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GCL-Poly Energy Holdings Limited

保利協鑫能源控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 3800)

**NEW INVESTMENT IN SILICON WAFER PRODUCTION FACILITIES IN
THE PRC**

This announcement is made by GCL-Poly Energy Holdings Limited pursuant to Rule 13.09(1) of the Listing Rules.

The Company had disclosed under an announcement dated 15 September 2009 in relation to, inter alia, the Board's approval on the development and investment of US\$700 million in the silicon wafer facilities in the PRC.

The Board is pleased to announce that it has approved an additional investment of US\$300 million in the silicon wafer facilities with a capacity of approximately 1GW in the PRC.

INTRODUCTION

This announcement is made by GCL-Poly Energy Holdings Limited pursuant to Rule 13.09(1) of the Listing Rules.

The Company had disclosed under an announcement dated 15 September 2009 in relation to, inter alia, the development and investment of US\$700 million in the silicon wafer production facilities with the a total capacity of 2GW in Jiangsu Province, the PRC.

Currently, the Group has made a number of investments in the silicon wafer business, including production facilities in Wuxi, Xuzhou, Changzhou and Suzhou within the PRC. The progress of the construction of these projects has been on schedule. The Xuzhou production facility has commenced commercial production in June 2010 and the full commercial production of Changzhou and Suzhou production facilities are

scheduled for the fourth quarter of 2010. Annual production capacity has ramped up to 1200 MW in June 2010.

NEW INVESTMENT

The Board is pleased to announce that it has approved to invest an additional US\$300 million in the silicon wafer business with an additional capacity of approximately 1GW in the PRC.

The new investment allows the Company to expand further in its silicon wafer business in producing monocrystalline wafers and multicrystalline wafers, which will be sold as semi-finished materials to cells and modules manufacturers. The scope of production will include the pulling of monocrystalline silicon ingots and molding of multicrystalline silicon ingots, as well as the slicing and grinding of the monocrystalline and multicrystalline silicon wafers. Under the Group's latest plan, the new production facility with approximately 1 GW of capacity will be constructed in Jiangsu Province, the PRC and is expected to be fully ramped up by end of this year.

Subsequent to the investment of US\$300 million to be made by the Group, the Group's total investment in silicon wafer production facilities will amount to approximately US\$1,000 million (equivalent to approximately HK\$7,800 million) with a total capacity of approximately 3 GW. The new US\$300 million investment will be funded by the Group's internal resources or banking facilities.

REASONS FOR THE NEW INVESTMENT

Currently, the global solar industry is undergoing a strong rebound due to the launch of solar subsidy programs by various governments. Total installed capacity of the global solar industry is expected to reach 10GW in 2010. In addition, certain cell and module customers have requested the Group to increase wafer supply in the coming years. Based on the above-mentioned factors, the Company expects wafer demand to increase going forward.

Through the investment in additional silicon wafer facilities, the Group is able to achieve vertical integration of both polysilicon and wafer production, which in turn enhances wafer quality and reduces polysilicon consumption per wafer, therefore achieving cost competitiveness. New technology is also adopted by the Group to improve conversion efficiency, which will enable the Company to become one of the best suppliers in terms of both quality and price and also take advantage of the business opportunities arising from the development of the global solar industry.

Taking into account the abovementioned factors, the Board is of the view that the new investment of US\$300 million and all transactions contemplated thereunder are in the interests of the Company and the shareholders of the Company as a whole.

DEFINITIONS

In this announcement, unless otherwise defined, terms used herein shall have the following meanings:

“Board”	the board of Directors
“Company”	GCL-Poly Energy Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries from time to time
“GW”	gigawatts
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“MW”	megawatts
“PRC”	the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	US dollars, the lawful currency of the United States of America

For the purposes of this announcement and for indication only, the following exchange rates have been used for the conversion of US\$ into HK\$: US\$1.00 = HK\$7.8.

By order of the Board
GCL-Poly Energy Holdings Limited
 Zhu Gong Shan
 Chairman

Hong Kong, 28 July 2010

As at the date of this announcement, the Board comprises Mr. Zhu Gong Shan (Chairman), Mr. Sha Hong Qiu, Mr. Ji Jun, Mr. Shu Hua, Mr. Yu Bao Dong, Ms. Sun Wei, Mr. Tong Yee Ming and Mr. Zhu Yu Feng as executive directors; Mr. Chau Kwok Man, Cliff and Ms. Bai Xiao Qing as non-executive directors; Mr. Qian Zhi Xin, Ir. Dr. Raymond Ho Chung Tai, Mr. Xue Zhong Su and Mr. Yip Tai Him as independent non-executive directors.