

For immediate release

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## **GCL-Poly Acquires Konca Solar to Expedite Expansion of Wafer Business**

(Hong Kong, 10 January 2010) GCL-Poly Energy Holdings Limited (“GCL-Poly” or the “Company”, stock code: 3800.HK, together with subsidiaries, the “Group”) announced that it has entered into acquisition agreements with the indirect shareholders of Konca Solar Cell Co., Ltd. (“Konca Solar”), a leading supplier of solar wafers in the PRC, pursuant to which the Company intends to indirectly acquire a controlling stake of 70.19% in Konca Solar at an aggregate consideration of RMB854.1 million.

The consideration of the acquisitions was approximately 8 times the attributable unaudited net profit of Konca Solar for year 2009 and will be settled by cash. The completion of the acquisitions of the equity interest as mentioned above is subject to the requirements of the Listing Rules regarding major transactions, and approval from relevant PRC government departments.

Mr. Zhu Gong Shan, Executive Director, Chairman and Chief Executive Officer of GCL-Poly, said, “We are pleased to have reached the above agreements to collaborate with Konca Solar. Konca Solar is a leading wafer supplier in terms of technology, quality, cost control measures and management capabilities and has been supplying wafers to well-known cell manufacturers such as Q-CELL, CONERGY, SHARP, SUNTECH, CanadianSolar and Solarfun for a long time. The acquisitions allow the Company to expedite the expansion of its wafer business and further integrate down the solar value chain, which in turn will allow the Company to effectively ramp up its wafer production capacity and enhance its competitiveness. We believe that our integration with Konca Solar can enable us to enhance operational efficiencies and increase competitiveness. We hope that the acquisitions can be completed successfully.”

Developing and investing in wafer operations is one of the Group’s key initiatives. The Group has signed long-term sales contracts to supply 15.4GW of wafers and 33,000 MT of

polysilicon to solar cell and module manufacturers from 2008 to 2015. The expansion of the wafer operations will enable the Group to fulfill its contractual obligations and realize synergies from integrating polysilicon and wafer manufacturing, thereby strengthening the Group's competitiveness at home and abroad.

Established in Wuxi, Jiangsu Province in July 2005, Konca Solar principally engages in the research and development, production and sale of monocrystalline ingots and wafers and multicrystalline ingots and wafers. Since its establishment, Konca Solar has enjoyed stable growth and is a highly-regarded industry leader in terms of technology, quality and cost control measures. As of the end of 2009, Konca Solar has an annual production capacity of 300MW.

GCL-Poly's construction of its wafer facilities in Xuzhou has been progressing well and wafer production is expected to commence by February 2010. By then, the Company's total wafer capacity is estimated to reach 800MW (including the capacity of Konca Solar). By the end of 2010, the Company's annual wafer production capacity is estimated to reach 2GW, making GCL-Poly one of the world's largest wafer suppliers.

#### **About GCL-Poly Energy Holdings Limited (stock code: 3800)**

GCL-Poly Energy Holdings Limited is China's largest and one of the world's leading polysilicon supplier and also a top green energy enterprise in China with extensive operation and management experience. Annual polysilicon production capacity of GCL Solar, a subsidiary of the Group, reached 18,000 MT by the end of 2009 and is expected to reach 21,000 MT by the end of 2010. GCL Solar has also started constructing wafer production facilities and targets to achieve 1GW of capacity by mid-2010. In addition, the Group controls and invests in a total of 18 cogeneration power plants, 1 incineration power plant and 1 wind power plant. Most of these plants are located in Jiangsu and Zhejiang provinces in China with strong economic growth and robust demand for electricity and steam. All these plants are advocated and encouraged by the Chinese government.

For more information about GCL-Poly, please visit the company's website at [www.gcl-poly.com.hk](http://www.gcl-poly.com.hk).

#### **About Konca Solar Cell Co., Ltd.**

Konca Solar Cell Co., Ltd. was established by Konca Enterprise Limited on July, 2005 in Wuxi, Jiangsu Province. It is dedicated to R&D, tolling, manufacturing and selling solar grade wafers and providing related technical support services. Annual wafer production capacity reached 300MW and the company currently owns advanced production and testing equipments including GT-Solar

multicrystalline casting furnaces, Meyer Burger wire saws, Japanese NTC-MBS1000 wire saw squarers, Semilab lifetime scanner and IR Brick Imaging System.

For more information about Konca Solar, please visit the company's website at [www.koncasolar.com](http://www.koncasolar.com).

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