beneficial Owners in any territory or jurisdiction outside of Hong Kong (other than Macau) holding interests in Shares through CCASS” in the section headed “Procedures for acceptance or transfer” on pages 32 to 33 of this Prospectus also apply to applications for excess Rights Shares, with appropriate changes to reflect that the context is an application for excess Rights Shares.

Application for Listing and Dealings of the Rights Shares

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares on the Stock Exchange in both their nil-paid and fully-paid forms. It is expected that dealings in the Nil Paid Rights will take place from 9:00 a.m. on Friday, 8 January 2016 to 4:00 p.m. Friday, 15 January 2016, both days inclusive. No part of the securities of the Company in issue or for which listing or permission to deal is being or is proposed to be sought is listed or dealt in or on any other stock exchange. The Nil Paid Rights shall have the same board lot size as the Shares (i.e. 1,000 Shares in one board lot).

Dealings in the Rights Shares in their nil-paid and fully-paid forms will be subject to the payment of stamp duty and any other applicable fees and charges in Hong Kong.

Rights Shares will be Eligible for Admission Into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter.

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All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

(B) Underwriting Arrangements for the Rights Issue

Undertakings by the Registered Committed Shareholders

At the Latest Practicable Date, the Registered Committed Shareholders are, in aggregate, beneficially interested in 5,029,843,327 Shares, comprising the Direct Shares and the Lent Shares, which together represent approximately 32.47% of the total issued share capital of the Company. The Registered Committed Shareholders have irrevocably undertaken in the Underwriting Agreement to the Company and Haitong that, in relation to 4,769,843,327 Shares (being the Direct Shares) held by them, they will accept or procure the acceptance of the 953,968,665 Rights Shares to be provisionally allotted to them (in proportion to the Shares held by each of them), subject to the terms and conditions of the Rights Issue.

None of the Registered Committed Shareholders has given any undertaking in respect of the acceptance of any entitlement to Rights Shares which will attach to the Lent Shares. Happy Genius intends to seek to procure, pursuant to the terms of the SLA, that PAA takes up the right to subscribe for up to 52,000,000 Rights Shares attaching to the Lent Shares, subject to Happy Genius being satisfied that doing so will not result in any adverse consequences or obligations on its part under all applicable laws, codes and regulations.

As at the date of this announcement, save for the Registered Committed Shareholder Irrevocable Undertakings, the Company has not obtained undertakings from any other Shareholders that they will subscribe for any or all of the Rights Shares to be provisionally allotted to them.

Principal terms of the Underwriting Agreement

Date:	15 December 2015
Issuer:	the Company
Underwriter:	Haitong
Registered Committed Shareholders:	Highexcel Investments Limited, Happy Genius and Get Famous Investments Limited
Number of Rights Shares underwritten:	all of the Rights Shares (excluding, in aggregate, the 953,968,665 Rights Shares to be subscribed (or procured to be subscribed) by the Registered Committed Shareholders pursuant to the Registered Committed Shareholders Irrevocable Undertakings), being 2,143,958,788 Rights Shares

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Underwriter's commission: 2.5% of the aggregate Subscription Price of the Rights Shares underwritten by Haitong

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, Haitong and its ultimate holding company are not connected persons (as defined in the Listing Rules) of the Company.

The Directors consider that the Underwriting Agreement is (i) on normal commercial terms; and (ii) fair and reasonable so far as the Shareholders are concerned.

Conditions of the Rights Issue and the Underwriting Agreement

The Rights Issue is conditional upon, among other things, (i) the Underwriting Agreement becoming unconditional and not being terminated; and (ii) the GNE Underwriting Agreement having been entered into and not having been terminated.

The obligations of Haitong to underwrite the Rights Issue are conditional upon, inter alia:

- (i) permission to deal in and listing of all the Rights Shares (in their nil-paid and fully-paid forms) being granted (subject only to allotment and despatch of the appropriate documents of title) by the Stock Exchange by no later than the Business Day prior to the commencement of trading of the Rights Shares (in their nil-paid and fully-paid forms respectively) and such permission not being withdrawn or revoked prior to the Latest Time for Termination;
- (ii) the delivery to the Stock Exchange and registration by the Registrar of Companies in Hong Kong respectively on or prior to the date of this Prospectus of one copy of each of the Prospectus Documents each duly certified in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance (and other documents required to be attached thereto) and otherwise complying with the requirements of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Companies Ordinance and the Listing Rules;
- (iii) the dispatch on the date of this Prospectus of copies of the Prospectus Documents to the Qualifying Shareholders;
- (iv) all relevant consents and approvals being obtained from the regulatory authorities, including the Stock Exchange and the SFC, as the case may require in connection with the Rights Issue by the relevant time that each consent and approval is required;
- (v) compliance with and performance of the obligations of the Company taking place by the times specified in the Underwriting Agreement in connection with the making of the Rights Issue and the allotment and offer of the Rights Shares;
- (vi) compliance with and performance of the obligations of the Registered Committed Shareholders taking place by the times specified in the Underwriting Agreement in connection with the Registered Committed Shareholders Irrevocable Undertakings;

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- (vii) receipt by Haitong (in a form and substance satisfactory to it) of all relevant documents to be provided by the Company by the times specified in the Underwriting Agreement;
- (viii) (i) the Shares remaining listed on the Stock Exchange at all times prior to the Latest Time for Termination and the current listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended for a consecutive period of more than 3 trading days (or such longer period as the Company and the Underwriter may agree) and (ii) no indication being received before 4:00 p.m. on the date of the Latest Time for Termination, from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Rights Issue or in connection with the terms of the Underwriting Agreement or for any other reason;
- (ix) no material breach of any of the warranties under the Underwriting Agreement having come to the knowledge of Haitong by the Latest Time for Termination; and
- (x) the GNE Underwriting Agreement having been entered into and not having been terminated.

The Company shall use its reasonable endeavours to procure the fulfilment of each of the conditions (other than (vi) above), and each of the Registered Committed Shareholders shall procure the fulfilment of (vi) above by the due time and/or date referred to in each case (or if no date is specified, by the Latest Time for Termination) and to procure that each of such conditions is fulfilled in sufficient time so that the Latest Time for Termination falls on or before 5:00 p.m. on Thursday, 31 March 2016 (or such later date as Haitong may agree) and in particular shall furnish such information, supply such documents, pay (in case of the Company) such fees, give such undertakings and do all such acts and things as required by Haitong and the Stock Exchange in connection with the Prospectus Documents and the making of the Rights Issue and the listing of the Rights Shares and the arrangements contemplated under the Underwriting Agreement.

The Company and the Registered Committed Shareholders shall promptly notify the Underwriter of any event of which they become aware which may cause any of the conditions above not to be capable of being satisfied in accordance with its terms or not to be capable of satisfaction in sufficient time so that the latest time for termination falls on or before 5:00 p.m. on Thursday, 31 March 2016 (or such other date as Haitong may agree).

Haitong has the sole discretion to waive any of the conditions in (v) to (x) of the Underwriting Agreement. If:

- (a) any of the conditions under the Underwriting Agreement shall not have been fulfilled or waived in accordance with the terms of the Underwriting Agreement by the specified time and date; or
- (b) the Latest Time for Termination occurs, or will occur, after 5:00 p.m. on Thursday, 31 March 2016 (or such other date as Haitong may agree),

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the obligations of all parties under the Underwriting Agreement shall terminate and none of the parties shall have any claim against any other parties (other than for antecedent breaches) for costs, damages compensation or otherwise provided that, among other things, the Company shall remain liable to pay Haitong's reasonable costs, fees and expenses in accordance with the Underwriting Agreement but the Company shall not be liable to pay to Haitong the underwriting commission thereunder.

If the Underwriting Agreement does not become unconditional or is terminated, the Rights Issue will not proceed.

Termination of the Underwriting Agreement

Shareholders should note that the Underwriting Agreement contains provisions granting Haitong the right, which may be exercised by Haitong at any time prior to the Latest Time for Termination, to terminate the obligations of Haitong if any of the following occurs:

- (i) any material breach of any of the warranties or the undertakings given by the Company comes to the knowledge of Haitong, or there has been a material breach on the part of the Company of any other provision of the Underwriting Agreement; or
- (ii) any event occurs or matter arises, which, if it had occurred before the date of the Underwriting Agreement or before any of the times on which the warranties given by the Company are deemed to be given would have rendered any of those warranties untrue, incorrect or misleading in any material respect; or
- (iii) any statement contained in this Prospectus has become or been discovered to be untrue, incorrect, incomplete or misleading in any material respect, or matters have arisen or have been discovered which would, if this Prospectus was to be issued at the time, constitute a material omission therefrom; or
- (iv) there is any material adverse change or prospective material adverse change in the condition, results of operations, management, business, stockholders' equity or in the financial or trading position of any member of the Group which, in the reasonable opinion of Haitong, is or may be materially adverse in the context of the Rights Issue; or
- (v) permission to deal in and listing of all the Rights Shares (in their nil-paid and fully-paid forms) has been withdrawn by the Stock Exchange; or
- (vi) the GNE Underwriting Agreement is terminated or becomes incapable of becoming unconditional in accordance with its terms; or
- (vii) any expert, who has given advice which is contained in the Prospectus, has withdrawn its respective consent to the issue of the Prospectus with the inclusion of its reports, letters, opinions or advices and references to its name included in the form and context in which it respectively appears prior to the issue of the Prospectus; or

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- (viii) the Company withdraws this Prospectus (and/or any other documents issued or used in connection with the Rights Issue) or the Rights Issue; or
- (ix) there has occurred, happened, come into effect or become public knowledge any event, series of events or circumstances concerning or relating to (whether or not foreseeable):
 - (A) any change (whether or not permanent) in the local, national or international financial, political, military, industrial, economic, legal, fiscal, regulatory or securities market matters or conditions or currency exchange rates or exchange controls in or affecting the PRC, Hong Kong or the United States; or
 - (B) any event of force majeure (including, without limitation, economic sanctions, strike or lock-out (whether or not covered by insurance), riot, fire, explosion, flooding, earthquake, civil commotion, act or declaration of war, outbreak or escalation of hostilities (whether or not war is or has been declared), act of terrorism (whether or not responsibility has been claimed), act of God, pandemic, epidemic, outbreak of infectious disease, declaration of a state of emergency or calamity or crisis, in or affecting the PRC, Hong Kong or the United States; or
 - (C) the declaration of a banking moratorium by the PRC, Hong Kong or United States authorities occurring due to exceptional financial circumstances or otherwise; or
 - (D) any moratorium, suspension or restriction on trading in shares or securities generally, or the establishment of minimum prices, on the Stock Exchange or any major disruption of any securities settlement or clearing services in Hong Kong; or
 - (E) any suspension of dealings in the Shares (other than pending publication of announcements in respect of the Rights Issue or where such suspension is temporary or routine in nature for not more than two trading days); or
 - (F) any new law or regulation or any change, or any development involving a prospective change, in existing laws or regulations in Hong Kong or any other place in which any member of the Group conducts or carries on business; or
 - (G) any change or development occurs involving a prospective change in taxation in Hong Kong, the PRC or any other jurisdiction(s) to which any member of the Group is subject or the implementation of any exchange controls; or
 - (H) any litigation or claim of material importance to the business, financial or operations of the Group being threatened or instituted against any member of the Group; or

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- (I) the imposition of economic sanctions, in whatever form, directly or indirectly, in Hong Kong, the PRC or any other jurisdiction(s) relevant to the Company and its subsidiary; or
- (J) any governmental or regulatory commission, body, authority or agency, or any stock exchange, self-regulatory organisation or other non-government regulatory authority or any court, tribunal or arbitrator, whether national, central, federal, provincial, state, regional, municipal, in any relevant jurisdiction commencing any investigation, or formally announcing to investigate or take other legal actions, against the Group or any of the Directors in respect of any matter related to the Group's business, which investigation has or would have material adverse effect on the traded price of the Shares or the Group (taken as a whole); or
- (K) order or petition for the winding up of any members of the Group or any composition or arrangement made by any members of the Group with its creditors or a scheme of arrangement entered into by any members of the Group or any resolution for the winding up of any members of the Group or the appointment of a provisional liquidator, receiver or manager over all or part of the material assets or undertaking of any members of the Group or anything analogous thereto occurring in respect of any members of the Group;

the effect of which events or circumstances referred to in (ix) above, individually or in the aggregate (in the reasonable opinion of Haitong): (1) is or will likely be materially adverse to the Group (taken as a whole), or materially and prejudicially affects or would materially and prejudicially affect, the Group (taken as a whole) or the Rights Issue; or (2) makes or will likely make it inadvisable or inexpedient to proceed with the Rights Issue, or (3) will make or is likely to make the Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or preventing the processing of applications and/or payments pursuant to the Rights Issue or pursuant to the underwriting thereof.

