THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Goldpoly New Energy Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.

This circular is not for distribution, directly or indirectly, in or into the United States. This circular does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Shares mentioned in this circular have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the Securities Act. No public offering of the Shares will be made in the United States.

GOLDPOLY NEW ENERGY HOLDINGS LIMITED
金保利新能源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

(1) PLACING OF NEW SHARES UNDER SPECIFIC MANDATE; (2) PROPOSED FURTHER ISSUE OF USD DENOMINATED 5.0% SECURED GUARANTEED CONVERTIBLE BONDS DUE 2016 UNDER SPECIFIC MANDATE TO BE CONSOLIDATED AND FORM A SINGLE SERIES WITH THE US$50,000,000 5.0% SECURED GUARANTEED CONVERTIBLE BONDS DUE 2016 ISSUED ON 8 OCTOBER 2013; (3) PROPOSED REFRESHMENT OF GENERAL MANDATE; AND (4) NOTICE OF SPECIAL GENERAL MEETING

Placing Agent

中信証券國際 CITIC Securities International

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

Quam CAPITAL 華富嘉洛企業融資

Unless the context otherwise requires, all capitalised terms used in this circular have the meanings set out in the section headed "Definitions" of this circular.

A letter from the Board is set out on pages 14 to 44 of this circular. A letter from Quam Capital Limited, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 46 to 53 of this circular.

A notice convening the SGM to be held at Academy Room III, 1/F., InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Monday, 11 November 2013 at 10:30 a.m. is set out on pages 54 to 57 of this circular. A form of proxy for the SGM is enclosed. Whether or not you intend to attend and vote at the SGM or any adjourned meeting in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Union Registrars Limited at 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish.

* *For identification purpose only*

25 October 2013

CONTENTS

In this circular, unless the context otherwise requires, the following terms shall have the meanings set out below.

"Accrued Interest"	0.5% of the principal amount of the Additional Convertible Bonds if the CB Closing Date is 14 November 2013, or if the CB Closing Date is a date later than 14 November 2013, the interest accrued on the Additional Convertible Bonds in respect of the period from and including 8 October 2013 to but excluding the CB Closing Date
"Accumulated Profit"	for any period, Consolidated Net Income for such period plus, to the extent such amount was deducted in calculating such Consolidated Net Income: (a) Consolidated Interest Expense; (b) income taxes (other than income taxes attributable to extraordinary and non-recurring gains or sales of assets); (c) depreciation expense, amortisation expense and all other non-cash items reducing Consolidated Net Income (other than non-cash items in a period which reflect cash expenses paid or to be paid in another period), less all non-cash items increasing Consolidated Net Income; and (d) share-based payment expenses in respect of the employee incentive scheme, all as determined on a consolidated basis for CSPG and its subsidiaries in conformity with HKFRS
"Actual Profit"	the Hong Kong dollar equivalent (as determined in accordance with the Conditions) of the Accumulated Profit of CSPG as shown in the latest audited consolidated financial statements of CSPG for the two financial years from 1 January 2014 to 31 December 2015
"Additional Bond Documents"	each of the Subscription Agreement, the First Supplemental Agency Agreement and the First Supplemental Trust Deed

"Additional Convertible Bonds"	5% secured guaranteed convertible bonds due 2016 in the aggregate principal amount of US$70,000,000 (equivalent to approximately HK$542,500,000) to be issued by the Company pursuant to the Subscription Agreement, which, when issued, will be consolidated and form a single series with the Original Convertible Bonds
"Agency Agreement"	the agency agreement dated 8 October 2013 entered into between the Company, Guarantors, The Bank of New York Mellon (Luxembourg) S.A., the Bank of New York Mellon, acting through its Hong Kong Branch and the Bond Trustee, as supplemented by the First Supplemental Agency Agreement
"Agent"	the agent appointed under the Agency Agreement
"AGM"	the annual general meeting of the Company held on 27 June 2013 in which the Shareholders had approved, among other matters, the Existing General Mandate
"Arranger"	Credit Suisse AG, Singapore Branch, as the arranger and settlement agent under the Subscription Agreement
"associate(s)"	shall have the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Bond Documents"	each of the Subscription Agreement, the Trust Deed, the Agency Agreement, and each Security Document
"Bondholders"	holder(s) of the Convertible Bonds from time to time
"Bond Trustee"	The Bank of New York Mellon, London Branch
"Business Day"	a day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for business throughout their normal business hours
"BVI"	the British Virgin Islands
"CB Announcements"	announcements of the Company dated 29 September 2013 and 8 October 2013 in relation to, among other matters, the issue of the Original Convertible Bonds and the announcement of the Company dated 16 October 2013 in relation to the proposed issue of the Additional Convertible Bonds

"CB Closing Date"	on 14 November 2013, or such later date, not being later than 29 November 2013 as the Company, the Arranger and the Purchasers may agree
"CB Specific Mandate"	the specific mandate to be granted by the Shareholders to the Board at the SGM for the allotment and issue of the Conversion Shares
"Charge over IRA"	the Hong Kong law governed charge over the Interest Reserve Account held by the Company dated 8 October 2013
"Companies Ordinance"	the Companies Ordinance (Chapter 32 of the laws of Hong Kong)
"Company"	Goldpoly New Energy Holdings Limited (金保利新能源有限公司*), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
"Conditions"	the terms and conditions in relation to the Additional Convertible Bonds
"connected person(s)"	has the meaning ascribed thereto in the Listing Rules

"Consolidated Interest Expense"	for any period, the amount that would be included in gross interest expense on a consolidated income statement prepared in accordance with HKFRS for such period of CSPG and its subsidiaries, plus, to the extent not included in such gross interest expense, and to the extent incurred or paid during such period by CSPG and its subsidiaries, without duplication, (a) interest expense attributable to capitalised lease obligations, (b) amortisation of debt issuance costs and original issue discount expense and non-cash interest expense in respect of any indebtedness, (c) the interest portion of any deferred payment obligation, (d) all commissions, discounts and other fees and charges with respect to letters of credit or similar instruments issued for financing purposes or in respect of any indebtedness, (e) the net costs associated with hedging obligations (including the amortisation of fees), (f) interest accruing on indebtedness of any other person that is guaranteed by, or secured on the assets of, CSPG or any of its subsidiaries, (g) any capitalised interest, (h) interest incurred in connection with investments in discontinued operations and (i) cash contributions to an employee incentive scheme or similar trust, which are used to pay interest on indebtedness incurred by such scheme or trust, provided that interest expense attributable to interest on any indebtedness bearing a floating interest rate will be computed on a pro forma basis as if the rate in effect on the date of determination had been the applicable rate for the entire relevant period

"Consolidated Net Income"	means, with respect to CSPG for any period, the aggregate net income (or loss) of CSPG and its subsidiaries for such period, on a consolidated basis, determined in conformity with HKFRS; provided that the following items shall be excluded in computing Consolidated Net Income (without duplication):

(a) the net income of any person that is not a subsidiary of CSPG or that is accounted for by the equity method of accounting except to the extent of the amount of dividends or similar distributions actually paid in cash to CSPG or a subsidiary of CSPG during such period (subject to the limitation in clause (c) below in the case of distributions paid to a subsidiary of CSPG); provided that CSPG's equity in a net loss of such person shall be included, to the extent funded by CSPG or a subsidiary of CSPG;

(b) the net income (or loss) of any person accrued prior to the date it becomes a subsidiary of CSPG or is merged into or consolidated with CSPG or any subsidiary of CSPG or all or substantially all of the property and assets of such person are acquired by CSPG or any subsidiary of CSPG;

(c) the net income of any subsidiary of CSPG to the extent that the declaration or payment of dividends or similar distributions by such subsidiary of such net income is not at the time permitted by the operation of the terms of its charter, articles of association or other similar constitutive documents, or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such subsidiary; provided that CSPG's equity in a net loss of such person shall be included;

(d) the cumulative effect of a change in accounting principles;

	(e) any net after-tax gains realised on the sale or other disposition of (A) any property or assets of CSPG or any subsidiary of CSPG which is not sold in the ordinary course of its business or (B) any shares, interests, rights to purchase, warrants, options, participations or other equivalents in equity (including any gains by CSPG realised on sales of shares, interests, rights to purchase, warrants, options, participations or other equivalents in equity of CSPG or any subsidiary of CSPG);
	(f) any non-cash unrealised gains and losses due solely to fluctuations in currency values and related tax effects; and
	(g) any net after-tax extraordinary gains
"Conversion Date"	the conversion date in respect of the Additional Convertible Bonds
"Conversion Price"	the initial conversion price of the Additional Convertible Bonds, being HK$1.60 per Conversion Share (subject to adjustments)
"Conversion Shares"	the Share(s) to be allotted and issued by the Company upon conversion of the Additional Convertible Bonds
"Convertible Bonds"	the Original Convertible Bonds and the Additional Convertible Bonds
"CSPG"	China Solar Power Group Limited, a company incorporated in the BVI with limited liability, an indirect wholly-owned subsidiary of the Company and one of the Guarantors and Security Providers
"CTNE"	China Technology New Energy Limited, a company incorporated in the BVI with limited liability, an indirect wholly-owned subsidiary of the Company and one of the Guarantors and Security Providers
"Directors"	the directors of the Company
"English Share Mortgage"	the English law governed share mortgage dated 8 October 2013 in respect of shares in subsidiaries of the Company which are incorporated under the laws of the BVI