If Haitong exercises such right and a notice to terminate the Underwriting Agreement is given to the Company by Haitong prior to the Latest Time for Termination, the obligations of all parties under the Underwriting Agreement shall terminate and the Rights Issue will not proceed.

Lock up

1. The Company has undertaken to Haitong that for the period from the date of the Underwriting Agreement and ending on the date which is 60 days from the Closing Date, except with the prior written consent of Haitong, the Company will not:
 - (i) except for the Rights Shares, allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe for (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any

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interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to any Shares or interest in Shares other than the issue, offer to issue or grant of any option pursuant to any employee share option scheme adopted in accordance with the Listing Rules or allotment or issue of any Shares upon the exercise of such options, or pursuant to the exercise of rights of conversion by the holder of the Convertible Bonds;

- (ii) buy back, cancel, retire, reduce, redeem, re-purchase, purchase or otherwise acquire any Shares;
 - (iii) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in (i) above; or
 - (iv) announce any intention to enter into or effect any such transaction described in (i), (ii) or (iii) above.
2. Each of the Registered Committed Shareholders has undertaken that it will not, without the prior written consent of Haitong:
- (i) transfer or otherwise dispose of (including without limitation entering into any agreement to dispose of, or the creation of any option or derivative) or acquire any Share or any interest therein between the date of the Underwriting Agreement and the Record Date; or
 - (ii) transfer or otherwise dispose of (including without limitation entering into any agreement to dispose of, or the creation of any option or derivative) or acquire (except by taking up Rights Shares provisionally allotted to them pursuant to the Rights Issue and pursuant to the Underwriting Agreement or acquiring nil-paid rights or submitting EAFs or acquiring Shares in circumstances which do not contravene the rules of the Stock Exchange and/or the Takeovers Code and do not render information submitted to the Stock Exchange and/or the SFC to become untrue, inaccurate or misleading in any material respect (whether by omission or otherwise)) any Share or any interest therein between the Record Date and the latest time for acceptance.
3. Each of the Registered Committed Shareholders has undertaken to the Company and Haitong that from the latest time for acceptance of the Rights Shares until the date which is 60 days from the Closing Date, except with the prior written consent of Haitong, it (whether individually or together and whether directly or indirectly) will not:
- (i) offer, lend, pledge, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of (either conditionally or

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unconditionally, or directly or indirectly, or otherwise) any Shares (including the Rights Shares) or any interests therein beneficially owned or held by the Registered Committed Shareholders or such controlled companies or any securities convertible into or exercisable or exchangeable for or substantially similar to any such Shares or interests;

- (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Shares, whether any such transaction described in (i) above or this paragraph (ii) is to be settled by delivery of Shares or such other securities, in cash or otherwise; or
 - (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above.
4. Notwithstanding paragraphs 2 to 3 above, Happy Genius shall be entitled, in addition to any Rights Shares which may be acquired by it pursuant to paragraph 2(ii) above, to procure the subscription of up to 52,000,000 Rights Shares by PAA (being the borrower of the Lent Shares pursuant to the SLA), or failing which, the Registered Committed Shareholders shall be entitled to acquire up to 52,000,000 Shares whether through on-market purchases or otherwise.

WARNING OF THE RISKS OF DEALING IN SHARES AND NIL PAID RIGHTS

The Shares have been dealt in on an ex-rights basis from Tuesday, 29 December 2015. Dealings in the Nil Paid Rights are expected to take place from 9:00 a.m. on Friday, 8 January 2016 to 4:00 p.m. on Friday, 15 January 2016 (both days inclusive). The Rights Issue is conditional upon, among other things the Underwriting Agreement becoming unconditional. If the conditions of the Rights Issue are not fulfilled or waived, or if the Underwriter terminates the Underwriting Agreement, the Rights Issue will not proceed.

The Rights Issue is not conditional upon the completion of the GNE Rights Issue.

Any Shareholder or other person contemplating selling or purchasing Shares and/or Nil Paid Rights are advised to exercise caution when dealing in the Shares and/or Rights Shares. Any person who is in any doubt about his/her position is recommended to consult his/her own professional adviser. Any Shareholder or other person dealing in Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which Haitong's right to terminate the Underwriting Agreement ceases) and any person dealing in the Nil Paid Rights during the period from 9:00 a.m. on Friday, 8 January 2016 to 4:00 p.m. on Friday, 15 January 2016 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

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2. REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS OF THE RIGHTS ISSUE

Reasons for the Rights Issue

The Company is conducting the Rights Issue to raise funds (i) to pay the subscription price for GNE Registered Committed Shareholder's participation in the GNE Rights Issue, (ii) to reduce the Company's indebtedness; and (iii) for general working capital purposes. The Company has, since the end of 2014, been exploring various ways to improve the financial position of the Group, including, in particular, fundraising in the equity market by way of a rights issue. The Company's entering into of the Underwriting Agreement with Haitong facilitates this.

As disclosed in the circular of the Company dated 11 November 2015 and the announcement of the Company dated 8 December 2015, upon completion of the disposal of the Group's non-solar power business (the "**Disposal**"), the Company received the sale consideration for the Disposal of RMB3,200 million (before expenses), and the Settlement Sum. As disclosed in the circular, the Company proposed to make a special distribution of about 35% of the gross proceeds from the Disposal upon its completion, which the Directors considered was appropriate and in the interests of the Shareholders. Accordingly, on 8 December 2015 (i.e prior to and unrelated to the Rights Issue), the Company resolved to pay a special dividend ("**Special Dividend**") in an aggregate amount of RMB1,120 million to Shareholders whose names appeared on the Company's register of members on 23 December 2015. In addition, as at the Latest Practicable Date, the Company has repaid bank borrowings of US\$50 million (equivalent to approximately HK\$390 million). The Company intends to use the remainder of the proceeds of the Disposal and the Settlement Sum as to: (a) approximately RMB1,156 million (equivalent to approximately HK\$1,367 million) to further reduce the Company's indebtedness; and (b) approximately RMB1,485 million (equivalent to approximately HK\$1,757 million) for working capital and other general corporate purposes, including but not limited to payment of outstanding construction payables, general corporate expenses and purchase of production materials.

As at 30 June 2015, the Group had bank and other borrowings of approximately HK\$43,431 million, of which approximately HK\$27,291 million is due within one year while the remaining approximately HK\$16,140 million is due within two to five years. Out of the total bank and other borrowings of approximately HK\$43,431 million, approximately HK\$12,142 million is denominated in US\$ and a majority of such US\$ denominated borrowings would be repayable by the end of 2016. Considering the recent material depreciation of RMB against US\$, the Directors consider that it is important for the Company to further reduce its indebtedness, particularly those denominated in foreign currencies. This will help improve the Company's financial liquidity, reduce the Company's foreign currency risk exposure, increase the Company's financing flexibility and potentially lower the borrowing cost of the Company.

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Use of proceeds of the Rights Issue

The estimated gross proceeds of the Rights Issue will be approximately HK\$3,469.7 million. The Company intends to use the net proceeds from the Rights Issue (i) as to HK\$1,458 million in paying the subscription price for GNE Registered Committed Shareholder's subscription of 3,240,000,000 GNE Rights Shares, being GNE Registered Committed Shareholder's pro-rata entitlement under the GNE Rights Issue, that will be provisionally allotted to the GNE Registered Committed Shareholder subject to the terms and conditions of the GNE Rights Issue; (ii) as to approximately HK\$1,163 million for further reducing its indebtedness; and (iii) as to approximately HK\$775 million for general working capital. In the event that the GNE Rights Issue does not become unconditional or does not proceed after the Rights Issue has become unconditional, the Company intends to apply the equivalent amount of the proceeds intended to be used for the subscription for the GNE Rights Issue to GNE to support its business operation in the form of loans.

The Company began investing in downstream solar farms since 2009. Such business, which is intended to be carried on by the Group through its separately listed subsidiary, GNE (which was acquired by the Group in May 2014), remains an important part of the Group's overall business strategy. The Company notes that, as at 30 June 2015, GNE had a net liabilities position of approximately HK\$3,741 million. Being capital intensive nature, GNE's solar farm business has been a key contributing factor to GNE's net liabilities position. Nonetheless, the Directors believe that the future prospects of such business is positive and the Group, including the GNE Group, is well positioned to capture the growth in the solar market in China. The Directors consider that it would be in the interests of the Company and its Shareholders for the GNE Registered Committed Shareholder to take up its entitlement under the GNE Right Issue in full. In addition, the Directors consider that GNE's proposed financing of the continuing development of its business through the GNE Rights Issue amidst the current capital markets and PRC debt financing market conditions, is an appropriate method of funding for the Group. The taking up by the GNE Registered Committed Shareholder of all of its entitlement under the GNE Rights Issue would also enable the Company to maintain its shareholding in GNE and avoid dilution.

The estimated expenses of the Rights Issue (including underwriting fees, printing, registration, translation, legal and accounting charges and other related expenses) amount to approximately HK\$74.0 million and will be borne by the Company. The net subscription price per Rights Share upon full acceptance of the relevant provisional allotment of Rights Shares is expected to be approximately HK\$1.10 per Rights Share.

The Company believes that, after taking into account the balance of proceeds from the Disposal and the Rights Issue, the present financial resources available to the Group, including internally generated cash flows and existing credit facilities available, the Group will have sufficient working capital to satisfy its requirements for the twelve months following the date of this Prospectus in the absence of unforeseen circumstances. Please refer to the section headed "Working Capital Statement" for further details. However, the Company cannot exclude the possibility of any further fund raising needs, which will depend upon the Company's on-going ability to secure extensions of external borrowings or other alternative funding at reasonable costs, and/or the Company's ability to rely on its operating cash flows for debt repayments and future business development.

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3. EFFECT OF RIGHTS ISSUE ON SHAREHOLDINGS IN THE COMPANY

Set out below is the shareholding structure of the Company as at the Latest Practicable Date and immediately after completion of the Rights Issue assuming there is no change in the shareholding structure of the Company from the Latest Practicable Date to immediately before completion of the Rights Issue.

Scenario 1 – Assuming all Rights Shares are fully subscribed for by Qualifying Shareholders^(a)

Shareholder	As at the Latest Practicable Date		Immediately after completion of the Rights Issue	
	No. of Shares	% of issued share capital of the Company (%)	No. of Shares	% of issued share capital of the Company (%)
Asia Pacific Energy Fund Limited ^(b)	5,029,843,327 ^(b)	32.47 ^(b)	6,035,811,992 ^(c)	32.47 ^(c)
Directors (other than attributable to Asia Pacific Energy Fund Limited ^(b))	4,600,000	0.03	5,520,000	0.03
Public Shareholders	10,455,193,941	67.50	12,546,232,729	67.50
Total	15,489,637,268	100.00	18,587,564,721	100.00

Notes:

- (a) Certain percentage figures included in the table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.
- (b) Of the 5,029,843,327 Shares which Asia Pacific Energy Fund Limited is beneficially interested in as shown above, 305,733,443 Shares, 11,000,000 Shares and 4,453,109,884 Shares are legally held by Highexcel Investments Limited, Get Famous Investments Limited and Happy Genius (being the Registered Committed Shareholders), respectively. Each of the Registered Committed Shareholders is wholly-owned by Golden Concord Group Limited, which in turn was wholly-owned by Asia Pacific Energy Holdings Limited. Asia Pacific Energy Holdings Limited is in turn wholly-owned by Asia Pacific Energy Fund Limited, which itself is held under a discretionary trust with Credit Suisse Trust Limited as trustee and Mr. Zhu Gongshan (a Director and Chairman of the Company) and his family (including Mr. Zhu Yufeng, a Director and the son of Mr. Zhu Gongshan) as beneficiaries. In addition, 260,000,000 Shares which Asia Pacific Energy Fund Limited is shown in the table above as beneficially interested are legally held by PAA as Shares borrowed by it from Happy Genius pursuant to the SLA.
- (c) The Registered Committed Shareholders have undertaken to subscribe for an aggregate of 953,968,665 Rights Shares to be provisionally allotted to them in proportion to the Shares directly held by each of them. Happy Genius also intends to seek to procure, pursuant to the terms of the SLA, that PAA takes up the right to subscribe for 52,000,000 Rights Shares attaching to the Lent Shares, subject to Happy Genius being satisfied that doing so will not result in any adverse consequences or obligations on its part under all applicable laws, codes and regulations. This figure assumes that (1) Registered Committed Shareholders have subscribed for an aggregate of 953,968,665 Rights Shares to be provisionally allotted to them in proportion to the Shares directly held by them pursuant to the irrevocably undertaking in the Underwriting Agreement; and (2) PAA has subscribed for or procured for subscription of the 52,000,000 Rights Shares to be provisionally allotted to PAA

LETTER FROM THE BOARD

in respect of the Lent Shares pursuant to the terms of the SLA. If the 52,000,000 Rights Shares attributable to the Lent Shares are not subscribed for by PAA as aforesaid, the number of Shares, and the total shareholding percentage, in which Asia Pacific Energy Fund Limited would be beneficially interested, would be reduced by 52,000,000 Shares and approximately 0.28%, respectively.

Scenario 2 – Assuming no Qualifying Shareholders subscribe for Rights Shares other than the Registered Committed Shareholders pursuant to the Registered Committed Shareholders Irrevocable Undertakings and PAA pursuant to the terms of the SLA subscribe for the Rights Shares^(a)

Shareholder	As at the Latest Practicable Date		Immediately after completion of the Rights Issue	
	No. of Shares	% of issued share capital of the Company (%)	No. of Shares	% of issued share capital of the Company (%)
Asia Pacific Energy Fund Limited ^(b)	5,029,843,327 ^(b)	32.47 ^(b)	6,035,811,992 ^(c)	32.47 ^(c)
Directors (other than attributable to Asia Pacific Energy Fund Limited ^(b))	4,600,000	0.03	4,600,000	0.02
Haitong ^(d)	0	0.00	2,091,958,788 ^(d)	11.26 ^(d)
Public Shareholders	10,455,193,941	67.50	10,455,193,941	56.25
Total	15,489,637,268	100.00	18,587,564,721	100.00

Notes:

- (a) Certain percentage figures included in the table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.
- (b) Of the 5,029,843,327 Shares which Asia Pacific Energy Fund Limited is beneficially interested in as shown above, 305,733,443 Shares, 11,000,000 Shares and 4,453,109,884 Shares are legally held by Highexcel Investments Limited, Get Famous Investments Limited and Happy Genius (being the Registered Committed Shareholders), respectively. Each of the Registered Committed Shareholders is wholly-owned by Golden Concord Group Limited, which in turn was wholly-owned by Asia Pacific Energy Holdings Limited. Asia Pacific Energy Holdings Limited is in turn wholly-owned by Asia Pacific Energy Fund Limited, which itself is held under a discretionary trust with Credit Suisse Trust Limited as trustee and Mr. Zhu Gongshan (a Director and Chairman of the Company) and his family (including Mr. Zhu Yufeng, a Director and the son of Mr. Zhu Gongshan) as beneficiaries. In addition, 260,000,000 Shares which Asia Pacific Energy Fund Limited is shown in the table above as beneficially interested are legally held by PAA as Shares borrowed by it from Happy Genius pursuant to the SLA.
- (c) The Registered Committed Shareholders have undertaken to subscribe for an aggregate of 953,968,665 Rights Shares to be provisionally allotted to them in proportion to the Shares directly held by each of them. Happy Genius also intends to seek to procure, pursuant to the terms of the SLA, that PAA takes up the right to subscribe for 52,000,000 Rights Shares attaching to the Lent Shares, subject to Happy Genius being satisfied that doing so will not result in any adverse consequences or obligations on its part under all applicable laws, codes and regulations. This figure assumes that (1) Registered Committed Shareholders have subscribed for an aggregate of 953,968,665 Rights Shares to be provisionally allotted to them in proportion to the Shares directly held by them pursuant to the irrevocably undertaking in the Underwriting Agreement; and (2) PAA has subscribed for or procured for subscription of the 52,000,000 Rights Shares to be provisionally allotted to PAA

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in respect of the Lent Shares pursuant to the terms of the SLA. If the 52,000,000 Rights Shares attributable to the Lent Shares are not subscribed for by PAA as aforesaid, the number of Shares, and the total shareholding percentage, in which Asia Pacific Energy Fund Limited would be beneficially interested, would be reduced by 52,000,000 Shares and approximately 0.28%, respectively.

- (d) Pursuant to its underwriting obligations and assuming PAA has subscribed for or procured the subscription of 52,000,000 Rights Shares to the full extent to be provisionally allotted to it in respect of the Lent Shares pursuant to the terms of the SLA.

4. ADJUSTMENT IN RELATION TO EXERCISE PRICE OF SHARE OPTIONS AND/OR THE NUMBER OF SHARES TO BE ISSUED UNDER THE SHARE OPTIONS AS A RESULT OF THE RIGHTS ISSUE

Pursuant to the Schemes, the Company has issued and outstanding Share Options (both vested and unvested) entitling holders to subscribe for up to an aggregate of 215,888,000 Shares as at the date of this Prospectus. The issuance of the Rights Shares is an event which may cause an adjustment to the exercise price of the outstanding Share Options and the number of Shares issuable upon exercise of the outstanding Share Options. Pursuant to the terms of the Schemes, the Company will consult its auditors or an independent financial adviser for the required adjustment and the holders of the Share Options will be informed of the required adjustments (if any) as soon as practicable. Further announcements will be made for adjustments to the exercise price or number of Share Options, if and when required and in accordance with the Listing Rules and the terms governing the Schemes.

5. ADJUSTMENT IN RELATION TO CONVERSION PRICE OF CONVERTIBLE BONDS AND THE NUMBER OF SHARES TO BE ISSUED UNDER THE CONVERTIBLE BONDS AS A RESULT OF THE RIGHTS ISSUE

Pursuant to the terms of the Convertible Bonds, the conversion price of the Convertible Bonds and the number of Shares to be issued under the Convertible Bonds will be subject to adjustment upon (among others) a rights issue of Shares. The Company will notify the holders of the Convertible Bonds and the Shareholders by way of announcement, if and when required and in accordance with the Listing Rules and the terms governing the Convertible Bonds.

As at 5 June 2015, being the date of passing of the relevant resolution granting the general mandate, the Company had in total 15,489,477,268 issued Shares. The total number of new Shares which the Company would be able to issue pursuant to the general mandate is 3,097,895,453 Shares, of which 3,097,895,453 Shares remain unutilised as at the Latest Practicable Date. Based on the information currently available to the Directors and having taken into account the approximately 745,433,000 new Shares which may be issued under the Convertible Bonds following completion of the Rights Issue, the Directors confirm that the unutilised portion of the general mandate will be sufficient to cover the full conversion of the Convertible Bonds based on the conversion price under the Convertible Bonds as adjusted as a result of the Rights Issue.

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6. FUND RAISING BY THE COMPANY IN THE PAST TWELVE MONTHS

The Company conducted the following fund raising activities during the past twelve months preceding the Latest Practicable Date:

Date of initial announcement	Event	Amount of net proceeds and intended use of proceeds	Actual use of proceeds
15 July 2015	Issue of the Convertible Bonds under general mandate	Approximately US\$223 million, intended to be used as to approximately US\$206.4 million to redeem up to US\$200 million in aggregate principal amount of 0.75% convertible bonds due 2018 issued by the Company on 29 November 2013, with the remainder to be used for capital expenditure and general corporate purposes	Utilised as intended

Save as disclosed above, the Company did not raise any other funds by issue of equity securities during the past twelve months preceding the Latest Practicable Date.

7. PARTICIPATION OF THE COMPANY IN GNE RIGHTS ISSUE

As of the Latest Practicable Date, the Company held, through the GNE Registered Committed Shareholder, 8,640,000,000 GNE Shares, representing approximately 62.28% of the issued share capital of GNE. Pursuant to the GNE Registered Committed Shareholder Irrevocable Undertaking, the GNE Registered Committed Shareholder will subscribe or procure the subscription of 3,240,000,000 GNE Rights Shares, being its pro-rata entitlement under the GNE Rights Issue, that will be provisionally allotted to it, subject to the terms and conditions of the GNE Rights Issue. Immediately after completion of the GNE Rights Issue, the GNE Registered Committed Shareholder's interest in GNE will be approximately 62.28%.

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The GNE Rights Shares to be subscribed by the GNE Registered Committed Shareholder under the GNE Rights Issue would be subject to similar lock up arrangement as the Registered Committed Shareholder. The irrevocable undertaking regarding the lock up arrangements provided by the GNE Registered Committed Shareholder in the GNE Rights Issue are set out below for the Shareholders' information:

Lock up arrangement

The GNE Registered Committed Shareholder has undertaken that it will not, without the prior written consent of Haitong (in context of the GNE Underwriting Agreement):

- (i) transfer or otherwise dispose of (including without limitation entering into any agreement to dispose of, or the creation of any option or derivative) or acquire any GNE Share or any interest therein between the date of the GNE Underwriting Agreement and the GNE Record Date; or
- (ii) transfer or otherwise dispose of (including without limitation entering into any agreement to dispose of, or the creation of any option or derivative) or acquire (except by taking up GNE Rights Shares provisionally allotted to them pursuant to the GNE Rights Issue and pursuant to the GNE Underwriting Agreement or acquiring nil-paid rights or submitting EAFs or acquiring GNE Shares in circumstances which do not contravene the rules of the Stock Exchange and/or the Takeovers Code and do not render information submitted to the Stock Exchange and/or the SFC to become untrue, inaccurate or misleading in any material respect (whether by omission or otherwise)) any GNE Share or any interest therein between the GNE Record Date and the GNE Acceptance Date.

The GNE Registered Committed Shareholder has undertaken to GNE and Haitong (in context of the GNE Underwriting Agreement) that from the GNE Acceptance Date until the date which is 60 days from the GNE Closing Date, except with the prior written consent of Haitong, it will not:

- (i) offer, lend, pledge, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any GNE Shares (including the GNE Rights Shares) or any interests therein beneficially owned or held by the GNE Registered Committed Shareholder or its controlled companies or any securities convertible into or exercisable or exchangeable for or substantially similar to any such GNE Shares or interests;
- (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such GNE Shares, whether any such transaction described in (i) above or this paragraph (ii) is to be settled by delivery of Shares or such other securities, in cash or otherwise; or
- (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above.

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For further details regarding the terms and conditions and the relevant risks in relation to the GNE Rights Issue, please refer to the GNE Prospectus and in particular, the section headed “Risk Factors” in each of the GNE Prospectus and this Prospectus. The GNE Prospectus is available for viewing and download on the Stock Exchange’s website at www.hkexnews.hk.

The Directors consider that the Participation will enable the Company to maintain its pro-rata shareholding in GNE and share the benefit from the growth of GNE and its subsidiaries. Accordingly, the Directors believe that the Participation is in the interests of the Company and the Shareholders as a whole.

The Directors further consider that the GNE Rights Issue is on normal commercial terms and the GNE Subscription Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole. The aggregate GNE Subscription Price payable by the Company in respect of the Participation will be approximately HK\$1,458,000,000 which is proposed to be mainly financed from the net proceeds of the Rights Issue.

8. TAXATION

Qualifying Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of holding or disposal of, or dealing in the Rights Shares and, as regards the Non-Qualifying Shareholders (if any), their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be issued to them under the Rights Issue. It is emphasised that none of the Company, its Directors or any other parties involved in the Rights Issue accept responsibility for any tax effects or liability of holders of the Rights Shares resulting from the purchase, holding or disposal of, or dealing in the Rights Shares.

9. SHAREHOLDERS’ APPROVAL IS NOT REQUIRED

There is no requirement under the Listing Rules for the Rights Issue and/or the Participation to be approved by Shareholders in general meeting.

10. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in Appendices I to IV to this Prospectus.