"Existing General Mandate"	the general mandate which was granted to the Directors pursuant to an ordinary resolution passed at the AGM for the allotment and issue of up to 389,018,127 new Shares, representing 20% of the aggregate nominal amount of the share capital of the Company in issue on the date thereof
"Existing Securities"	(i) any issue of Shares on the exercise of conversion rights of the Additional Convertible Bonds, (ii) any issue of Shares on the exercise of rights of securities issued prior to the date of the Subscription Agreement, (iii) any issue of Offered Securities announced by the Company in September 2013 (the issuance of which will take place subsequent to the CB Closing Date) and the subsequent issue of the underlying Shares upon exercise of the rights attached to the Offered Securities
"Faster Assets"	Faster Assets Limited, a company incorporated in the BVI with limited liability, an indirect wholly-owned subsidiary of the Company and one of the Guarantors and Security Providers
"Financial Vantage"	Financial Vantage Limited, a company incorporated in the BVI with limited liability and one of the Purchasers
"First Supplemental Agency Agreement"	a first supplemental agency agreement to be entered into between and among the Company, the Guarantors, The Bank of New York Mellon (Luxembourg) S.A., The Bank of New York Mellon, acting though its Hong Kong Branch and the Bond Trustee on the CB Closing Date
"First Supplemental Trust Deed"	a first supplemental trust deed to be entered into between the Company, the Guarantors, the Security Providers, the Bond Trustee and the Security Trustee on the CB Closing Date
"Fortune Wheel"	Fortune Wheel Holdings Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of the Company and one of Guarantors and Security Providers
"Group"	the Company and its subsidiaries
"Guarantees"	the guarantees to be given by the Guarantors in connection with the issue of the Additional Convertible Bonds

"Guarantors"	Profit Icon, CSPG, CTNE, Faster Assets, Sino Delight, Upper Light, New Light, Fortune Wheel and Profit Giant
"HKFRS"	Hong Kong Financial Reporting Standards
"HK Share Mortgage"	the Hong Kong law governed share mortgage dated 8 October 2013 in respect of shares in subsidiaries of the Company which are incorporated under the laws of Hong Kong
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	The Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	an independent committee of the Board comprising all the independent non-executive Directors established for the purpose of advising the Independent Shareholders in respect of the Refreshment of General Mandate
"Independent Financial Adviser"	Quam Capital Limited, a licensed corporation to carry out type 6 regulated activities as defined under the SFO, the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Refreshment of General Mandate
"Independent Shareholder(s)"	any Shareholders other than the controlling Shareholders and their respective associates or, if there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates
"Interest Reserve Account" or "IRA"	the USD account opened and maintained with The Bank of New York Mellon, acting through its Hong Kong Branch and into which US$1,250,000 (or approximately HK$9,687,500) of the net proceeds of the issue of the Original Convertible Bonds have been paid on 8 October 2013 for the purpose of satisfying the interest payments payable under the Original Convertible Bonds, and US$1,750,000 (or approximately HK$13,562,500) of the net proceeds of the issue of the Additional Convertible Bonds will be paid on the CB Closing Date for the purpose of satisfying the interest payments payable under the Additional Convertible Bonds

"Latest Practicable Date"	23 October 2013, being the latest practicable date prior to the despatch of this circular for the purpose of ascertaining certain information contained herein
"Lien"	any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including, without limitation, any conditional sale or other title retention agreement or lease in the nature thereof or any agreement to create any mortgage, pledge, security interest, lien, charge, easement or encumbrance of any kind)
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"New General Mandate"	the new mandate proposed to be sought at the SGM to authorise the Directors to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of the SGM
"New Light"	New Light Technology Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of the Company and one of the Guarantors and Security Providers
"Offered Securities"	any Shares, for cash or otherwise, or any securities convertible, exchangeable into or subscription of the Shares or grant any rights, options, warrants to subscribe for, or purchase, any Shares or securities of the Company
"Original Convertible Bonds"	the US$50,000,000 5.0% secured guaranteed convertible bonds due 2016 issued by the Company on 8 October 2013 as announced in the CB Announcements
"Original Subscription Agreement"	the conditional agreement dated 27 September 2013 entered into among the Company, the Purchasers, the Guarantors and the Arranger in relation to, among other things, the subscription of the Original Convertible Bonds
"Placee(s)"	Value Partners Hong Kong Limited and Yinhua Fund Management Co., Ltd.
"Placing"	the placing of the Placing Shares by the Placing Agent pursuant to the Placing Agreement

"Placing Agent"	CITIC Securities Corporate Finance (HK) Limited, a licensed corporation to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Placing Agreement"	the conditional placing agreement dated 9 October 2013 entered into between the Company and the Placing Agent in relation to the Placing
"Placing Announcement"	the announcement of the Company dated 10 October 2013 in relation to the Placing and the Placing Specific Mandate
"Placing Closing Date"	the date on which completion of the Placing shall take place according to the Placing Agreement
"Placing Price"	HK$1.70 per Placing Share
"Placing Specific Mandate"	the specific mandate to be granted by the Shareholders to the Board at the SGM for the allotment and issue of the Placing Shares
"Placing Shares"	55,000,000 new Shares
"PRC" or "China"	The People's Republic of China, and for the sole purpose of this circular excludes the Hong Kong, Macau Special Administrative Region and Taiwan
"Previous Convertible Bonds"	the zero coupon rate unsecured redeemable convertible bonds due 2018 in the principal amount of HK$232,959,339 as announced by the Company on 13 September 2013
"Profit Event"	the event where the Actual Profit of CSPG for the two financial years from 1 January 2014 to 31 December 2015 is less than 70% of the Profit Guarantee
"Profit Giant"	Profit Giant Holdings Limited, a company incorporated in Hong Kong with limited liability, an indirect wholly-owned subsidiary of the Company and one of the Guarantors and Security Providers
"Profit Guarantee"	the profit guarantee in respect of the Actual Profit of CSPG for the two financial years from 1 January 2014 to 31 December 2015 which shall not be less than HK$330,000,000

"Profit Icon"	Profit Icon Investments Limited, a company incorporated in the BVI with limited liability, a direct wholly-owned subsidiary of the Company and one of the Guarantors and Security Providers
"Purchasers"	Seven Points, Financial Vantage and York
"Refreshment of General Mandate"	the proposed refreshment of the Existing General Mandate and grant of the New General Mandate
"Secured Parties"	Agent, Bond Trustee, Security Trustee and the Bondholders
"Securities Act"	U.S. Securities Act of 1933, as amended
"Security Agreement"	the Hong Kong law governed security agreement dated 8 October 2013 in respect of the assets of each of the Company and the Guarantors
"Security Documents"	each of the HK Share Mortgage, the English Share Mortgage, the Security Agreement and the Charge over IRA
"Security Providers"	persons (other than the Company or a Guarantor) who are grantors of Liens under any Security Document
"Security Trustee"	The Bank of New York Mellon, London Branch
"Seven Points"	Seven Points Enterprises Inc., a company incorporated in the BVI with limited liability, and one of the Purchasers
"SGM"	the special general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve, (i) the Placing Agreement and the transactions contemplated thereunder including the grant of the Placing Specific Mandate; (ii) the Subscription Agreement and the transactions contemplated thereunder including the grant of the CB Specific Mandate; and (iii) the Refreshment of General Mandate
"Shareholder(s)"	holder(s) of the Shares
"Share(s)"	ordinary share(s) of HK$0.10 each in the share capital of the Company

"Sino Delight"	Sino Delight Developments Limited, a company incorporated in the BVI with limited liability, an indirect wholly-owned subsidiary of the Company and one of the Guarantors and Security Providers
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Agreement"	the conditional agreement dated 16 October 2013 entered into among the Company, the Purchasers, the Guarantors and the Arranger in relation to, among other things, the subscription of the Additional Convertible Bonds
"subsidiary"	has the meaning assigned to it by section 2 of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong), save that any reference therein to a company shall be deemed to include a reference to a body corporate incorporated or established outside Hong Kong or under any other ordinances of the Laws of Hong Kong and to any unincorporated body of persons
"substantial shareholder(s)"	has the meaning ascribed thereto in the Listing Rules
"TIHK"	Time Infrastructure Hong Kong Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
"Trading Day"	a day when the Stock Exchange is open for dealing business, provided that if no closing price is reported for one or more consecutive dealing days such day or days will be disregarded in any relevant calculation and shall be deemed not to have been dealing days when ascertaining any period of dealing days
"Trust Deed"	the trust deed dated 8 October 2013 entered into between the Company, the Guarantors, the Bond Trustee and the Security Trustee, as supplemented by the First Supplemental Trust Deed
"United States"	the United States of America
"Upper Light"	Upper Light Limited, a company incorporated in the BVI with limited liability, an indirect wholly-owned subsidiary of the Company and one of the Guarantors and Security Providers
"US$"	United States dollars, the lawful currency of the United States

"Volume Weighted Average Price"	in respect of a Share on any Trading Day, the order book volume-weighted average price of a Share published by or derived from Bloomberg (or any successor service) page 686 HK Equity VWAP or such other source as shall be determined to be appropriate by an independent investment bank on such Trading Day, provided that on any such Trading Day where such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of a Share in respect of such Trading Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding Trading Day on which the same can be so determined
"York"	York Asian Opportunities Investments Master Fund, L.P., York Credit Opportunities Investments Master Fund, L.P. and York Global Finance Fund, L.P., partnerships incorporated in the Cayman Islands and each a Purchaser
"%"	per cent.

* *For identification purpose only*

GOLDPOLY NEW ENERGY HOLDINGS LIMITED
金保利新能源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

Registered Office:
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Principal Place of Business in Hong Kong:
Room 6301
The Center
99 Queen's Road Central
Hong Kong

25 October 2013

Dear Sir or Madam,

(1) PLACING OF NEW SHARES UNDER SPECIFIC MANDATE; (2) PROPOSED FURTHER ISSUE OF USD DENOMINATED 5.0% SECURED GUARANTEED CONVERTIBLE BONDS DUE 2016 UNDER SPECIFIC MANDATE TO BE CONSOLIDATED AND FORM A SINGLE SERIES WITH THE US$50,000,000 5.0% SECURED GUARANTEED CONVERTIBLE BONDS DUE 2016 ISSUED ON 8 OCTOBER 2013; (3) PROPOSED REFRESHMENT OF GENERAL MANDATE; AND (4) NOTICE OF SPECIAL GENERAL MEETING

INTRODUCTION

Reference is made to the Placing Announcement in which the Company announced that on 9 October 2013, the Company entered into the Placing Agreement with the Placing Agent, pursuant to which, the Placing Agent has conditionally agreed, on a best effort basis and as agent for the Company, to procure placees to subscribe for the Placing Shares at the Placing Price.