Yours faithfully,
For and on behalf of the Board of
GCL-Poly Energy Holdings Limited
Zhu Gongshan
Chairman

1. PROFILE OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

ZHU Gongshan (*Chairman and Chief Executive Officer*)

Aged 57, Mr. Zhu is the founder of the Company. He has been an Executive Director of the Company since July 2006 and is the Chairman, Chief Executive Officer and a member of the Strategic Planning Committee of the Company. Mr. Zhu and his family (including his son, Mr. Zhu Yufeng, who is also a Director of the Company) are the beneficiaries of a discretionary trust which was interested in about 32.4% issued share capital of the Company at 31 December 2014. He is currently a member of the 12th National Committee of the Chinese People's Political Consultative Conference, the co-chairman of Asian Photovoltaic Industry Association, the vice chairman of China Fortune Foundation Limited, the vice chairman of the Cogeneration Professional Committee of the Chinese Society for Electrical Engineering (中國電機工程學會熱電專業委員會), the vice chairman of China Overseas Chinese Entrepreneurs Association, the vice chairman of China Industrial Overseas Development & Planning Association, the honorary chairman of the 4th board of directors of Nanjing University, the honorary president of Hong Kong Baptist University Foundation, the vice chairman of Jiangsu Chinese Overseas Friendship Association, the vice director-general of Jiangsu Foundation for the Well-being of the Youth, the honorary chairman of Jiangsu Residents Association in Hong Kong, the honorary chairman of Jiangsu Yancheng Residents Association in Hong Kong, the chairman of Hong Kong Yancheng Chamber of Commerce Limited, the honorary chairman of Jiangsu Chamber of Commerce in Guangdong, the honorary chairman of Xuzhou Chamber of Commerce in Shenzhen (深圳市徐州商會), the vice president of Chinese Renewable Energy Industries Association, a member of China Renewable Energy Entrepreneur Club, the vice director of The Prince's Charities Foundation, a member of American Council on Renewable Energy, and the honorary chairman of Africa Food Fund (非洲糧食基金). Mr. Zhu is also the Honorary Chairman and an executive director of GNE.

Mr. Zhu has been awarded the China Securities Golden Bauhinia – Most Influential Leader Award. Mr. Zhu graduated from Nanjing Electric Power College (南京電力專科學校) in July 1981 and obtained a diploma in electrical automation.

JI Jun

Aged 68, Mr. Ji has been an Executive Director of the Company since November 2006. He is also a member of the Strategic Planning Committee of the Company. Mr. Ji focuses on strategic planning and business development of the Group. He has extensive experience in the power industry and has experience in handling corporate finance projects.

ZHU Yufeng

Aged 34, Mr. Zhu has been an Executive Director of the Company since September 2009 and is also a member of the Remuneration Committee of the Company. He graduated from George Brown College (Business Administration Faculty) in 2005. Mr. Zhu and his family (including his father, Mr. Zhu Gongshan, who is also a Director of the Company) are the beneficiaries of a discretionary trust which owns about 32.4 per cent. issued share capital of the Company at 31 December 2014. Mr. Zhu joined a subsidiary of the Company in 2006. He is responsible for human resources, administration and project tender of the Company. Mr. Zhu is also the chairman and an Executive Director of GNE.

YEUNG Man Chung, Charles (*Chief Financial Officer*)

Aged 47, Mr. Yeung has been an Executive Director of the Company since September 2014. He is also a member of the Nomination Committee, Corporate Governance Committee and Strategic Planning Committee of the Company. Mr. Yeung was appointed as the Chief Financial Officer of the Company on 30 April 2014. Prior to that, he served as partner of Deloitte Touche Tohmatsu and was a part-time member of the Central Policy Unit of the Government of Hong Kong Special Administrative Region. When he left Deloitte Touche Tohmatsu in March 2014, he was the Head of Corporate Finance Advisory Services, Southern China. Mr. Yeung has a Bachelor of Business degree with a major in accounting and he is also a member of The Hong Kong Institute of Certified Public Accountants and The Australian Society of Certified Practising Accountants. Mr. Yeung has over 20 years of experience in accounting, auditing and financial management. Mr. Yeung is responsible for the financial control and reporting, corporate finance, tax and risk management of the Company and its subsidiaries. Mr. Yeung is also a non-Executive Director of GNE.

ZHU Zhanjun (*Executive President*)

Aged 46, Mr. Zhu has been an Executive Director and Executive President of the Company since January 2015. He joined the Company in 2004 as the plant manager of one of its power plants and became general manager in 2006. Mr. Zhu was transferred to Jiangsu Zhongneng Polysilicon Technology Development Co., Ltd. (江蘇中能硅業科技發展有限公司), a subsidiary of the Company, as Deputy Director of Infrastructure in 2008. Mr. Zhu was promoted as the general manager of Jiangsu GCL Silicon Material Technology Development Co., Ltd (江蘇協鑫硅材料科技發展有限公司), a subsidiary of the Company in 2009 and was appointed as vice president of the Company in 2013. Mr. Zhu is an engineer and obtained a Master's degree in Business Administration from China Europe International Business School (中歐國際工商學院) in 2013. Mr. Zhu is responsible for the daily operation and management of the polysilicon and wafer business of the Company.

Non-Executive Director**SHU Hua**

Aged 53, Mr. Shu has been re-designated as a Non-Executive Director of the Company since January 2015. He had served the Company as Executive Director from October 2007 until January 2015. Mr. Shu was appointed as the Executive President of the Company in May 2010 and was responsible for the overall operation and management of the polysilicon and wafer businesses of the Company until the re-designation. Mr. Shu is the chairman of GCL System Integration Technology Co., Ltd., a company with its shares listed in the Shenzhen Stock Exchange (Stock Code: 2506) with its majority board members deemed to be controlled by Mr. Zhu Gongshan's and Mr. Zhu Yufeng's family. He has over 20 years of experience in the energy industry. Mr. Shu has obtained a Master's degree in Business Administration for Senior Management from the Tongji University in the PRC.

Independent non-executive Directors**Ir. Dr. Raymond HO Chung Tai, SBS, MBE, S.B.St.J., JP**

Aged 76, Dr. Ho has been an Independent Non-Executive Director of the Company since September 2007. He is the Chairman of the Remuneration Committee, the Strategic Planning Committee and the Corporate Governance Committee of the Company, and also a member of the Audit Committee and the Nomination Committee of the Company.

Dr. Ho has 50 years of experience in the fields of civil, structural, environmental and geotechnical engineering and direct project management of mega size engineering projects including 40 years in Hong Kong and 10 years in the United Kingdom, with direct responsibility in the HK\$3.0 billion project of Electrification and Modernisation of Kowloon-Canton Railway from the mid-70's till early 80's, all the government-funded infrastructure works for Shatin New Town and Tseung Kwan O New Town from early 80's till the end of 1993, major projects of tunnels, bridges, flyovers, roads, dockyards, jetties, hospitals, hotels, incinerators, high-rise commercial and residential buildings, geotechnical work, environmental studies and projects. Dr. Ho holds a Doctorate degree in Civil Engineering from the City University of London, United Kingdom, an Honorary Doctorate of Business Administration from the City University of Hong Kong, an Honorary Doctorate of Laws from the University of Manchester, United Kingdom, a Postgraduate Diploma in Geotechnical Engineering from the University of Manchester, United Kingdom and a Bachelor's degree in Civil Engineering from the University of Hong Kong. Dr. Ho is an independent non-executive director of Deson Development International Holdings Limited, China State Construction International Holdings Limited and Chinlink International Holdings Limited.

YIP Tai Him

Aged 45, Mr. Yip has been an Independent Non-Executive Director of the Company since March 2009. He is the Chairman of the Audit Committee and the Nomination Committee and is also a member of the Remuneration Committee, the Strategic Planning Committee and the Corporate Governance Committee of the Company. Mr. Yip is a practising accountant in Hong Kong. He is a member of the Institute of Chartered Accountants in England and Wales and the Association of Chartered Certified Accountants in the United Kingdom. He has around 20 years of experience in accounting, auditing and financial management. Mr. Yip is currently an independent non-executive director of the following listed companies in Hong Kong, namely, China Communication Telecom Services Company Limited, Vinco Financial Group Limited, Excel Development (Holdings) Limited, Sino Golf Holdings Limited and Redco Properties Group Limited.

Dr. SHEN Wenzhong

Aged 47, Dr. Shen has been an Independent Non-Executive Director of the Company since July 2015. He is a member of the Audit Committee and the Strategic Planning Committee of the Company. Dr. Shen has been a Professor and PhD Supervisor in the Department of Physics and Astronomy, Shanghai Jiao Tong University since 1999 as well as a Changjiang Chair Professor of Shanghai Jiao Tong University since 2000. He became the Director of the Solar Power Research Institute of Shanghai Jiao Tong University since 2007. Dr. Shen has participated in various science and technology research programmes in the PRC, published scientific papers in international journals and books on photovoltaic subjects. He graduated from the Shanghai Institute of Technical Physics, Chinese Academy of Sciences with a doctorate degree in 1995. During the period from 1996-1999, he joined Georgia State University in the U.S. as a postdoctoral fellow. Dr. Shen is currently an executive council member of China Renewable Energy Society, the chairman of the Committee of Shanghai Solar Energy Society, an advisory committee member of the International Photovoltaic Science and Engineering Conference and the chief editor of an academic journal "Solar PV of China". He has been an independent non-executive director of Shanghai Aerospace Automobile Electromechanical Co., Ltd. (上海航天汽車機電股份有限公司), a company with its shares listed on The Shanghai Stock Exchange, since July 2014.

Senior Management**Mr. SHA Hongqiu**

Aged 57, Mr. Sha has been an Executive President of the Company since October 2007. Mr. Sha also served as an executive director of the Company during the period from November 2006 to November 2012. He is currently responsible for the overall operation and management of the Group's solar power business. Mr. Sha had been awarded various titles, including the Outstanding Entrepreneur of Xuzhou (徐州市優秀企業家) in 2000 and the Outstanding Enterprise Manager of Taicang (太倉市優秀企業管理人才) in 2005. He graduated from the China University of Mining and Technology in 1986, majoring in enterprise management. Mr. Sha is a Senior Economist. He has over 15 years of experience in the operation and management of power plants, including solar farms. Mr. Sha is also a non-executive director of GNE.

Addresses of Directors and senior management

The business address of the Directors and the senior management of the Group is the same as the address of the Company's principal place of business in Hong Kong at Units 1703B-1706, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

2. CORPORATE INFORMATION

Registered office:	Cricket Square Hutchins Drive, P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Principal place of business in Hong Kong:	Units 1703B-1706, Level 17 International Commerce Centre 1 Austin Road West Kowloon, Hong Kong
Company secretary:	Chan Yuk Chun
Legal advisers to the Company:	As to Hong Kong law: Herbert Smith Freehills 23rd Floor Gloucester Tower 15 Queen's Road Central Hong Kong As to PRC law: Fangda Partners 27/F, North Tower Beijing Kerry Centre 1 Guanghai Road Chaoyang District Beijing 100020 China
Auditor:	Deloitte Touche Tohmatsu Certified Public Accountants 35th Floor, One Pacific Place 88 Queensway Hong Kong

Share registrar and transfer office:	Tricor Investor Services Limited 22/F, Hopewell Centre 183 Queen's Road East Hong Kong
Principal bankers:	Standard Chartered Bank (HK) Limited 13/F Standard Chartered Bank Building 4-4A DVR Central, Hong Kong Hang Seng Bank Limited 9/F Hang Seng Building, 83 Des Voeux Road Central, Hong Kong Bank of China (Hong Kong) Limited 9/F, Bank of China Tower, 1 Garden Road, Hong Kong Citibank N.A., Hong Kong Branch 3 Garden Road, Central, Hong Kong
Underwriter:	Haitong International Securities Company Limited 22/F Li Po Chun Chambers 189 Des Voeux Road Central Hong Kong
Legal advisers to the Underwriter:	As to Hong Kong law: Li & Partners 22/F, World Wide House 19 Des Voeux Road Central Hong Kong
Authorised representatives:	Yeung Man Chung, Charles Chan Yuk Chun The business address of the authorised representatives of the Company is at Units 1703B-1706, Level 17 International Commerce Centre 1 Austin Road West Kowloon, Hong Kong

3. SHARE CAPITAL

(a) Share capital

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately following the completion of the Rights Issue were as follows:

<i>Authorised:</i>		<i>HK\$</i>
<u>20,000,000,000</u>	Shares of HK\$0.10 each	<u>2,000,000,000</u>
 <i>Issued and to be issued:</i>		
15,489,637,268	Shares in issue as at the Latest Practicable Date	1,548,963,726.80
<u>3,097,927,453</u>	Rights Shares to be allotted and issued under the Rights Issue	<u>309,792,745.30</u>
<u>18,587,564,721</u>	Shares in issue immediately after completion of the Rights Issue	<u>1,858,756,472.10</u>

All of the Shares currently in issue rank pari passu in all respects with each other, including, in particular, as to dividends, voting rights and capital. The Shares in issue are listed on the Stock Exchange.

All of the Rights Shares to be allotted and issued will, subject to the articles of association of the Company, rank pari passu in all respects with each other, including, in particular, as to dividends, voting and capital, and with all Shares in issue as at the date of allotment and issue of Rights Shares such that holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions the record dates of which are on or after the date of allotment of the Rights Shares. **For the avoidance of doubt, the Rights Shares, whether in their nil-paid or fully-paid form, will not carry the right to participate in the special dividend declared by the Company as disclosed in its announcement dated 8 December 2015, the record date for determining the entitlement to which was 23 December 2015.**

No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

Dealings in the Shares may be settled through CCASS and Shareholders should consult their stockbrokers or other registered dealer of securities, bank manager, solicitors, professional accountants or other professional advisers for details of these settlement arrangements and how such arrangements may affect their rights and interests.

(b) Share options***Pre-IPO Share Option Scheme***

Details of the options granted under the Pre-IPO Share Option Scheme as at the Latest Practicable Date were as follows:

Grantees	Date of Grant	Exercise Period	Exercise Price per Share	Number of Shares issuable under the outstanding share options as at the Latest Practicable Date
Directors	13.11.2007	13.11.2010 – 12.11.2017	HK\$4.10	3,000,000
Employees and others	13.11.2007	13.11.2010 – 12.11.2017	HK\$4.10	20,740,000
				23,740,000

Share Option Scheme

Details of the options granted under the Share Option Scheme as at the Latest Practicable Date were as follows:

Grantees	Date of Grant	Exercise Period	Exercise Price per Share (HK\$)	Number of Shares issuable under the outstanding share options as at the Latest Practicable Date
Directors	16.02.2009	01.04.2009 to 15.02.2019	0.59	4,000,000
	12.01.2011	01.03.2011 to 11.01.2021	3.32	1,000,000
	15.07.2011	01.09.2011 to 14.07.2021	4.10	1,000,000
	24.03.2014	26.05.2014 to 23.03.2024	2.888	2,640,000

Grantees	Date of Grant	Exercise Period	Exercise Price per Share (HK\$)	Number of Shares issuable under the outstanding share options as at the Latest Practicable Date
Employees and others	16.02.2009	01.04.2009 to 15.02.2019	0.59	8,931,000
	24.04.2009	01.05.2009 to 23.04.2019	1.054	842,000
	12.01.2011	01.03.2011 to 11.01.2021	3.32	9,500,000
	15.07.2011	01.09.2011 to 14.07.2021	4.10	57,950,000
	05.07.2013	16.09.2013 to 04.07.2023	1.642	20,595,000
	24.03.2014	26.05.2014 to 23.03.2024	2.888	27,200,000

Share Option Scheme of GNE

Details of the options granted under the share option scheme of GNE as at the Latest Practicable Date were as follows:

Grantees	Date of Grant	Exercise Period	Exercise Price per Share	Number of Shares issuable under the options as at the Latest Practicable Date
Directors	23.10.2014	23.10.2014- 22.10.2024	HK\$1.1875	58,000,000
	24.7.2015	24.7.2015- 23.7.2025	HK\$0.61	0
Employees and others of GNE	23.10.2014	23.10.2014- 22.10.2024	HK\$1.1875	99,888,000
	24.7.2015	24.7.2015- 23.7.2025	HK\$0.61	0
				157,888,000

Upon the Rights Issue becoming unconditional, the exercise price of and the number of Shares issuable upon exercise in full of the outstanding Share Options may be subject to adjustments. Further announcements will be made in this regard in due course.

(c) Convertible Bonds

On 22 July 2015, the Company issued Convertible Bonds bearing interest at the rate of 0.75% per annum and due on 22 July 2019 (the “**Maturity Date**”), in the aggregate principal amount of US\$225 million entitling the holder(s) thereof to convert into 711,964,286 Shares (having taken into account the adjustment of the special distribution as declared by the Company on 8 December 2015). Pursuant to the terms and conditions of the documents constituting the Convertible Bonds, the exercise period of the Convertible Bonds for conversion into Shares will commence on or after 22 January 2016. Accordingly, no Convertible Bonds had been converted into Shares during the period from the date of issue up to the Latest Practicable Date.

Save for the Share Options and Convertible Bonds as disclosed above, the Company did not have any other options and other convertible securities or rights affecting the Shares and no capital of any member of the Group was under option, or agreed conditionally or unconditionally to be put under options as at the Latest Practicable Date.

1. FINANCIAL RESULTS

Financial information of the Group for each of the three years ended 31 December 2014 is disclosed in the following documents which have been published on the Company's website at www.gcl-poly.com.hk and the website of the Stock Exchange at www.hkexnews.hk.

- (a) annual report of the Company for the year ended 31 December 2012 (pages 71-175);
- (b) annual report of the Company for the year ended 31 December 2013 (pages 63-178);
and
- (c) annual report of the Company for the year ended 31 December 2014 (pages 67-195).

2. WORKING CAPITAL STATEMENT

The Directors are of the opinion that, after taking into account the net proceeds from the Rights Issue, the present financial resources available to the Group, including internally generated cash flows and existing credit facilities available, the Group will have sufficient working capital to satisfy the requirements for at least the next twelve months following the date of this Prospectus in the absence of unforeseen circumstances.

In assessing the aforesaid working capital sufficiency of the Group, the Directors have evaluated the Group's current undrawn banking facilities and renewable bank borrowings. In order to improve liquidity, the Group has negotiated and confirmed with certain banks for revolving banking facilities to ensure the Group's bank borrowings can be renewed on an on-going basis.

The Directors have also evaluated the following measures of GNE Group:

- GNE Group has been actively negotiating with the PRC creditor banks for renewal of its current borrowings as necessary when they fall due in the coming twelve months following the date of this Prospectus; and, if needed, to obtain waiver from the relevant lenders from complying with the covenant requirements. Based on the past experience, GNE Group did not encounter significant difficulties in renewing the borrowings and the Directors expect that all borrowings can be renewed and the waiver, if needed, can be obtained upon GNE Group's application when necessary;
- GNE Group is actively negotiating with several banks in both Hong Kong and the PRC for additional financing. It has received detailed proposals from certain banks for total banking facilities with repayment periods from one year or more. GNE Group also received letters of intent from certain other banks which indicated that these banks tentatively might offer banking facilities to GNE Group;

- GNE Group is actively negotiating with other private investors for additional financing in the form of equity or debt or a combination of both. During 2015 and up to the date of this Prospectus, GNE Group completed the issuance of convertible bonds to non-banking financial institutions and the issuance of bonds to certain private investors, and entered into trust scheme arrangements with certain financial institutions to secure a 3-year loan facility; and
- GNE Group has completed the construction of 21 solar farms with approval for on-grid connection up to the date of this Prospectus. GNE Group also has additional 25 solar farms under construction targeting to achieve on-grid connection within the coming twelve months from the date of this Prospectus. The abovementioned solar farms have an aggregate installed capacity of approximately 2.2GW and are expected to generate operating cash inflows to GNE Group.

3. INDEBTEDNESS OF THE GROUP

As at the close of business on 30 November 2015, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this Prospectus, the Group had borrowings amounting to approximately HK\$56,379 million, details of which are as follows:

Borrowings

The following table illustrates the Group's bank and other borrowings and other indebtedness as at 30 November 2015:

	<i>HK\$'million</i>
Carrying amount of bank and other borrowings	43,711
Carrying amount of obligations under finance leases (<i>Note 1</i>)	2,764
Principal amount of notes	6,749
Principal amount of bonds	436
Principal amount of convertible bonds (<i>Note 2</i>)	2,719
	<hr/>
	56,379
	<hr/> <hr/>

Notes:

- (1) Approximately 17% of the total carrying amount of obligations under finance leases are denominated in USD.
- (2) Approximately 64% and 36% of the total principal amount of convertible bonds are denominated in USD and HKD, respectively.

Bank and other borrowings are denominated in the following currencies:

	<i>HK\$'million</i>
RMB	32,457
USD	11,210
HKD	44
	<u>43,711</u>
	<u><u>43,711</u></u>

Analysed by:

	<i>Notes</i>	Secured <i>HK\$' million</i>	Unsecured <i>HK\$' million</i>	Total secured and unsecured <i>HK\$' million</i>
Carrying amount of bank and other borrowings	(1)	29,065	14,646	43,711
Carrying amount of obligations under finance leases	(2)	2,764	–	2,764
Principal amount of notes		–	6,749	6,749
Principal amount of bonds		–	436	436
Principal amount of convertible bonds		–	2,719	2,719
		<u>31,829</u>	<u>24,550</u>	<u>56,379</u>

Notes:

- (1) As at 30 November 2015, the Group has pledged certain buildings, prepaid lease payments, plant and machinery and bank deposits, and equity shares of subsidiaries to secure bank and other borrowings of HK\$29,065 million and banking and other facilities granted to the Group.
- (2) As at 30 November 2015, the Group has pledged certain buildings, plant and machineries and prepaid lease payments, aircraft and solar farms to secure obligations under finance leases of HK\$2,764 million.

In addition, certain bank deposits are restricted to secure bills payable, and short-term letters of credit for trade purposes. Apart from bank borrowings of HK\$75 million which is secured by guarantee provided by a non-controlling shareholder, the remaining bank and other borrowings and other indebtedness above are not secured by any guarantees.

Contingencies

Financial guarantees contracts

As at 30 November 2015, the Group provided total guarantees of HK\$60.6 million to certain banks in respect of banking facilities of an associate which had been fully utilised by the associate.

As at 30 November 2015, certain subsidiaries of the Company guaranteed bank and other borrowings of certain subsidiaries of GNE which amounted to HK\$5,334 million.

Authorised but unissued debt securities

As at 30 November 2015, the Group has authorised but unissued debt securities of approximately HK\$5,392 million.

Save as aforesaid or as otherwise disclosed herein and apart from intra-group liabilities, the Group did not have any loan capital issued and outstanding or agreed to be issued, any banking overdrafts and liabilities under acceptances or other similar indebtedness, debentures, mortgages, charges or loans or acceptance credits or hire purchase commitments, guarantees or other material contingent liabilities as at the close of business on 30 November 2015.

4. BUSINESS TRENDS AND FINANCIAL AND TRADING PROSPECTS

The Disposal

Reference is made to the announcements of the Company dated 15 September 2015, 29 October 2015 and 8 December 2015, and the circular of the Company dated 11 November 2015 (the “**Disposal Documents**”), in relation to the disposal of non-solar power business by the Company (the “**Disposal**”). As disclosed in the announcement of the Company dated 8 December 2015, completion of Disposal took place on 8 December 2015 and upon completion of the Disposal, the Company no longer engages in the non-solar power business comprised in GCL-Poly Limited (保利協鑫有限公司), its subsidiaries and associated companies after completion of the corporate reorganisation undertaken by the Group (the “**Disposal Group**”). The Company will focus on its core integrated solar business.

As disclosed in the 2015 interim report, the unaudited profit attributable to the Shareholders for the six months ended 30 June 2015 was approximately HK\$825.7 million, of which approximately HK\$79 million was contributed by the Disposal Group including the non-solar power business. Taking into account the fact that the profit from the Disposal Group only represents approximately 9.6% to the total earnings of the Group for the six months ended 30 June 2015, the Directors consider that the negative impact of the disposal on the earnings of the Group will be limited.

In addition, as disclosed in the Disposal Documents, the Settlement Sum was received by the Company in December 2015 to compensate the economic loss suffered by the Company by reason of the beneficial interests in Xuzhou Jinshanqiao Cogeneration Co. Ltd. (徐州金山橋熱

電有限公司) and Dongwu Cogeneration Plant Co. Ltd. (蘇州東吳熱電有限公司) acquired by Mr. Zhu Gongshan and Mr. Zhu Yufeng. As of the Latest Practicable Date, the Settlement Sum has been received by the Group and has been recognised as compensation income in the consolidated statements of profit or loss of the Group.

Please refer to the Disposal Documents for further details in relation to the Disposal.

As at the Latest Practicable Date, the Group's solar business comprises the following business segments:

Solar Material Business

The Group supplies polysilicon and wafer to companies operating in the solar industry. Polysilicon is the primary raw material used in the solar wafer production. In addition, the Group also supplies wafer manufactured using polysilicon produced by the Group. In the solar industry supply chain, wafers are further processed by midstream manufacturers to produce solar cells and modules.

With further technical improvement during the first half of 2015, our annual polysilicon production capacity has reached 70,000 MT. The Group's annual wafer production capacity has increased to 14 GW as at 30 June 2015.

Solar Farm Business

As at 30 June 2015, other than the solar farms developed by the GNE Group as described below, the Group also owns 371 MW of grid connected solar farms, of which 18 MW is located in the United States and 353 MW is located in the PRC.

New Energy Business

The Group's new energy business represents the business operations of GNE, which is principally engaged in the development, construction, operation and management of solar farms, as well as manufacturing and selling of printed circuit boards.