* *For identification purpose only*

Reference is also made to the CB Announcements in which the Company announced that on 16 October 2013, the Company, the Purchasers, the Guarantors and the Arranger entered into the Subscription Agreement, pursuant to which the Company has conditionally agreed to further issue, and the Purchasers have conditionally agreed severally and not jointly to further subscribe and pay for, the Additional Convertible Bonds in an aggregate principal amount of US$70,000,000 (equivalent to approximately HK$542,500,000) together with the Accrued Interest, on the terms and subject to the conditions set out therein.

The purpose of this circular is to provide you with, among other things, (i) further details of the Placing Agreement and the transactions contemplated thereunder including the grant of the Placing Specific Mandate; (ii) further details of the Subscription Agreement and the transactions contemplated thereunder including the grant of the CB Specific Mandate; (iii) information relating to the Refreshment of General Mandate; (iv) the recommendation of the Independent Board Committee to the Independent Shareholders in respect of the Refreshment of General Mandate; (v) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Refreshment of General Mandate; and (vi) the notice of SGM to be convened and held for the purpose of considering and, if thought fit, approving (a) the Placing Agreement and the transactions contemplated thereunder including the grant of the Placing Specific Mandate, (b) the Subscription Agreement and the transactions contemplated thereunder including the grant of the CB Specific Mandate and (c) the Refreshment of General Mandate.

THE PLACING AGREEMENT

Date

9 October 2013

Parties

Issuer: the Company

Placing Agent: CITIC Securities Corporate Finance (HK) Limited

The Placing Agent

The Placing Agent has conditionally agreed, on a best effort basis and as agent for the Company, to procure placees to subscribe for the Placing Shares at the Placing Price. The Placing Agent will receive a placing commission of 1.00% on the gross proceeds of the actual number of Placing Shares being placed by it. Such placing commission was arrived at after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market rate.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, the Placing Agent and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

Placing Shares

55,000,000 Shares, representing approximately 2.47% of the existing issued share capital of the Company as at the Latest Practicable Date and approximately 2.41% of the issued share capital of the Company as enlarged by the Placing Shares.

The Placees

Pursuant to the Placing Agreement, the Placing Shares will be placed to placees who are independent professional or institutional investors to be procured by the Placing Agent on a best effort basis.

On 9 October 2013, the Placing Agent informed the Company that, subject to the completion of the Placing, 50,000,000 new Shares will be placed to Value Partners Hong Kong Limited, and 5,000,000 new Shares will be placed to Yinhua Fund Management Co., Ltd.

Value Partners Hong Kong Limited (together with other subsidiaries under Value Partners Group Limited ("**Value Partners**")), was established in 1999. It acts as investment manager or investment advisor to certain investment funds. It is a wholly-owned subsidiary of Value Partners Group Limited, a company listed on the Stock Exchange (stock code: 806). Value Partners is one of Asia's largest independent asset management firms headquartered in Hong Kong. Value Partners manages absolute return long-biased funds, long-short hedge funds, exchange-traded funds, quantitative funds, as well as fixed income and credit funds for institutional and individual clients in Asia Pacific, Europe and the United States.

Yinhua Fund Management Co., Ltd. ("**Yinhua**") was established in 2001. It acts as investment manager providing professional asset management service to investors. Yinhua was approved the license of Qualified Domestic Institutional Investor, Social Security Fund management and other asset management business. As at the Latest Practicable Date, there were 31 different types of funds under the management of Yinhua.

The Placees and their ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons. Upon completion of the Placing, it is expected that none of the Placees will become a substantial Shareholder.

Placing Price

The Placing Price is HK$1.70 per Placing Share, representing:

(i) a discount of approximately 15.84% to the closing price of HK$2.02 per Share quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 14.57% to the average closing price of HK$1.99 per Share as quoted on the Stock Exchange for the five trading days up to and including the Latest Practicable Date; and

(iii) a discount of approximately 12.87% to the average closing price of HK$1.951 per Share as quoted on the Stock Exchange for the ten trading days up to and including the Latest Practicable Date.

The Placing Price was arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the recent market price of the Shares. The Directors (including the independent non-executive Directors) consider the terms of the Placing Agreement (including the Placing Price) are fair and reasonable under the current market conditions, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

Taking into account the estimated expenses of the Placing in the amount of approximately HK$1,836,000, the net price of each Placing Share (calculated on the basis of 55,000,000 Placing Shares) to be received by the Company is approximately HK$1.67.

Ranking of Placing Shares

The Placing Shares will rank, upon issue, *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Placing Shares.

Rights of Placing Shares

The Placing Shares will be issued free of any third party rights. The Placees will receive all dividends and distributions declared, made or paid after the date of allotment and issue of the Placing Shares.

Conditions of the Placing

The Placing is conditional upon:

(i) the passing of an ordinary resolution by the Shareholders to approve the Placing Agreement and the transactions contemplated thereunder, including the allotment and issue of the Placing Shares at the SGM;

(ii) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Placing Shares on the Stock Exchange; and

(iii) the Company's representations and warranties made pursuant to the Placing Agreement being true and accurate and not misleading as of the date of the Placing Agreement and the Placing Closing Date.

Completion of Placing

Completion of the Placing is conditional upon fulfillment of the conditions set out in the paragraph headed "Conditions of the Placing" above and shall take place at 5:00 p.m. (Hong Kong time) on the Placing Closing Date following fulfillment of such conditions (or such other date as the Company and the Placing Agent may agree in writing).

Completion of the Placing is subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

Termination events

Under the Placing Agreement, the Placing Agent may, by notice in writing at any time between the date of the Placing Agreement and at 5:00 p.m. on the Placing Closing Date, terminate the Placing Agreement if the following force majeure events occur:

(a) the introduction of any new law or regulation or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company; or

(b) the occurrence of any local, national or international event or change occurring after the date of the Placing Agreement of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company or adversely prejudices the success of the Placing (such success being the completion of the placing of the Placing Shares to potential investor(s)) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing; or

(c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs after the date of the Placing Agreement which materially and adversely affects the success of the Placing (such success being the completion of the placing of the Placing Shares to potential investor(s)) or otherwise in the reasonable opinion of the Placing Agent make it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing; or

(d) the Company commits any material breach of or omits to observe any of its obligations or undertakings under the Placing Agreement; or

(e) any of the representations or warranties of the Company contained in the Placing Agreement was, when given or deemed to be repeated under the Placing Agreement, untrue or inaccurate in any respect or would in any respect be untrue or inaccurate, or if repeated the Placing Agent shall determine in its reasonable opinion that any such untrue representation or warranty represents or is likely to

represent a material adverse change in the financial or trading position or prospects of the Company or will otherwise likely to have a material prejudicial effect on the Placing.

If the Placing Agent exercises such right to terminate the Placing Agreement, the Placing will not proceed.

The Directors are not aware of the occurrence of any of such events as at the Latest Practicable Date.

Mandate to issue new Shares

The Placing Shares will be allotted and issued under the Placing Specific Mandate granted to the Directors by an ordinary resolution of the Shareholders to be passed at the SGM.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

Use of Proceeds and Reasons for the Placing

The Group is principally engaged in the provision of solar energy products and solutions and development, operation and management of solar power plants.

The gross proceeds from the Placing will be approximately HK$93,500,000. The net proceeds from the Placing will be approximately HK$91,664,000 and is intended to be used to finance any possible acquisitions of solar power plants disclosed in the announcements of the Company dated 2 August 2013, 22 August 2013, 29 August 2013 and 6 September 2013 and in the circular of the Company dated 10 May 2013. As at the Latest Practicable Date, the announced proposed acquisitions have yet to materialize. If any of the announced proposed acquisitions materializes, the Company will make further announcement as and when required under the Listing Rules. The net price to be raised per Share from the Placing will be approximately HK$1.67 per Share.

The Directors consider that the Placing represents a good opportunity for the Company to raise necessary fund for future use without having to resort to borrowing from financial institutions which will result in financial costs to the Group. The issue of new Shares will broaden the capital base of the Company and enable the Company to broaden its Shareholder base as the Placees are independent third parties not connected with the Company and its connected persons and none of the Placees will become a substantial Shareholder. Accordingly, the Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement (including the Placing Price) are in the interest of the Company and the Shareholders as a whole.

THE SUBSCRIPTION AGREEMENT

Date

16 October 2013

Parties

(i) the Company as issuer;

(ii) the Purchasers as subscribers;

(iii) the Guarantors as guarantors; and

(iv) the Arranger as arranger and settlement agent.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiry, as at the Latest Practicable Date, the Purchasers, the Arranger and their respective ultimate beneficial owners are independent of the Company and its connected persons.

Subscription of the Additional Convertible Bonds

Subject to the fulfillment (or waiver) of the conditions precedent set out in the Subscription Agreement, the Purchasers have agreed severally and not jointly to further subscribe and pay for, the Additional Convertible Bonds in an aggregate principal amount of US$70,000,000 (equivalent to approximately HK$542,500,000) together with the Accrued Interest, on the terms and subject to the conditions set out therein. The Additional Convertible Bonds, when issued, will be consolidated and form a single series with the Original Convertible Bonds issued on 8 October 2013, as disclosed in the CB Announcements.

Conditions Precedent

The obligations of the Purchasers to subscribe and pay for the Additional Convertible Bonds are subject to the following conditions precedent:

(a) ***Additional Bond Documents***: the execution and delivery of each Additional Bond Document (other than the Subscription Agreement) by the respective parties.