As at 30 June 2015, GNE's aggregate installed capacity and grid-connected capacity were 772.5 MW and 645.3 MW respectively (including the solar farms of joint ventures). GNE has a pipeline of more than 776.0 MW of solar farms under development or construction.

The annual production capacity of polysilicon and wafer of the Company has reached 70,000 MT and 14 GW. The Company experienced a strong growth and recovery in demand in 2014 since the down-turn in solar market in 2012 and 2013. Since last year, the Company has been operating at its full capacity. Such economies of scale is one of the reasons to sustain the Group's efficient cost structure. The Group's polysilicon manufacturing cost has been further driven down as the captive cogeneration power plant commenced to supply electricity directly to Jiangsu Zhongneng. The sales volume of wafer increased by 36.8% in 2014 compared to

2013 and such increase continued in the first six months in 2015. The Company recorded a further increase of 19.8% in wafer sales volume in the first six months in 2015 as compared to the first six months in 2014. The Directors are of the view that the demand for solar materials is surging particularly in the PRC solar market from 2015. Also, the demand in the United States of America, United Kingdom and India is expected to continue to grow. With the Group's continued effort in raising the wafer conversion efficiency, the Group's wafer products remain highly competitive in the solar market. As weak and inefficient solar players continue to exit the industry, the Directors believe that the selling prices of solar products will remain stable in a long run. Domestically, as import of polysilicon from the United States into China has been reduced as a result of a more stringent control on trade-processing imposed by the Ministry of Commerce in China, the Directors also expect that the average selling price of polysilicon will remain resilient in the PRC market. As the demand landscape has shifted to China, with the Company being able to maintain a high utilisation rate with a competitive cost structure, the Directors are of the view that the Company is well positioned to capture the rapid growth in demand for solar materials in the PRC and worldwide.

Looking ahead, the Group will focus on its core integrated solar business, including the manufacturing and sale of polysilicon and wafer products, and developing, owning and operating downstream solar farms both within the PRC and overseas, to reinforce its position as a leading global player in the rapidly growing photovoltaic industry. The Company will continue to strive to further reduce its production cost, expand its capacity and increase its market share.

The Group plans to continue developing its downstream solar business through its platform GNE. It is expected that GNE will continue to construct its existing pipeline products and develop or acquire new projects, both through acquisition from the Company and independent third parties, targeting to add additional installed solar capacity in 2015 and 2016 respectively.

The Company and GNE plan to fund their respective capital expenditure through a combination of internal cash resources, cash flow generated from the solar farm operations, as well as potential funds from various external financing channels, such as bank loans, debt capital market, and equity capital market.

The Company's solar material business belongs to the upstream of the solar supply chain which provides the materials used for solar equipment manufacturing, while the Company's solar farm business and new energy business (through GNE) both belong to the downstream of solar industry value chain. The business model and portfolios of the Company's solar farm business and those of GNE are similar in nature. The existing projects of 371MW of the solar farm were constructed or acquired by the Group prior to obtaining a controlling stake in GNE. It is expected that GNE will be the sole platform of the Group solar farm business.

5. RISK FACTORS

You should carefully consider, in addition to the other information contained in this Prospectus, the risks described below before making an investment decision. The occurrence of any of the following events could harm the Company. If these events occur, the trading prices of our Shares and the Nil Paid Rights could decline, and you may lose all or part of your investment. Additional risks not currently known to us or that we now deem immaterial may also harm us and affect your investment.

(i) Risk factors relating to the Group

We recorded a net current liabilities position as at 30 June 2015

As disclosed in the Company's 2015 interim report dated 24 September 2015, as at 30 June 2015, the Group's current liabilities exceeded its current assets by HK\$12,176 million; and it had a cash and cash equivalents of HK\$6,421 million against the Group's bank and other borrowings due within one year of HK\$27,291 million. If the banks do not renew our bank loans or if the Group cannot obtain bank loans or raise funds from the market, our Group's liquidity position will be adversely affected.

We cannot assure you that we can improve our net current liabilities in the future. Our net current liabilities position exposes us to certain liquidity risks. Our future liquidity, the payment of trade and other payables, and the repayment of outstanding debt obligations as and when they become due will primarily depend on our ability to maintain adequate cash inflows from operating activities and external financing.

Prices for polysilicon and wafers fluctuated historically

Historically, the prices for polysilicon and wafers fluctuated. The average selling prices of polysilicon and wafers were approximately HK\$133.4 (equivalent to approximately US\$17.2) per kilogram and HK\$1.51 (equivalent to approximately US\$0.195) per Watt respectively for the six months ended 30 June 2015. The corresponding average selling prices of polysilicon and wafer for the six months ended 30 June 2014 were HK\$171.0 (equivalent to approximately US\$22.1) per kilogram and HK\$1.75 (equivalent to approximately US\$0.225) per Watt respectively. By the end of 2015, such average selling prices of polysilicon and wafer have shown signs of stabilization. However, there is no guarantee that the selling prices of polysilicon and wafer will not fluctuate and decline again in the future. If the selling prices of polysilicon and wafer do downward adjust in the future, the income of our Group will be adversely affected.

We are exposed to foreign currency risk

We are exposed to the risk of foreign currency fluctuations as most of the Group's business is located in the PRC while the presentation currency of the consolidated financial statements of the Company is expressed in Hong Kong dollars which is pegged to USD. Substantially all of our revenue, cost of sales and operating expenses are denominated in RMB.

The majority of the Group's assets and liabilities are denominated in RMB, while the rest are mainly denominated in US dollar and Hong Kong dollar. Any depreciation of the RMB against the USD or any other foreign currencies may result in an increase in the value of the monetary assets and monetary liabilities as well as the non-monetary assets and non-monetary liabilities that are denominated in foreign currencies. Since the majority of the Group's income is received in RMB, depreciations in RMB exchange rates against USD and other currencies may adversely affect the value of the Group's overall financial position, in particular the earnings and value of the net assets of the Group.

The Group's exposure to the foreign currency risk includes its USD denominated indebtedness, particulars of which are set out in section headed "INDEBTEDNESS OF THE GROUP" in Appendix II of this prospectus. As at the Latest Practicable Date, certain of the Group's USD denominated indebtedness were hedged with derivative contracts. The Group has been actively considering the effective measures at reasonable costs to further reduce the foreign currency risk exposure, including additional investment of assets denominated in USD, currency derivatives as well as other hedging instruments.

We operate in a capital-intensive business in different geographical locations and the changes in local financial and political situations could have a material adverse effect on the viability of our projects and investments

We operate in a capital-intensive business and make investments in different geographical locations within and outside of the PRC, such as South Africa, U.S. the state of California, U.S. and the Commonwealth of Puerto Rico. We are unable to control our local investment project partners and the local financial and political climate of such locations. If the financial and/or political situations of the location in which we have made investments experiences any political instability or economic downturn, the viability of our projects and investments in those locations may be materially adversely affected.

For example, the Government of Puerto Rico, in which the group is undertaking the development of two solar farm projects of 75 MW and 21 MW, respectively, has defaulted on a bond payment in August 2015. In addition, Puerto Rico Electric Power Authority ("PREPA"), the sole local governmental utility company in Puerto Rico with which the Group has entered into two power purchase agreements, is currently engaged in debt restructuring discussions with its creditors. As the outcome of such restructuring remains pending, there is uncertainty whether, and to what extent, the Group's power purchase agreements with PREPA might be affected. If the economic and financial situation of Puerto Rico does not improve in the near future, and/or PREPA's restructuring adversely impacts the ability of our Group to complete the two solar projects in Puerto Rico (which are both in pre-construction stages), we may consequently suffer a material loss on our investments made in such projects.

We rely on the experience and skills of our key personnel and the failure to retain key personnel could materially and adversely affect our results of operations and prospects

Our success and our ability to execute our business strategy depend upon the continued service of our key personnel. We rely significantly on their expertise in developing business strategies, project execution and development, and business operations. Any loss, for any

reason, of the services of key individuals, or our inability to successfully retain newly recruited individuals for any reason, along with any negative market or industry perception arising from such loss or lack of retention, could limit our competitiveness, interrupt our business operations. Any of these events could materially and adversely affect our results of operations and prospects.

(ii) Risk factors specifically relating to the GNE Group

GNE may not be able to meet intended targets for total operational power installed capacity completed with approval for on-grid connection

We refer to the GNE's announcement dated 4 December 2015 in which GNE announced that the GNE Group will strive to achieve its 2015 targeted total operational power installed capacity completed with approval for on-grid connection ("**Grid-connected Capacity**") of 2.0 GW by the first quarter of 2016. GNE may not be able to achieve this target because:

- (i) there may be unexpected delay in the development and construction of projects as the GNE Group may need additional time to locate quality projects, with lower land costs and other soft costs to maximise the return;
- (ii) the GNE Group may experience delays in the connection of its power plants to the national grid due to the National Development and Reform Commission's ("**NDRC**") requirements; and
- (iii) the GNE Group may delay the delivery schedule of balance-of-system components and solar modules in light of foreseeable downward adjustments to on-grid tariffs arising from the notice in relation to the NDRC's 5-year annual downward adjustment to on-grid tariffs.

We cannot assure you that GNE will be able to meet their target for Grid-connected Capacity in the first quarter of 2016, and the GNE Group's profitability and growth in revenue may be adversely affected.

In the nine months ended 31 December 2014 and the six month ended 30 June 2015, the GNE Group did not generate cash flow from their operations to fund their current business plans and they may not be able to obtain external financing in a timely manner or on commercially acceptable terms

The GNE Group requires a large amount of capital to fund their operations and investments, in particular to make further project acquisitions and make payments to contractors and suppliers to construct their power generation projects. In the financial years ended 31 March 2013 and 31 March 2014, GNE Group net cash generated from operating activities was HK\$110 million and HK\$122 million respectively. However, in the nine months ended 31 December 2014 and the six month ended 30 June 2015, their net cash used in operating activities was HK\$518 million and HK\$413 million, respectively. In addition, in the financial years ended 31 March 2013 and 31 March 2014, in the nine months ended 31 December 2014 and the six month ended 30 June 2015, their net cash used in investing activities was HK\$79 million, HK\$67 million, HK\$3,246 million and HK\$2,702 million respectively.

In the financial years ended 31 March 2013 and 31 March 2014, the net cash provided from operating activities less net cash used in investing activities resulted in a net cash surplus of HK\$31 million and HK\$55 million respectively. In contrast, in the nine months ended 31 December 2014 and the six month ended 30 June 2015, their net cash from operating activities and net cash used in investing activities resulted in a net cash shortfall of HK\$3,764 million and HK\$3,115 million, respectively.

The GNE Group expects to continue to develop and acquire solar farm projects in 2016. This in turn may require them to raise additional capital through external bank financing and capital markets. Their ability to obtain financing and raise capital in the future is subject to a number of uncertainties, including their financial condition, the general market conditions of their industry, and economic, political and other conditions in the PRC. We cannot assure you that financing will be available in amounts or on terms acceptable to the GNE Group, or at all. If the GNE Group is not able to obtain necessary capital in a timely manner or on commercially acceptable terms, their operations, results of operations and growth prospects may be materially adversely affected.

Our Group (excluding the GNE Group) extended loans to and guaranteed financial obligations of the GNE Group. As of 30 November 2015, the aggregate amount guaranteed by our Group under GNE Group's facilities amounted to approximately HK\$5,334 million. If the GNE Group defaults on its financial obligations and experiences liquidity issues, our Group (excluding the GNE Group) may suffer a material adverse impact on our financial position and may have to assume the GNE Group's financial obligations.

GNE issued a profit warning on 4 December 2015

We refer to GNE's announcement dated 4 December 2015 in which GNE announced that there may be an anticipated loss attributable to owners of GNE for the year ending 2015, while the interim results for the six months ended 30 June 2015 have recorded a profit attributable to the owners of GNE of approximately HK\$90.2 million.

GNE considered that the loss was mainly attributable to the (i) one-off non-cash potential impairment loss (the "**Impairment**") that may be recognised on the investment in subsidiaries in connection with the possible discontinuance or disposal of Dongguan Red Board Limited, being one of the two factories of the GNE Group engaging in the manufacture and sale of printed circuit boards; and (ii) an increase in non-cash share based payment expenses after an additional second grant of 473,460,000 share options on 24 July 2015 in addition to the 536,840,000 share options which are already granted. We cannot assure you that GNE will not incur a loss attributable to owners of GNE due to similar or other reasons.