(b) ***Compliance and Material Adverse Change***: on the CB Closing Date:

(i) the representations and warranties of the Company and the Guarantors in the Subscription Agreement being true, accurate and correct at, and as if made on such date;

(ii) the Company and the Guarantors having performed all of the obligations under the Subscription Agreement to be performed on or before such date;

(iii) there having been, as at such date, no change (nor any development or event involving a prospective change of which the Company or any of the Guarantors is, or might reasonably be expected to be, aware) which is materially adverse to the condition (financial or other), business, prospects, properties, shareholders' equity, results of operations or general affairs of the Company or of the Company and its consolidated subsidiaries since 31 December 2012; and

(iv) there having been delivered to the Purchasers a certificate dated as of such date, signed by a duly authorised officer of the Company and each of the Guarantors to the effect stated in (i), (ii) and (iii) above.

(c) ***Legal Opinion***: on or before the CB Closing Date, there having been delivered to the Arranger and the Purchasers opinions, in form and substance satisfactory to the Arranger and the Purchasers.

(d) ***Listing***: the Stock Exchange having granted an approval for the listing of and permission to deal in the Conversion Shares to be issued upon conversion of the Additional Convertible Bonds.

(e) ***Rating***: no rating agency having downgraded, nor given notice or made any public announcement of any intended or potential downgrading or of any review or surveillance with negative implications of, the rating accorded to any debt securities of the Company or any of the Guarantors.

(f) ***Due Diligence***: the Arranger and the Purchasers having been reasonably satisfied with the results of its due diligence investigations on the Group.

(g) ***Arrangement fee letter***: the execution and delivery of an arrangement fee letter to the Arranger.

(h) ***Corporate Documents***: on or before the CB Closing Date, there having been delivered to the Purchasers up to date copies of constitutional documents, certificate of good standing, certificate of incumbency and all resolutions required in relation to the issue of the Additional Convertible Bonds and the entering into and performance of the Company's and the Guarantors' obligations under the Additional Bond Documents.

(i) ***Consent of the holders of the Original Convertible Bonds***: on or before the CB Closing Date, there having been delivered to the Purchasers satisfactory evidence that all of the holders of the Original Convertible Bonds have provided their prior written consent to the issuance of the Additional Convertible Bonds in accordance with the terms and conditions of the Original Convertible Bonds.

(j) ***Approval from Shareholders***: on or before the CB Closing Date, the Shareholders having given their approval, at the SGM, for the issue of the Additional Convertible Bonds and the allotment and issue of the Conversion Shares.

(k) ***Others***: (i) on or before the CB Closing Date, there having been delivered to the Purchasers any other documents (including, but not limited to, any resolutions, consents and authorities) relating to the issue of the Additional Convertible Bonds which the Purchasers may reasonably require; (ii) on or prior to one Business Day before the CB Closing Date, there having been provided to the Arranger and the Purchasers evidence that all fees, costs and expenses due and payable by the Company under the Subscription Agreement have been or will be paid by the CB Closing Date; and (iii) on or before the CB Closing Date, there having been delivered to the Purchasers letters from process agent for the service of process in any proceedings before the English courts in connection with any Additional Bond Document on behalf of the Company and each Guarantor.

The Purchasers may, at their discretion and upon such terms as they think fit, waive compliance with the whole or any part of the conditions precedent.

As at the Latest Practicable Date, all the above conditions precedent to the completion of the Subscription Agreement have yet to be satisfied and/or (as the case may be) waived.

Closing

Completion of the subscription and issue of the Additional Convertible Bonds will take place on the CB Closing Date.

Conversion Shares

Based on the initial Conversion Price of HK$1.60 and assuming full conversion of the Additional Convertible Bonds at the initial Conversion Price, the Additional Convertible Bonds will be convertible into 339,062,500 Conversion Shares (by dividing the principal amount of the Additional Convertible Bonds to be converted and translated into Hong Kong dollars at the fixed rate of US$1.00 = HK$7.75) with the initial Conversion Price, representing:

(i) approximately 15.26% of the existing issued ordinary share capital of the Company as at the Latest Practicable Date; and

(ii) approximately 13.24% of the ordinary share capital of the Company, as enlarged.

Undertaking in relation to shareholding of substantial Shareholder

The Company undertakes to (a) procure that China Merchants New Energy Group Limited and parties acting in concert with it (being a group of Shareholders holding more than 27% of the voting rights in the Company) will not for a period of 180 days after 8 October 2013, without the prior written consent of the Purchasers (such consent not to be unreasonably withheld or delayed), offer, sell, contract to sell, grant or otherwise dispose of any Shares; and (b) procure that China Merchants New Energy Group Limited and parties

acting in concert with it, whether on their own or together with their associates will remain the single latest Shareholder for so long as any Additional Convertible Bond remains outstanding.

Right of First Refusal with respect to further issue of Additional Convertible Bonds

Subject to the Conditions, for a period of two months from 8 October 2013, the Company will not issue any further securities having the same terms and conditions as the Additional Convertible Bonds (the "**Offered Further Issues**"), without first offering (the "**Further Issues Offer**") the Arranger and the Purchasers to subscribe, purchase, or arrange or provide any financing in respect of, the Offered Further Issues. The Further Issues Offer shall be made by the Company by notice in writing to the Arranger and the Purchasers (a "**Further Issues Offer Notice**"). The Further Issues Offer Notice shall specify the principal amount of the further securities offered, the price to be paid and other material terms of the Further Issues Offer, including, fees (if any), and shall invite each of the Arranger and the Purchasers to state in writing to the Company within 15 Business Days of receipt (the "**Further Issues Offer Period**") whether it is willing to subscribe, purchase or arrange or provide any financing in respect of, any, and if so the maximum principal amount, of the Offered Further Issues. Such right of first refusal is attached to the Convertible Bonds only.

The subscription, purchase, or arranging or provision of any financing in respect of, the Offered Further Issues shall be subject to documentation satisfactory to the Arranger or the relevant Purchaser(s) and satisfactory completion of the due diligence investigation by, and the internal approval processes of, the Arranger or the relevant Purchaser(s).

In the event that (i) none of the Arranger or the Purchasers responds to the Further Issues Offer within the Further Issues Offer Period or (ii) all of the Arranger and the Purchasers have notified the Company during the Further Issues Offer Period that they do not wish to accept the Further Issues Offer, the Further Issues Offer shall expire.

Following the expiry of the Further Issues Offer, the Company may make an offer to persons other than the Arranger and the Purchasers (the "**Further Issues Third Parties**") to subscribe, purchase, or arrange or provide any financing in respect of, the Offered Further Issues, provided that (i) such Offered Further Issues offered are of the same or lower principal amount of the further securities, and at the price and upon terms no more favourable to the Further Issues Third Parties, than specified in the Further Issues Offer Notice to the Arranger and the Purchasers (the "**Further Issues Third Party Offer**"); and (ii) the information provided by the Company (or persons acting on behalf, or at the direction, of the Company) to Further Issues Third Parties in connection with the Further Issues Third Party Offer is not greater than the information provided to the Arranger and the Purchasers. All Further Issues Third Party Offers shall expire on a date falling not more than 30 Business Days after the date on which the first of such Further Issues Third Party Offer is made to a Further Issues Third Party.

This shall not be seen as a commitment by any of the Arranger or the Purchasers to subscribe, purchase, or arrange or provide such financing, nor a representation that any financing can be arranged, nor shall this be seen as a commitment by the Company to issue any Offered Further Issues.

The right of first refusal with respect to further issue of Additional Convertible Bonds under the Subscription Agreement shall supersede the right of first refusal with respect to the Original Convertible Bonds under the Original Subscription Agreement and as set out in the CB Announcements.

In the event the Purchasers become substantial Shareholders upon conversion of the Convertible Bonds, any further subscription of the Offered Further Issues by the Purchasers will constitute a connected transaction for the Company. The Company will comply with the applicable reporting, disclosure requirements and/or independent shareholders' approval requirements of Chapter 14A of the Listing Rules as and when required.

Right of First Refusal with respect to Offered Securities

Subject to the Conditions and before the expiry of 18 months from 8 October 2013, the Company will not issue any Offered Securities save for the Existing Securities and any issue, offer, loan, sale, contract to sell, pledge, grant, disposal or encumbrance of Shares or any securities convertible, exchangeable into or subscription of Shares, the proceeds raised, or the consideration to be received from which (A) do not exceed RMB2,100,000,000 in the aggregate and (B) will be used to finance the acquisitions of solar power plants, without first offering (the "**Securities Offer**") the Purchasers to subscribe, purchase or provide any financing in respect of, the Offered Securities, if the conversion price, exchange price, subscription price or purchase price, as applicable, in respect of each Share (the "**Specified Price**"), is less than Conversion Price. The Securities Offer shall be made by the Company by notice in writing to the Purchasers (a "**Securities Offer Notice**"). The Securities Offer Notice shall specify the number or, as the case may be, the principal amount of the securities offered, the price at which they are offered (the "**Specified Securities Price**") and other material terms of the Securities Offer, including, fees (if any), and shall invite each of the Purchasers to state in writing to the Company within 15 Business Days of receipt (the "**Securities Offer Period**") whether it is willing to subscribe, purchase or provide any financing in respect of, any, and if so the maximum principal amount, of the Offered Securities. Such right of first refusal is attached to the Convertible Bonds only.

The subscription, purchase or provision of any financing in respect of, the Offered Securities shall be subject to documentation satisfactory to the relevant Purchaser(s) and satisfactory completion of the due diligence investigation by, and the internal approval processes of the relevant Purchaser(s).

In the event that (i) none of the Purchasers responds to the Securities Offer within the Securities Offer Period or (ii) all of the Purchasers have notified the Company during the Securities Offer Period that they do not wish to accept the Securities Offer, the Securities Offer shall expire.

Following the expiry of the Securities Offer, the Company may make an offer to persons other than the Purchasers (the "**Securities Third Parties**") to subscribe, purchase, or provide any financing in respect of, the Offered Securities, provided that (i) such Offered Securities offered are of the same or lower principal amount of the further securities, and at the price and upon terms no more favourable to the Securities Third Party, than specified in the Securities Offer Notice to the Purchaser and are at the same price as the Specified

Securities Price (the "**Securities Third Party Offer**"); and (ii) the information provided by the Company (or persons acting on behalf, or at the direction, of the Company) to Securities Third Parties in connection with the Securities Third Party Offer is not greater than the information provided to the Purchasers. All Securities Third Party Offers shall expire on a date falling not more than 30 Business Days after the date on which the first of such Securities Third Party Offer is made to a Securities Third Party.