An increase in the prices of engineering, procurement and construction services and solar modules may adversely affect our business, financial condition and results of operations

GNE Group's business relies on external engineering, procurement and construction ("EPC") service providers and solar module suppliers for the construction of photovoltaic power station projects and the supply of plant and equipment. The price of such EPC services and solar modules are subject to market fluctuation. GNE Group currently procures EPC contracting services and solar modules from various suppliers. There is, however, no assurance that GNE Group will be able to secure adequate supply of such EPC services and solar modules at commercially viable prices to meet GNE Group's ongoing business requirements. An increase in the market prices of such EPC services and solar modules may adversely affect GNE Group's business, financial condition and results of operations.

GNE Group are subject to inherent project risks

GNE Group faces certain risks when GNE Group undertakes any project. Before commencement of each project, a budget based on the size and scale of the project would be drawn up. However, GNE Group may face cost overruns when the actual cost exceeds our budget. This could be due to a variety of factors, including under-estimation of the costs involved, extension of project duration and unforeseen circumstances such as unanticipated construction issues. Such cost overruns may, depending on their severity, result in a reduction of our profit margins or a loss.

A substantial reduction or elimination of government subsidies and economic incentives for solar power may adversely affect GNE Group's business and profit margin

The growth of substantially all of GNE Group's business and GNE's profit margin depends on the availability and size of government subsidies and economic incentives, as the cost of solar power generally exceeds the cost of power from other forms of electricity generation. The availability and amount of government subsidies on renewable energy for solar farms depend on PRC government policies for which GNE Group do not have control. Therefore, a substantial reduction or elimination of these government subsidies and economic incentives would likely reduce the size of the solar energy market or result in increased price competition for solar energy products, which may adversely affect GNE Group's results of operations. Such a reduction would also affect GNE Group's gross profit margin.

GNE Group is exposed to environmental liability

GNE Group's industry is subject to certain laws and regulations in respect of environmental protection. As at the Latest Practicable Date, GNE Group has not been subject to any material fines or legal action involving non-compliance with any relevant environmental laws or regulations. There is no assurance that GNE Group will be able to, our contractors will be able to, comply with such laws and regulations continuously. Any violation of such laws, rules and regulations may expose GNE Group's to prosecution by relevant authorities and our operations and financial results may be adversely affected. Such laws and regulations may be revised by the PRC government from time to time and may result in additional compliance costs for GNE Group which may in turn adversely affect GNE Group's business, financial condition and results of operation.

**(A) UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET
TANGIBLE ASSETS OF THE GROUP**

For illustrative purposes, the financial information prepared in accordance with paragraph 4.29 of the Listing Rules is set out here to provide prospective investors with further information about how the financial information of the Group might be affected by completion of the Rights Issue as if the Rights Issue had been completed on 30 June 2015. The statement has been prepared for illustrative purposes only and because of its nature, it may not give a true picture of the Group's financial condition on the completion of the Rights Issue.

Unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2015	Estimated net proceeds from the Rights Issue	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company after completion of the Rights Issue	Unaudited consolidated net tangible assets of the Group attributable to owners of the Company per Share as at 30 June 2015 before completion of the Rights Issue	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share immediately after completion of the Rights Issue
HK\$'000 (Note 1)	HK\$'000 (Note 2)	HK\$'000	HK\$ (Note 3)	HK\$ (Note 4)
18,482,764	3,395,679	21,878,443	1.19	1.18

Notes:

- The unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2015 is based on the unaudited consolidated net assets of the Group attributable to the owners of the Company as at 30 June 2015 of approximately HK\$19,264,812,000, with adjustments for goodwill of approximately HK\$613,567,000 and other intangible assets of approximately HK\$168,481,000 as extracted from the published interim report of the Group for the six months ended 30 June 2015.
- The estimated net proceeds from the Rights Issue of approximately HK\$3,395,679,000 are based on 3,097,927,453 Rights Shares to be issued (based on 15,489,637,268 Shares in issue as at the Latest Practicable Date and assuming no Share Options would be exercised and no Convertible Bonds would be converted during the period after the Latest Practicable Date) at the Subscription Price of HK\$1.12 per Rights Share and after deduction of estimated related expenses, including among others, financial advisory fee and other professional fees, which are directly attributable to the Rights Issue, of approximately HK\$74,000,000.
- The unaudited consolidated net tangible assets of the Group attributable to the owners of the Company per Share as at 30 June 2015 before completion of the Rights Issue is determined based on the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2015 of approximately HK\$18,482,764,000 as disclosed in note (1) above, divided by 15,489,477,268 Shares which represents the Company's Shares in issue as at 30 June 2015.

4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share as at 30 June 2015 immediately after completion of the Rights Issue is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company immediately after completion of Rights Issue of approximately HK\$21,878,443,000, divided by approximately 18,587,404,721 Shares which represents 15,489,477,268 Shares in issue as at 30 June 2015 and 3,097,927,453 Rights Shares to be issued pursuant to the Rights Issue (based on Shares in issue as at the Latest Practicable Date and assuming no Share Options would be exercised and no Convertible Bonds would be converted during the period after the Latest Practicable Date).
5. No adjustment has been made to reflect any trading results or other transactions of the Group subsequent to 30 June 2015. In particular, the unaudited pro forma adjusted net tangible assets of the Group has not taken into account the issuance of HK\$200 million convertible bonds to Ivyrock China Focus Master Fund on 20 July 2015, the early redemption of the Convertible Bonds on 22 July 2015 and the disposal of non-solar power business, the receipt of the Settlement Sum and the declaration of special dividends in early December 2015.

**(B) REPORT FROM THE REPORTING ACCOUNTANT ON THE UNAUDITED PRO
FORMA FINANCIAL INFORMATION OF THE GROUP**

The following is the text of the independent reporting accountants' assurance report received from Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the reporting accountants of our Company, in respect of the Group's unaudited pro forma financial information prepared for the purpose of incorporation in this prospectus.

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF PRO FORMA FINANCIAL INFORMATION**

Deloitte.
德勤

TO THE DIRECTORS OF GCL-POLY ENERGY HOLDINGS LIMITED

We have completed our assurance engagement to report on the compilation of pro forma financial information of GCL-Poly Energy Holdings Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The pro forma financial information consists of the pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2015 and related notes as set out on pages 75 to 76 of the prospectus issued by the Company dated 6 January 2016 (the “**Prospectus**”) in connection with the Rights Issue (as defined in the Prospectus). The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described on pages 75 to 76 of the Prospectus.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed Rights Issue on the Group's financial position as at 30 June 2015 as if the Rights Issue had taken place at 30 June 2015. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's condensed consolidated financial statements for the six months ended 30 June 2015, on which a report on review of condensed consolidated financial statements has been published.

Directors' Responsibilities for the Pro Forma Financial Information

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Our Independence and Quality Control

We have complied with the independence and other ethical requirement of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 “Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements” and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2015 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

6 January 2016

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, were as follows:

Long position in the Shares

Name of Director	Nature of interests	Number of Shares/ underlying Shares held	Approximate percentage of issued share capital
Zhu Gongshan	Beneficiary of a trust ¹	5,983,811,992	38.63%
Ji Jun	Beneficial Interest	3,700,000	0.02%
Shu Hua	Beneficial Interest	5,900,000	0.04%
Zhu Yufeng	Beneficiary of a trust/ Beneficial Interest ¹	5,986,311,992	38.65%
Yip Tai Him	Beneficial Interest	1,000,000	0.006%
Ho Chung Tai, Raymond	Beneficial Interest	1,000,000	0.006%
Zhu Zhanjun	Beneficial Interest	6,100,000	0.04%

Note 1: Of the 5,983,811,992 Shares which Mr. Zhu Gongshan and Mr. Zhu Yufeng are beneficially interested in a trust as shown above, 305,733,443 Shares, 11,000,000 Shares and 4,453,109,884 Shares are legally held by Highexcel Investments Limited, Get Famous Investments Limited and Happy Genius (being the Registered Committed Shareholders), respectively. The Registered Committed Shareholders undertook to accept, and to procure the acceptance of an aggregate of

953,968,665 Rights Shares. The shareholding percentage is calculated based on the total issued share capital as at the Latest Practicable Date and does not take into account the Shares to the issued pursuant to the Rights Issue. Each of the Registered Committed Shareholders is wholly-owned by Golden Concord Group Limited, which in turn is wholly-owned by Asia Pacific Energy Holdings Limited. Asia Pacific Energy Holdings Limited is in turn wholly-owned by Asia Pacific Energy Fund Limited, which itself is held under a discretionary trust with Credit Suisse Trust Limited as trustee and Mr. Zhu Gongshan (a Director and Chairman of the Company) and his family (including Mr. Zhu Yufeng, a Director and the son of Mr. Zhu Gongshan) as beneficiaries. In addition, 260,000,000 Shares out of the 5,983,811,992 Shares as shown in the table above as beneficially interested in a trust are legally held by PAA as the Shares borrowed by it from Happy Genius pursuant to the SLA.

Long Position in the shares of the Company's associated corporation, GNE, in which the Company indirectly holds 62.28% issued shares:

Name of Director	Nature of interests	Number of Shares/ underlying Shares held	Approximate percentage of issued share capital of GNE
Zhu Yufeng	Beneficial Interest	3,500,000	0.025%
Yeung Man Chung, Charles	Beneficial Interest	15,000,000	0.11%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

(B) SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

To the best of the Directors' knowledge, as at the Latest Practicable Date, the following persons (not being Director or chief executive of the Company) had, or were deemed to have, interests or short positions in Shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the issued voting shares of any member of the Group:

(i) Long position in the shares of the Company

Name	Note	Capacity/ nature of interest	Number of shares/ underlying shares	Approximate percentage of issued share capital of the Company
Asia Pacific Energy Fund Limited	1	Interest in a controlled corporation	5,983,811,992	38.63%
PAG Holdings Limited	2	Interest in a controlled corporation	1,099,975,682	7.10%
JP Morgan Chase & Co.	3	Beneficial owner, investment manager, custodian corporation/approved lending agent	2,227,011,369	14.38%
Templeton Global Advisors Limited	4	Investment manager	777,924,040	5.02%
Templeton Investment Counsel, LLC	4	Investment manager	917,415,424	5.92%
Haitong International Securities Group Limited	5	Interest in a controlled corporation	2,123,438,388	13.71%

(ii) Short position in the shares and underlying shares of the Company

Name	Note	Capacity/ nature of interest	Number of shares/ underlying shares	Approximate percentage of issued share capital of the Company
JP Morgan Chase & Co.		Beneficial owner	138,514,215	0.89%
PAG Holdings Limited	2	Interest in a controlled corporation	260,000,000	1.68%
Haitong International Securities Group Limited	5	Interest in a controlled corporation	2,123,438,388	13.71%

Note:

- Of the 5,029,843,327 Shares which Asia Pacific Energy Fund Limited is beneficially interested in as shown above, 305,733,443 Shares, 11,000,000 Shares and 4,453,109,884 Shares are legally held by Highexcel Investments Limited, Get Famous Investments Limited and Happy Genius (collectively, being the Registered Committed Shareholders), respectively. The shareholding percentage is calculated based on the total issued share capital as at the Latest Practicable Date and does not take into account the Shares to the issued pursuant to the Rights Issue. Each of the Registered Committed Shareholders is wholly-owned by Golden Concord Group Limited, which in turn was wholly-owned by Asia Pacific Energy Holdings Limited. Asia Pacific Energy Holdings Limited is in turn wholly-owned by Asia Pacific Energy Fund Limited, which itself is held under a discretionary trust with Credit Suisse Trust Limited as trustee and Mr. Zhu Gongshan (a Director and Chairman of the Company) and his family (including Mr. Zhu Yufeng, a Director and the son of Mr. Zhu Gongshan) as beneficiaries. In addition, 260,000,000 Shares which Asia Pacific Energy Fund Limited is shown in the table above as beneficially interested are legally held by PAA as Shares borrowed by it from Happy Genius pursuant to the SLA.
- PAG Holdings Limited is interested in a long position of 1,099,975,682 Shares and a short position of 260,000,000 Shares. Out of the long positions in 1,099,975,682 Shares of the Company, 740,946,682 Shares were involved in derivative interests.
- JP Morgan Chase & Co. had long positions in 2,227,011,369 Shares, 484,449,043 Shares were held as beneficial owner, 171,600 Shares were held as investment manager and 1,742,390,726 Shares were held as a custodian corporation/approved lending agent, respectively.
- Both Templeton Global Advisors Limited and Templeton Investment Counsel, LLC disclosed that their parent company is Franklin Resources, Inc., who is deemed to be interested in an aggregate of 1,695,339,464 Shares.
- Haitong International Securities Group Limited, has through its subsidiary, Haitong International Securities Company Limited, entered into the Underwriting Agreement in relation to the Rights Issue. The shareholding percentage is calculated based on the total issued share capital as at the Latest Practicable Date and does not take into account the Shares to the issued pursuant to the Rights Issue.