This shall not be seen as a commitment by any of the Purchasers to subscribe, purchase or provide such financing, nor a representation that any financing can be arranged, nor shall this be seen as a commitment by the Company to issue any Offered Securities.

The right of first refusal with respect to securities under the Subscription Agreement shall supersede the right of first refusal with respect to securities under the Original Subscription Agreement and as set out in the CB Announcements.

In the event the Purchasers become substantial Shareholders upon conversion of the Convertible Bonds, any further subscription of the Securities Offer by the Purchasers will constitute a connected transaction for the Company. The Company will comply with the applicable reporting, disclosure requirements and/or independent shareholders' approval requirements of Chapter 14A of the Listing Rules as and when required.

Termination

The Purchasers may, by giving notice to the Company at any time prior to payment of the net subscription moneys for the Additional Convertible Bonds to the Company on the CB Closing Date, terminate the Subscription Agreement in any of the following circumstances:

(a) if there shall have come to the notice of any Purchaser any breach by the Company or any of the Guarantors of, or any event rendering untrue or incorrect, any of the warranties and representations (assuming and deeming them to have been repeated at the time of the occurrence) contained in the Subscription Agreement or any failure to perform any of the undertakings or agreements of the Company or the Guarantors in the Subscription Agreement;

(b) if any of the conditions precedent specified in the Subscription Agreement has not been satisfied or waived by the Purchasers by the CB Closing Date;

(c) (i) if, in the opinion of the Purchasers, since the date of the Subscription Agreement, there shall have been such a change (whether or not foreseeable at the date of the Subscription Agreement) in national or international financial, political or economic conditions or currency exchange rates or exchange controls as would in their view be likely to prejudice materially the success of the offering and distribution of the Additional Convertible Bonds or dealings in the Additional Convertible Bonds in the secondary market or (ii) if there occurs any disruption to trading in any securities of the Company (for reasons other than the announcement of the Additional Convertible Bonds) or trading generally on the

New York Stock Exchange, NASDAQ, the London Stock Exchange plc's market for listed securities, the Main Board or Growth Enterprise Market of the Stock Exchange;

(d) there shall have occurred a general moratorium on, or disruption in, commercial banking activities in the United States, the United Kingdom, the European Union, Hong Kong or Singapore or by U.S. federal or New York State authorities, or the relevant authorities of the United Kingdom, the European Union, Hong Kong or Singapore; or

(e) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States, the United Kingdom, the European Union, Hong Kong or Singapore of a national emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the sole judgment of the Purchasers impractical or inadvisable to proceed with the offering or delivery of the Additional Convertible Bonds.

PRINCIPAL TERMS OF THE ADDITIONAL CONVERTIBLE BONDS

The Additional Convertible Bonds will be consolidated and form a single series with the Original Convertible Bonds issued by the Company on 8 October 2013 as disclosed in the CB Announcements. A summary of the principal terms of the Additional Convertible Bonds is set out as follows:

Principal amount:	US$70,000,000 (equivalent to approximately HK$542,500,000).
Issue price:	100% of the principal amount of the Additional Convertible Bonds, plus the Accrued Interest.
Denomination:	US$1,000,000 each or integral multiples of US$1,000 in excess thereof.
Interest rate:	The Convertible Bonds bear interest on their outstanding principal amount from and including 8 October 2013 at the rate of 5.00 per cent. per annum payable semi annually in arrear on 8 April and 8 October in each year. Each Convertible Bond will cease to bear interest (a) where the conversion right attached to it shall have been exercised by a Bondholder, from and including interest payment date immediately preceding the relevant conversion date, or if none, the issue date of the Original Convertible Bonds, or (b) where such Convertible Bond is redeemed or repaid, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of principal is improperly withheld or refused.

Maturity date:	8 October 2016 (the "**Maturity Date**").
Guarantees:	Each Guarantor has unconditionally and irrevocably guaranteed, on joint and several basis, the due payment of all sums expressed to be payable by the Company, the Guarantors and the Security Providers, and the performance of all the obligations of the Company, under, among others, the Trust Deed constituting the Convertible Bonds and the Convertible Bonds.
Negative pledge:	So long as any of the Convertible Bonds remains outstanding, neither the Company, Profit Icon nor CSPG may without the prior written consent of the Bond Trustee (acting on the instructions of the Bondholders), create or allow to exist any Lien on any of its shares of China Merchants Zhangzhou Development Zone Trendar Solar Tech Limited held directly or indirectly by any one of them, unless such Lien is arisen by operation of law and in the ordinary course of business.
Security:	The Convertible Bonds will have the benefit of the security constituted by the Security Documents (the "**Security**") as security for all amounts payable on the Convertible Bonds and all other amounts payable by, and all other obligations of, the Company, the Guarantors and Security Providers to the Secured Parties under the Trust Deed, the Agency Agreement and the other Bond Documents. The Security Trustee or its nominee will hold the Security for the benefit of the Secured Parties pursuant to the provisions of the Trust Deed and the other Bond Documents.
Conversion period:	The conversion right in respect of a Convertible Bond may be exercised, at the option of the Bondholder thereof, at any time on or after 8 October 2013 up to the close of business on the date falling ten days prior to the Maturity Date (both days inclusive) or, if such Convertible Bond shall have been called for redemption by the Company before the Maturity Date, then up to and including the close of business on a date no later than seven days prior to the date fixed for redemption thereof or, if notice requiring redemption has been given by the Bondholder of such Convertible Bond pursuant to the Conditions or the terms and conditions of the Original Convertible Bonds (as the case may be), then up to the close of business on the day prior to the giving of such notice.

Conversion Price:

HK$1.60, being the initial conversion price per Conversion Share (subject to adjustments).

The Conversion Price was arrived at after arm's length negotiations between the Company and the Purchasers with reference to the prevailing market price of the Shares and represents:

(i) a discount of approximately 20.79% to the closing price of HK$2.02 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 19.60% to the average of the closing prices of HK$1.99 per Share for the last five trading days up to and including the Latest Practicable Date; and

(iii) a discount of approximately 17.99% to the average of the closing prices of HK$1.951 per Share for the last ten trading days up to and including the Latest Practicable Date.

Adjustments to the Conversion Price:

The Conversion Price will be subject to adjustments for:

(i) consolidation, subdivision or reclassification of Shares;

(ii) capitalisation of profits or reserves;

(iii) capital distributions;

(iv) rights issues of Shares or options over Shares;

(v) rights issues of other securities;

(vi) issues of Shares at a price per Share which is less than 90% of the then market price of the Share;

(vii) issues of other securities at a total consideration per Share which is less than 90% of the then market price of the Share;

(viii) modification of rights of conversion, exchange or subscription attaching to any securities of the Company;

(ix) an offer of any securities being made by the Company or any of its subsidiaries or any other company, person or entity (at the direction or request of or pursuant to any arrangements with the Company or any of its subsidiaries) to the Shareholders;

(x) the event that the Actual Profit of CSPG for the two financial years from 1 January 2014 to 31 December 2015 is less than HK$330,000,000 but is equal to or greater than 70% of the Profit Guarantee;

(xi) the other events or circumstances not referred to in the above where the Company determines that an adjustment should be made (Under this circumstance, the Company shall consult an independent investment bank to determine (a) what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof, (b) whether the adjustment would result in a reduction in the Conversion Price, and (c) the date on which such adjustment should take effect and upon such determination by the independent investment bank such adjustment (if any) shall be made and shall take effect in accordance with such determination); and

(xii) change of control of the Company.

As at the Latest Practicable Date, the Company did not foresee any circumstances that may trigger adjustment pursuant to (xi) above.

Number of Conversion Shares issuable: 339,062,500 Conversion Shares will be issued upon full conversion of the Additional Convertible Bonds based on the initial Conversion Price of HK$1.60.

Ranking of Conversion Shares: The Conversion Shares to be issued upon conversion of the Additional Convertible Bonds will in all respects rank *pari passu* with the fully paid Shares then in issue on the relevant conversion date.

Mandatory Conversion:	On or at any time after 18 months from the date of issue of the Original Convertible Bonds but not less than 14 Business Days prior to the Maturity Date, the Company may, having given not less than 50 nor more than 65 days' notice to the Bondholders (the "**Mandatory Conversion Notice Period**") require all of the Bondholders to surrender their Convertible Bonds for conversion into Shares at the Conversion Price then in effect if the Volume Weighted Average Price of the Shares for the 60 Trading Day period immediately preceding the date upon which mandatory conversion notice is given is not less than HK$2.60 per Share (subject to the same adjustments as mentioned above).
Final redemption:	Unless previously redeemed, converted or purchased and cancelled in the circumstances referred to in the Conditions, the Company will redeem each Convertible Bond at 135 per cent. of its principal amount together with accrued and unpaid interest thereon on Maturity Date.
Redemption for Taxation Reasons:	The Convertible Bonds may be redeemed, at the option of the Company in whole, but not in part, at any time, on giving not less than 15 nor more than 30 days' notice (a "**Tax Redemption Notice**") to the Bondholders in accordance with the Conditions (which notice shall be irrevocable), on the date specified in the Tax Redemption Notice for redemption (the "**Tax Redemption Date**") at 135 per cent. of their principal amount as at such date together with accrued but unpaid interest to such date, if (a) the Company satisfies the Bond Trustee immediately prior to the giving of such notice that either (i) the Company has or will become obliged to pay additional tax amounts or (ii) any Guarantor would be unable for reasons outside its control to procure payment by the Company and in making payment itself would be required to pay such additional tax amounts, in each case, as provided or referred to in the Conditions as a result of any change in, or amendment to, the laws or regulations of the relevant jurisdictions or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 27 September 2013; and (b) such obligation cannot be avoided by the Company or, as the case may be, the relevant Guarantor taking reasonable measures available to it, provided that no Tax Redemption Notice shall be given earlier than 30 days prior to the earliest date on which the Company would be obliged to pay such additional tax amounts were a payment in respect of the Convertible Bonds then due.