Save as disclosed aforesaid, so far as is known to any Directors or chief executive of the Company, as at the Latest Practicable Date, no other persons (other than a Director or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register kept pursuant to Section 336 of the SFO.

(b) Directors' interests in assets, contracts or arrangement of the Group

Save for the transactions contemplated hereunder and transactions which were disclosed pursuant to the Listing Rules, there was no contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date of which any Director is materially interested and which is significant in relation to the business of the Group.

Save for the acquisition and leases of certain properties for staff accommodation from Zhu Family Trust to the Group which are not required to be disclosed under the Listing Rules, as at the Latest Practicable Date, none of the Directors or proposed Directors had, or has had, any direct or indirect interest in any assets which have been acquired, disposed of by or leased to, or which are proposed to be acquired, disposed of by or leased to, any member of the Group since 31 December 2014, the date of which the latest published and audited consolidated financial statements of the Company were made up.

(c) Service contract

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which is not terminable within one year (without payment of compensation (other than statutory compensation)).

(d) Other disclosures under the SFO

Mr. Zhu Gongshan and Mr. Zhu Yufeng are members of the beneficiaries of a discretionary trust which is a controlling shareholder of the Company, and that Mr. Shu Hua is a director and chairman of a company controlled by such controlling shareholder. Save as disclosed above, as at the Latest Practicable Date, none of the Directors was a director or employee of a company which had, or was deemed to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. LITIGATION

As at the Latest Practicable Date, to the best knowledge of the Directors, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

4. MATERIAL CONTRACTS

Within the two years immediately preceding the date of this Prospectus, the following agreements, being contracts not entered into in the ordinary course of business, have been entered into by members of the Group and is or may be material:

- (a) the Underwriting Agreement;

- (b) the GNE Underwriting Agreement;
- (c) a sale and purchase agreement dated 14 September 2015 (as supplemented by a supplemental agreement dated 29 October 2015) entered into between Hank Rich Limited (“**Hank Rich**”), a wholly-owned subsidiary of the Company, Shanghai Qichen Investment Management Co., Ltd.* (上海其辰投資管理有限公司) (“**Shanghai Qichen**”) and Jiangsu Golden Concord Energy Co., Ltd.* (江蘇協鑫能源有限公司) in relation to the disposal of GCL-Poly Limited* (保利協鑫有限公司) and its subsidiaries and associated companies by Hank Rich to Shanghai Qichen;
- (d) a deed of agreement dated 25 March 2015 (the “**Deed of Settlement**”) entered into between the Company and Mr. Zhu Gongshan, Mr. Zhu Yufeng and Highexcel Investments Limited (collectively, the “**Covenantors**”) pursuant to which such parties conditionally agreed to settle claims that the Company may have in respect of a non-competition deed dated 27 October 2007 (as amended by a deed of amendment dated 27 March 2014) entered into between the Covenantors and the Company on the terms of such deed;
- (e) an amended and restated deed of non-competition dated 8 November 2015 entered into between the Company and Mr. Zhu Gongshan, Mr. Zhu Yufeng, Highexcel Investments Limited, Happy Genius Holdings Limited and Get Famous Investments Limited to amend and restate the Non-competition Deed;
- (f) a deed of amendment of terms of settlement dated 8 November 2015 entered into between the Company and the Covenantors to amend the terms of the Deed of Settlement to provide for a cash compensation in the amount of RMB1,160 million to be paid to the Company in lieu of a transfer of all of the issued shares in Honour Faith Group Limited, a company indirectly wholly-owned by Mr. Zhu Gongshan;
- (g) a trust scheme agreement dated 9 September 2015 entered into between, amongst others, GCL New Energy Investment (China) Co., Ltd.* (協鑫新能源投資(中國)有限公司) and Ping An Trust Company Limited* (平安信託有限責任公司) (“**Ping An Trustee**”), pursuant to which Ping An Trustee has conditionally agreed to establish a trust scheme to raise funds of up to RMB1,200 million for the purpose of providing a loan facility in the same amount to Nanjing GCL New Energy Development Co., Ltd.* (南京協鑫新能源發展有限公司) (“**Nanjing GCL New Energy**”);
- (h) an engineering, procurement and construction (“**EPC**”) agreement dated 8 September 2015 entered into between Yulin Longyuan Solar Power Company Limited* (榆林隆源光伏電力有限公司) (“**Yulin Longyuan**”) and Shanghai Electric Power Construction Co., Ltd.* (上海電力建設有限責任公司) (“**Shanghai Electric Construction**”) in relation to the grid connection of the 200MW photovoltaic power station project at Yuyang District of Yulin City of Shaanxi Province for a total consideration of RMB1,247,980,000;
- (i) an EPC agreement dated 8 September 2015 between Yulin Longyuan and Shanghai Electrical Power Erection No. 1 Company* (上海電力安裝第一工程公司) in relation

- to the 330 KV and 110 KV Yulin Longyuan photovoltaic transformer substation project at Yuyang District of Yulin City of Shaanxi Province and the 330 KV Yulin Longyuan photovoltaic power station transmission project at Yuyang District of Yulin City of Shaanxi Province for an aggregate consideration of RMB194,178,000;
- (j) an EPC agreement dated 26 June 2015 entered into between Shanghai Electric Construction and Shandong Wanhai Electric Company Limited* (山東萬海電力有限公司) in relation to a 35 MW Shandong Shouguang photovoltaic power station in Shandong Shouguang for a total consideration of RMB240,007,500;
- (k) a subscription agreement dated 15 July 2015 entered into between PA International as investor and the Company, pursuant to which PA International agreed to subscribe and pay for the Convertible Bonds;
- (l) the partnership agreement dated 29 May 2015 entered into between GNE, Nanjing GCL New Energy and Suzhou GCL New Energy Investment Limited* (蘇州協鑫新能源投資有限公司) (“**Suzhou GCL New Energy**”), Galaxy Capital Asset Management Company Ltd.* (銀河資本資產管理有限公司) and JIC Capital Management (Tianjin) Ltd.* (中建投資本管理(天津)有限公司) in respect of the establishment of Jiali (Tianjin) Asset Management Enterprise (Limited Partnership)* (嘉立(天津)資產管理合夥企業 (有限合夥)), an investment fund with an initial capital commitment of RMB1,251,000,000. Nanjing GCL New Energy and Suzhou GCL New Energy are both indirect subsidiaries of the Company;
- (m) a conditional subscription agreement dated 29 April 2015 entered into between GCL New Energy Holdings Limited and Talent Legend Holdings Ltd., pursuant to which Talent Legend Holdings Ltd. has conditionally agreed to subscribe for convertible bonds in the principal amount of HK\$775,100,000;
- (n) a conditional subscription agreement dated 29 April 2015 entered into between GCL New Energy Holdings Limited and Ivyrock China Focus Master Fund (“**Ivyrock**”), pursuant to which Ivyrock has conditionally agreed to subscribe for convertible bonds in the principal amount of HK\$200,000,000 (as amended and restated on 14 July 2015);
- (o) the placing agreement dated 29 April 2015 entered into between GNE and Essence International Securities (Hong Kong) Limited in respect of the private placement of the convertible bonds in the principal amount of HK\$975,100,000;
- (p) a conditional subscription agreement dated 24 April 2015 entered into between GCL Yield Holding Company Limited (as issuer), GCL New Energy Holdings Limited (as guarantor to the issuer) and Goldman Sachs Investment Holdings (Asia) Limited (as subscriber) in relation to the issuance of the convertible bonds to be issued in two tranches in an aggregate principal amount of US\$100,000,000;

- (q) a subscription agreement dated 13 February 2014 entered into between the Company as subscriber and Same Time Holdings Limited (Renamed as GCL New Energy Holdings Limited) and Same Time International (B.V.I.) Limited, pursuant to which the Company has conditionally agreed to subscribe in cash for 360,000,000 new shares of Same Time Holdings Limited at the subscription price of HK\$4.00 per the new share (as amended on 30 April 2014);
- (r) a placing agreement dated 8 October 2014 entered into between GNE, Elite Time Global Limited (“**Elite Time**”) and Sun Hung Kai Investment Services Limited (as placing agent) in respect of placing of up to 291,000,000 shares of GNE to independent third parties at the placing price of HK\$2.55 per top-up placing share;
- (s) the subscription agreement dated 8 October 2014 entered into between GNE and Elite Time in respect of subscription of up to 291,000,000 new shares of GNE by Elite Time at a consideration of HK\$742,050,000; and
- (t) the joint venture agreement dated 10 December 2015 entered into between 江蘇中能硅業科技發展有限公司 (Jiangsu Zhongneng Polysilicon Technology Development Co., Ltd.) and 國家集成電路產業投資基金股份有限公司 (China Integrated Circuit Industry Investment Fund Co., Ltd.) in relation to the formation of a joint venture company proposed to be established and intended to name as 江蘇鑫華半導體材料科技有限公司 (Jiangsu Xinhua Semi-conductor Materials Technology Company Limited).

5. COMPETING INTERESTS OF DIRECTORS

As at the Latest Practicable Date, so far as the Directors were aware, none of the Directors or their respective associates had interest in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group.

Names of the Company's Directors	Name of company in which the relevant Director has interest	Principal activities of the competing company	% interest in competing company
Mr. Zhu Yufeng	Xilingol Zhongneng Silicon Co., Ltd*	Ingot Plant is in the construction stage	Mr. Zhu Yufeng, through companies controlled by him, holds 70% interest

6. MATERIAL ADVERSE CHANGE

As disclosed in the interim results announcement of the Company dated 28 August 2015, the depreciation of RMB against USD negatively impacted the Group's financial performance and equity attributable to owners of the Company. In addition, the onshore RMB and offshore RMB depreciated against USD by approximately 4.5% and 5.6%, respectively, from 1 July 2015 to 18 December 2015 which further negatively impacted the Group's financial performance and equity attributable to owners of the Company.

Save for the above, the Directors confirm that, as at the Latest Practicable Date, there were no material adverse changes in the financial or trading positions of the Company since 31 December 2014, the date to which the latest published audited financial statements of the Company were made up.

7. EXPERT'S CONSENT AND QUALIFICATIONS

The following is the name and the qualifications of the professional adviser who has given opinion or advice which is contained or referred to in this Prospectus:

Name	Qualification
Deloitte Touche Tohmatsu	Certified Public Accountants

As at the Latest Practicable Date, Deloitte Touche Tohmatsu does not have any beneficial interest in the share capital of any member of the Group nor did it have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group or have any interest, either directly or indirectly, in any assets which have been, since 31 December 2014, being the date to which the latest published audited consolidated accounts of the Company were made up, acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

Deloitte Touche Tohmatsu has given and has not withdrawn its written letter of consent to the issue of this Prospectus with the inclusion herein of its letters or reports and references to its name included in the form and context in which they appear.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours at the principal place of business of the Company in Hong Kong, which is situated at Units 1703B-1706, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong, for a period of 14 days from the date of this Prospectus:

- (a) the memorandum and articles of associations of the Company;
- (b) the annual reports of the Company for each of the two financial years ended 31 December 2013 and 2014;
- (c) the written consent referred to under the section headed “Expert’s Consent and Qualifications” in this appendix;
- (d) the letter on the unaudited pro forma financial information of the Group issued by Deloitte Touche Tohmatsu set out in Appendix III to this Prospectus;
- (e) the material contracts referred to in the paragraph headed “Material Contracts” in this appendix;
- (f) the circular dated 11 November 2015 in relation to the Company’s major and connected transaction; and
- (g) this Prospectus.

9. DOCUMENT DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents and the written consent of Deloitte Touche Tohmatsu referred to in the paragraph headed “Expert’s Consent and Qualifications” in this appendix has been delivered to the Registrar of Companies of Hong Kong pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

10. MISCELLANEOUS

- (a) The registered office of the Company is situated at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

- (b) The principal place of business of the Company in Hong Kong is situated at Units 1703B-1706, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.

- (c) The company secretary of the Company is Chan Yuk Chun, who is an associate member of The Hong Kong Institute of Chartered Secretaries.

11. LANGUAGE

In the event of inconsistency, the English text of this Prospectus will prevail over the Chinese text.