Redemption for Delisting or Change of Control:

Following the occurrence of any of the following events:

(i) when the Shares cease to be listed or admitted to trading or suspended for, or halted from, trading for a period equal to or exceeding 30 consecutive Trading Days on the Stock Exchange or any other exchange (as relevant); or

(ii) when there is a change of control in the Company,

each Bondholder will have the right, at such Bondholder's option, to require the Company to redeem all, but not some only, of such Bondholder's Convertible Bonds at 135 per cent. of their principal amount together with accrued but unpaid interest to such date.

Redemption for a Profit Event:

Following the occurrence of an event where the Actual Profit of CSPG for the two financial years from 1 January 2014 to 31 December 2015 is less 70% of the Profit Guarantee, each Bondholder will have the right at such Bondholder's option, to require the Company to redeem all, but not some only, of such Bondholder's Convertible Bonds at 135 per cent. of their principal amount together with accrued but unpaid interest to such date.

Undertakings:

The Company has undertaken that:

(i) it will use it best endeavours (a) to maintain a listing for all issued Shares on the Stock Exchange or any other stock exchange (as relevant), and (b) to obtain and maintain a listing for all the Shares issued on the exercise of the conversion rights or on the expiry of the Mandatory Conversion Notice Period on the Stock Exchange or any other stock exchange (as relevant);

(ii) it will pay the expenses of the issue and delivery of, and all expenses of obtaining and maintaining the listing for, Shares arising on conversion of the Convertible Bonds (except for any expenses, charges or taxes expressed to be payable by the Bondholders in the Conditions);

(iii) it will not make any reduction of its ordinary share capital or any uncalled liability in respect thereof or of any share premium account or capital redemption reserve fund except, in each case, where the reduction is permitted by applicable law and results in an adjustment to the Conversion Price or is otherwise taken into account for the purposes of determining whether such an adjustment should be made; and

(iv) before the expiry of the 18 months from the date of issue of the Original Convertible Bonds, it will not, without the prior written consent of Bondholders of not less than 85 per cent. in principal amount of the Convertible Bonds then outstanding, issue Shares, for cash or otherwise (other than the issuance of Shares in connection with any securities issued or any warrants and/or options granted prior to the date of issue of the Original Convertible Bonds), or any securities convertible, exchangeable into or subscription of the Shares (other than the issuance of securities which has been publicly announced by the Company in September 2013 and the issuance of Shares upon the exercise of the rights attached to such securities which will take place subsequent to the date of the issue of the Original Convertible Bonds) or grant any rights, options or warrants to subscribe for, or purchase, any Shares or securities of the Company, save for any such issue or grant of such rights, options or warrants, the proceeds raised, or the consideration to received, from which (a) do not exceed RMB2,100,000,000 in the aggregate and (b) will be used to finance the acquisitions of solar power plants.

Listing of the Additional Convertible Bonds: No application will be made for the listing of the Additional Convertible Bonds on the Stock Exchange or any other exchange.

Listing of Shares: Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares to be issued upon conversion of the Additional Convertible Bonds.

Form of the Additional Convertible Bonds:	The Additional Convertible Bonds will be issued in registered form. Upon issue, the Additional Convertible Bonds will be represented by the global certificate deposited with a common depositary for, and representing Additional Convertible Bonds registered in the name of a nominee of, Euroclear and Clearstream, Luxembourg.
Voting Rights:	Before conversion of the Convertible Bonds, the Bondholders will not have any right to attend or vote in any general meeting of the Company by virtue of their being Bondholders.
Transferability:	Subject to registration and compliance with the relevant procedures effecting the transfer, the Convertible Bonds will be freely transferable.
Status:	The Convertible Bonds will constitute direct, unconditional, unsubordinated and secured obligations of the Company and will at all times rank *pari passu* and without any preference or priority among themselves. The Guarantee of each Guarantor constitutes direct, unsubordinated, unconditional and secured obligations of such Guarantor and ranks at all times prior to all unsecured and unsubordinated obligations of such Guarantor (subject to any priority rights of such unsubordinated obligations pursuant to applicable law).

The Conditions are substantially the same as the terms and conditions of the Original Convertible Bonds save for the issue date of the Additional Convertible Bonds will be the CB Closing Date and the issue price of the Additional Convertible Bonds is 100% of the principal amount of the Additional Convertible Bonds plus the Accrued Interest. Upon issuance, the Additional Convertible Bonds will rank *pari passu* with the Original Convertible Bonds in all respects.

The Additional Convertible Bonds and the Conversion Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States or other jurisdiction and the Additional Convertible Bonds and the Shares may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws. The Additional Convertible Bonds are being offered and sold outside the United States in reliance on Regulation S under the Securities Act.

Reasons for the Issue of Additional Convertible Bonds and Use of Proceeds

The Group is principally engaged in the provision of solar energy products and solutions and development, operation and management of solar power plants.

The Directors consider raising funds by issuing Additional Convertible Bonds is justifiable considering the recent market conditions which represent an opportunity for the Company to enhance its working capital and strengthen its capital base and financial position for the existing and the possible future investments of the Group. The Directors consider that the issue of the Additional Convertible Bonds is an appropriate means of raising additional capital for the Company since it will not have an immediate dilution effect on the shareholding of the existing Shareholders.

The Directors (including the independent non-executive Directors) consider that the terms, including the Conversion Price, of the Subscription Agreement and the transactions contemplated thereunder, which were arrived at after arm's length negotiations between the Company and the Purchasers, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The net proceeds of approximately HK$519,250,000 from the issue of the Additional Convertible Bonds are intended to be used in the following manner: (i) approximately HK$411,912,000 (equivalent to approximately 79.33% of the total estimated net proceeds) in connection with the solar power business of CSPG or any of its subsidiaries, (ii) approximately HK$81,375,000 (equivalent to approximately 15.67% of the total estimated net proceeds) to fund the Interest Reserve Account in accordance with the Conditions and (iii) approximately HK$25,963,000 (equivalent to approximately 5.00% of the total estimated net proceeds) for general operating and administrative costs and expenses of the Group. The net price for each Conversion Share is approximately HK$1.531. In relation to (i) above, the Company intends to use the proceeds to finance any possible acquisitions of solar power plants disclosed in the announcements of the Company dated 2 August 2013, 22 August 2013, 29 August 2013 and 6 September 2013 and in the circular of the Company dated 10 May 2013. As at the Latest Practicable Date, the announced proposed acquisitions have yet to materialize. If any of the announced proposed acquisitions materializes, the Company will make further announcement as and when required under the Listing Rules.

Information on Purchasers

Seven Points is a company incorporated in the BVI with limited liability. It is an indirect wholly-owned subsidiary of China Orient Asset Management Corporation ("**COAMC**"). COAMC is a wholly state-owned financial enterprise with independent corporate capacity upon approval of the State Council of the PRC and the People's Bank of China. Seven Points is principally engaged in investment holdings.

Financial Vantage is a company incorporated in the BVI with limited liability. It is an indirect wholly-owned subsidiary of Fosun International Limited, the shares of which are listed on the Main Board of the Stock Exchange under the stock code "00656". Financial Vantage is principally engaged in investment holdings.

Each of York Asian Opportunities Investments Master Fund, L.P., York Credit Opportunities Investments Master Fund, L.P. and York Global Finance Fund, L.P. is a Cayman Islands limited partnerships managed by certain affiliates of York Capital Management, a global investment management firm with primary offices in New York, London and Hong Kong.

The Original Convertible Bonds were subscribed as to US$15,000,000 (representing approximately HK$116,250,000) by Seven Points, as to US$15,000,000 (representing approximately HK$116,250,000) by Financial Vantage and as to US$20,000,000 (representing approximately HK$155,000,000) by York. The Additional Convertible Bonds will be subscribed as to US$20,000,000 (representing approximately HK$155,000,000) by Seven Points, as to US$20,000,000 (representing approximately HK$155,000,000) by Financial Vantage and as to US$30,000,000 (representing approximately HK$232,500,00 by York.

The Directors confirm that to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchasers and their ultimate beneficial owner(s) (if applicable) are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Fund Raising Exercises Undertaken by the Company within the Past 12-Month Period

Save as disclosed in this circular and apart from the equity fund-raising activities mentioned below, the Company has not raised any fund by issuing equity securities during the 12 months immediately before the Latest Practicable Date:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
18 January 2013	(1) Issue of 959,462,250 new Shares (2) Issue of convertible bonds in the total principal amount of HK$1,160,447,750	(1) HK$959,462,250 (2) HK$1,160,447,750	Acquisition of approximately 92.17% of the entire issued share capital of China Solar Power Group Limited (formerly known as China Merchants New Energy Holdings Limited)	Used as intended
13 September 2013	Proposed issue of convertible bonds in the total principal amount of HK$232,959,339	HK$232,559,339	Possible future investments, in particular the development, investment, acquisition, operation and management of solar power plants, as and when opportunities arise, and the general working capital of the Group	Proposed issue of convertible bonds not yet completed

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
29 September 2013	Issue of USD denominated 5.0% secured guaranteed convertible bonds in the total principal amount of USD50,000,000	HK$358,050,000	In connection with the solar power business of China Solar Power Group Limited and any of its subsidiaries, to fund the interest reserve account opened and maintained with The Bank of New York Mellon, acting though its Hong Kong Branch and for general operating and administrative costs and expenses of the Group	To be used as intended

PROPOSED REFRESHMENT OF EXISTING GENERAL MANDATE TO ISSUE SHARES

Existing General Mandate

At the AGM, the Shareholders approved, among other things, an ordinary resolution to grant to the Directors the Existing General Mandate to allot, issue and deal with up to 389,018,127 Shares, which is equivalent to 20% of the then issued share capital of the Company.

As announced by the Company on 29 September 2013 and 8 October 2013 respectively, the Company has completed the issuance of the Original Convertible Bonds to the Purchasers. 242,187,500 Shares will be allotted and issued under the Existing General Mandate upon the conversion of the Original Convertible Bonds.

During the period from the grant of the Existing General Mandate to the Latest Practicable Date, the Existing General Mandate had been utilised as to 242,187,500 Shares, representing approximately 62.26% of the Existing General Mandate. Such Shares will be allotted and issued under the Existing General Mandate upon conversion of the Original Convertible Bonds.

As at the Latest Practicable Date, the Company has not refreshed the Existing General Mandate since the AGM.

Reasons for the Refreshment of General Mandate

The Group is principally engaged in the provision of solar energy products and solutions and development, operation and management of solar power plants.

The Board would like to provide flexibility for the Company to raise funds for its future business development and/or opportunities to be identified by the Company through equity/debt financing. Given that equity/debt financing (i) is less costly and time-consuming than raising funds by way of rights issue or open offer; and (ii) provides the Company with the capability to capture any capital raising and/or prospective investment opportunity as and when it arises, the Board proposes the Refreshment of General Mandate for the Directors to

allot, issue and deal with new Shares with an aggregate nominal amount of not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the SGM.

The New General Mandate is proposed to the Shareholders prior to the Company's next annual general meeting and therefore, under Rule 13.36(4) of the Listing Rules, the Refreshment of General Mandate will be subject to the Independent Shareholders' approval at the SGM.

As at the Latest Practicable Date, the Company had an aggregate of 2,222,595,830 Shares in issue. Subject to the passing of the ordinary resolution for the Refreshment of General Mandate and on the basis that no further Shares are issued and/or repurchased by the Company between the Latest Practicable Date and the date of the SGM, the Company would be allowed under the New General Mandate to allot and issue up to 444,519,166 Shares, being 20% of the total number of Shares in issue as at the Latest Practicable Date.

General

As at the Latest Practicable Date, the issued share capital of the Company consisted of 2,222,595,830 Shares. An ordinary resolution will be proposed to the Independent Shareholders to approve the Refreshment of General Mandate to authorise the Directors to allot, issue and deal with new Shares, being the number of Shares not exceeding 20% of the issued shares capital of the Company as at the date of the SGM.

The New General Mandate will, if granted, remain effective until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting is required to be held; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

The Independent Board Committee, comprising Mr. Kwan Kai Cheong, Mr. Ching Kwok Ho, Samuel, Mr. Yen Yuen Ho, Tony, Mr. Shi Dinghuan and Mr. Ma Kwong Wing, being all the independent non-executive Directors, has been formed to consider the Refreshment of General Mandate. Quam Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

Pursuant to Rule 13.36(4)(a) of the Listing Rules, the Refreshment of General Mandate requires the approval of the Independent Shareholders at the SGM at which any of the controlling Shareholders and their associates, or where there are no controlling Shareholders, Directors (excluding independent non-executive Directors) and the chief executives and their respective associates shall abstain from voting in favour of the resolution approving the Refreshment of General Mandate. As there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution to approve the Refreshment of General Mandate at the SGM.

As at the Latest Practicable Date, Mr. Alan Li, an executive Director and chief executive officer of the Company, held (i) 38.83% equity interest in Magicgrand Group Limited ("**Magicgrand**"); and (ii) 100% equity interest in Pairing Venture Limited ("**Pairing Venture**"), which held 61.17% equity interest in Magicgrand. Magicgrand and Pairing Venture held 37% and 9.44% equity interest in China Merchants New Energy Group Limited ("**CMNEG**") respectively.

As at the Latest Practicable Date, CMNEG held (i) 467,538,250 Shares, representing approximately 21.04% of the issued share capital of the Company; and (ii) convertible bonds in the principal amount of HK$440,036,000 convertible into 440,036,000 Shares. Magicgrand and Pairing Venture held convertible bonds in the principal amount of HK$71,230,827 convertible into 71,230,827 Shares and HK$18,173,487 convertible into 18,173,487 Shares, respectively. CMNEG, being an associate of Mr. Alan Li under the Listing Rules, and parties acting in concert with it, are therefore required to abstain from voting in favour of the resolution to approve the Refreshment of General Mandate at the SGM. The Board has been advised by CMNEG and parties acting in concert with it that they will abstain from voting in favour of the resolution to approve the Refreshment of General Mandate at the SGM.

As at the Latest Practicable Date, Ms. Lin Xia Yang, an executive Director of the Company, was interested in 1,325,191 Shares, representing approximately 0.06% of the total issued share capital of the Company. Therefore, Ms. Lin Xia Yang and her associates shall abstain from voting in favour of the resolution to approve the Refreshment of General Mandate at the SGM. The Board has been advised by Ms. Lin Xia Yang and her associates that they have no intention to vote against the resolution to approve the Refreshment of General Mandate at the SGM.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of shareholders at a general meeting must be taken by poll, except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules. An Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders in respect of the Refreshment of General Mandate and Quam Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Refreshment of General Mandate.

Effect of the Placing, the allotment and issue of the Conversion Shares upon exercise in full of the conversion rights under the Additional Convertible Bonds and the Refreshment of General Mandate on the Shareholding Structure of the Company

The following table illustrates the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Placing and the allotment and issue of the Conversion Shares upon exercise in full of the conversion rights under the Additional Convertible Bonds; (iii) immediately after completion of the Placing, the allotment and issue of the Conversion Shares upon exercise in full of the conversion rights under the Additional Convertible Bonds and upon full exercise of the conversion rights

under all outstanding convertible notes and convertible bonds issued by the Company and assuming full conversion of the Previous Convertible Bonds; and (iv) immediately after completion of the Placing, the allotment and issue of the Conversion Shares upon exercise in full of the conversion rights under the Additional Convertible Bonds, upon full exercise of the conversion rights under all outstanding convertible notes and convertible bonds issued by the Company and assuming full conversion of the Previous Convertible Bonds, and upon full utilisation of the New General Mandate (assuming no other Shares are issued or repurchased by the Company) is as follows:

	As at the Latest Practicable Date		**Immediately after completion of the Placing and the allotment and issue of the Conversion Shares upon exercise in full of the conversion rights under the Additional Convertible Bonds**		**Immediately after completion of the Placing, the allotment and issue of the Conversion Shares upon exercise in full of the conversion rights under the Additional Convertible Bonds and upon full exercise of the conversion rights under all outstanding convertible notes and convertible bonds issued by the Company and assuming full conversion of the Previous Convertible Bonds** *(Notes 1, 2, 8 and 9)*		**Immediately after completion of the Placing, the allotment and issue of the Conversion Shares upon exercise in full of the conversion rights under the Additional Convertible Bonds, upon full exercise of the conversion rights under all outstanding convertible notes and convertible bonds issued by the Company and assuming full conversion of the Previous Convertible Bonds, and upon full utilisation of the New General Mandate (assuming no other Shares are issued or repurchased by the Company)**	
	Number of Shares	*Approx. %*	*Number of Shares*	*Approx. %*	*Number of Shares*	*Approx. %*	*Number of Shares*	*Approx. %*
Substantial Shareholders								
Hung Chao Hong and parties acting in concert with him								
Hung Chao Hong	9,376,000	0.42	9,376,000	0.36	9,376,000	0.17	9,376,000	0.16
Hong Zhonghai	1,800,000	0.08	1,800,000	0.07	1,800,000	0.03	1,800,000	0.03
Jet Mile Limited *(Note 3)*	242,936,803	10.93	242,936,803	9.28	1,463,123,548	26.82	1,463,123,548	24.80
	(Note 12)							
Hyatt Servicing Limited *(Note 4)*	72,036,000	3.24	72,036,000	2.75	120,060,000	2.20	120,060,000	2.04
Sub-total:	**326,148,803**	**14.67**	**326,148,803**	**12.46**	**1,594,359,548**	**29.22**	**1,594,359,548**	**27.03**

	As at the Latest Practicable Date		Immediately after completion of the Placing and the allotment and issue of the Conversion Shares upon exercise in full of the conversion rights under the Additional Convertible Bonds		Immediately after completion of the Placing, the allotment and issue of the Conversion Shares upon exercise in full of the conversion rights under the Additional Convertible Bonds and upon full exercise of the conversion rights under all outstanding convertible notes and convertible bonds issued by the Company and assuming full conversion of the Previous Convertible Bonds *(Notes 1, 2, 8 and 9)*		Immediately after completion of the Placing, the allotment and issue of the Conversion Shares upon exercise in full of the conversion rights under the Additional Convertible Bonds, upon full exercise of the conversion rights under all outstanding convertible notes and convertible bonds issued by the Company and assuming full conversion of the Previous Convertible Bonds, and upon full utilisation of the New General Mandate (assuming no other Shares are issued or repurchased by the Company)	
	Number of Shares	*Approx. %*	*Number of Shares*	*Approx. %*	*Number of Shares*	*Approx. %*	*Number of Shares*	*Approx. %*
China Merchants New Energy Group Limited and parties acting in concert with it								
China Merchants New Energy Group Limited *(Note 5)*	467,538,250	21.04	467,538,250	17.87	1,100,090,000 *(Note 7)*	20.17	1,100,090,000 *(Note 7)*	18.65
China Green Holdings Limited *(Note 6)*	2,205,621	0.10	2,205,621	0.08	2,205,621	0.04	2,205,621	0.04
Renewable Energy Trade Board Corporation *(Note 6)*	39,974,000	1.80	39,974,000	1.53	199,870,000	3.66	199,870,000	3.39
Sino Arena Investments Limited	20,010,000	0.90	20,010,000	0.76	100,050,000	1.83	100,050,000	1.70
Sub-total:	**529,727,871**	**23.84**	**529,727,871**	**20.24**	**1,402,215,621**	**25.70**	**1,402,215,621**	**23.78**
Ease Soar Limited	239,982,000	10.80	239,982,000	9.17	399,970,000	7.33	399,970,000	6.78
Directors	1,325,191	0.06	1,325,191	0.05	1,325,191	0.02	1,325,191	0.02
Purchasers *(Notes 9 and 10)*	–	–	339,062,500	12.96	581,250,000	10.66	581,250,000	9.85
Public Shareholders								
Suzhou Gong Ye Yuan Qu Zhong Fu Investment Management Company Limited *(Note 8)*	–	–	–	–	145,599,586	2.67	145,599,586	2.47
Placees	55,000,000	2.47	110,000,000	4.20	110,000,000	2.02	110,000,000	1.86
Other public Shareholders	1,070,411,965 *(Note 13)*	48.16	1,070,411,965	40.92	1,220,359,965 *(Note 11)*	22.38	1,220,359,965	20.68
Holders of shares to be issued under the New General Mandate	–	–	–	–	–	–	444,519,166	7.53
Total:	**2,222,595,830**	**100**	**2,616,658,330**	**100**	**5,455,079,911**	**100**	**5,899,599,077**	**100**

Notes:

1. On 25 October 2010, the Company issued convertible notes with the principal amount of HK$850,000,000 (the "**Convertible Notes**") to Jet Mile Limited as part of the consideration pursuant to a sale and purchase agreement dated 13 July 2010. The Convertible Notes are convertible into Shares at an initial conversion price of HK$0.538 per Share (adjusted to HK$0.507 per Share on 10 June 2013) during the conversion period. As at the Latest Practicable Date, the principal amount of HK$195,875,320 of the Convertible Notes has been converted into Shares and the balance of the principal amount of the Convertible Notes is HK$654,124,680, and the adjusted conversion price is HK$0.507.

2. On 10 June 2013, the Company issued convertible bonds with the principal amount of HK$1,160,447,750 to China Merchants New Energy Group Limited, Ease Soar Limited, China Green Holdings Limited, China New Energy Power Investment Corporation Limited (formerly known as Talesun Solar Hong Kong Limited), Hyatt Servicing Limited and Sino Arena Investments Limited as part of the consideration pursuant to a sale and purchase agreement dated 22 November 2012. The convertible bonds are convertible into Shares at a conversion price of HK$1.00 per Share during the conversion period. As at the Latest Practicable Date, none of the convertible bonds has been converted into Shares.

3. Jet Mile Limited is beneficially owned as to 66.7% by Mr. Hung Chao Hong and as to 33.3 % by Mr. Hong Zhonghai.

4. Hyatt Servicing Limited is beneficially owned as to 99.99% by Mr. Hung Chao Hong and as to 0.01% by an independent third party.

5. China Merchants New Energy Group Limited is indirectly owned as to 53.56% by China Merchants Group Limited and as to 46.44% by Mr. Li, Alan, an executive director and chief executive officer of the Company.

6. China Green Holdings Limited is an indirect wholly-owned subsidiary of Renewable Energy Trade Board Corporation, which is in turn indirectly owned as to 18.37% by China Merchants New Energy Group Limited and as to 81.63% by other third parties.

7. This number includes the number of Shares of 440,036,000 to be held by China Merchants New Energy Group Limited and the number of Shares of 192,515,750 to be held by the nominees of China Merchants New Energy Group Limited, namely Snow Hill Developments Limited, Magicgrand Group Limited and Pairing Venture Limited, upon full conversion of the convertible bonds issued on 10 June 2013 as referred to in Note 2 above.

8. On 13 September 2013, the Company and Suzhou Gong Ye Yuan Qu Zhong Fu Investment Management Company Limited (the "**Subscriber**") entered into a conditional subscription agreement in relation to the subscription of the Previous Convertible Bonds as announced in the announcement of the Company dated 13 September 2013, pursuant to which the Company has conditionally agreed to issue, and the Subscriber has conditionally agreed to subscribe for, the Previous Convertible Bonds in principal amount of HK$232,959,339. Upon full conversion of the Previous Convertible Bonds at the conversion price of HK$1.60 per conversion share (subject to adjustments), a total of 145,599,586 conversion shares will be issued to the Subscriber.

9. On 27 September 2013, the Purchasers, the Company, the Guarantors and the Arranger entered into the Original Subscription Agreement, pursuant to which the Company has conditionally agreed to issue and the Purchasers have conditionally agreed to subscribe for the Original Convertible Bonds. The Original Convertible Bonds were subscribed as to US$15,000,000 (representing approximately HK$116,250,000) by Seven Points, as to US$15,000,000 (representing approximately HK$116,250,000) by Financial Vantage and as to US$20,000,000 (representing approximately HK$155,000,000) by York. Upon full conversion of the Original Convertible Bonds at the conversion price of HK$1.60 per conversion share (subject to adjustments), a total of 242,187,500 conversion shares will be issued to the Purchasers.

10. The Additional Convertible Bonds will be subscribed as to US$20,000,000 (representing approximately HK$155,000,000) by Seven Points, as to US$20,000,000 (representing approximately HK$155,000,000) by Financial Vantage and as to US$30,000,000 (representing approximately HK$232,500,000) by York. Upon full conversion of the Additional Convertible Bonds at the conversion price of HK$1.60 per conversion share (subject to adjustments), a total of 339,062,500 conversion shares will be issued to the Purchasers. The Purchasers will become the Company's substantial shareholders. Upon full conversion of the Original Convertible Bonds and Additional Convertible Bonds at the conversion price of HK$1.60 per conversion share (subject to adjustments), a total of 581,250,000 conversion shares will be issued to the Purchasers. The Purchasers will be the Company's substantial shareholders.

11. Jet Mile Limited has transferred part of its Convertible Notes in the principal amount of HK$155,315,320 to independent third parties. As at the Latest Practicable Date, the principal amount of HK$119,825,320 of such Convertible Notes has been converted into Shares and the balance of the principal amount of such Convertible Notes is HK$35,490,000. Upon the exercise in full of the conversion rights under such remaining balance of the Convertible Notes at a conversion price of HK$0.507 per Share during the conversion period, a total of 70,000,000 Shares will be allotted and issued to such independent third parties who will become public Shareholders.

12. As at the Latest Practicable Date, the Company has received notices of conversion from Jet Mile Limited for an aggregate of 150,000,000 conversion shares in respect of its Convertible Notes. Such conversion shares are expected to be issued on 24 October 2013, following which Jet Mile Limited will be interested in 242,936,803 Shares.

13. As referred to in Note 11 above, as at the Latest Practicable Date, the Company has received notices of conversion from holders of such Convertible Notes for an aggregate of 126,280,000 conversion shares. Such conversion shares are expected to be issued on 24 October 2013, following which the public Shareholders will be interested in 1,070,411,965 Shares.

SGM

A notice convening the SGM to be held at Academy Room III, 1/F., InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Monday, 11 November 2013 at 10:30 a.m. is set out on pages 54 to 57 of this circular for the purpose of considering and, if thought fit, passing the ordinary resolutions in relation to (i) the Placing Agreement and the transactions contemplated thereunder including the grant of the Placing Specific Mandate; (ii) the Subscription Agreement and the transactions contemplated thereunder including the grant of the CB Specific Mandate and (ii) the Refreshment of General Mandate.

To the best of the knowledge, information and belief having made all reasonable enquiries, saved as disclosed in this circular, none of the Shareholders has a material interest in the transactions contemplated under the Placing Agreement and therefore, none of the Shareholders will be required to abstain from voting at the SGM in respect of the relevant resolution relating to the Placing and the Placing Specific Mandate.

To the best of the knowledge, information and belief having made all reasonable enquiries, saved as disclosed in this circular, none of the Shareholders has a material interest in the transactions contemplated under the Subscription Agreement and therefore, none of the Shareholders will be required to abstain from voting at the SGM in respect of the relevant resolution relating to the Subscription Agreement and the CB Specific Mandate.

To the best of the knowledge, information and belief having made all reasonable enquiries, saved as disclosed in this circular, none of the Shareholders has a material interest in the Refreshment of General Mandate and therefore, none of the Shareholders will be required to abstain from voting at the SGM in respect of the relevant resolution relating to the Refreshment of General Mandate.

A form of proxy for use at the SGM is enclosed with this circular. Whether or not you are able to attend the SGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same as soon as possible to the principal place of business of the Company at Room 6301, The Center, 99 Queen's Road Central, Hong Kong and in any event not less than 48 hours before the time scheduled for the holding of the SGM or any adjournments thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournments thereof should you so desire.

RESPONSIBILITY STATEMENT

This circular, 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 circular 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 circular misleading.

RECOMMENDATIONS

Having considered the reasons set out herein, the Board considers that (i) the Placing Agreement and the transactions contemplated thereunder, (ii) the grant of the Placing Specific Mandate for the allotment and issue of the Placing Shares, (iii) the Subscription Agreement and the transactions contemplated thereunder, (iv) the grant of the CB Specific Mandate for the allotment and issue of the Conversion Shares and (v) the Refreshment of General Mandate, are in the interests of the Company and the Shareholders as a whole and accordingly recommends the Shareholders to vote in favour of the ordinary resolutions to be proposed at the SGM to approve (a) the Placing Agreement and the transactions contemplated thereunder including the grant of the Placing Specific Mandate, (b) the Subscription Agreement and the transactions contemplated thereunder including the grant of the CB Specific Mandate and (c) the Refreshment of General Mandate.

GENERAL

Your attention is drawn to the letter from the Independent Board Committee set out on page 45 of this circular which contains its recommendations to the Independent Shareholders in connection with the terms of the New General Mandate. Your attention is also drawn to the letter of advice from Quam Capital Limited set out on pages 46 to 53 of this circular, which contains, amongst other matters, its advice to the Independent Board Committee and the Independent Shareholders as regards to the Refreshment of General Mandate and the principal factors and reasons it has taken into account in arriving at its recommendation.

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which they respectively appear.

Shareholders and potential investors should note that the Placing is subject to conditions under the Placing Agreement to be fulfilled. As the Placing may or may not proceed, shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

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

Hong Kong, 25 October 2013

In this circular, the conversion of US dollars into Hong Kong Dollars has been made at a rate of US$1 to HK$7.75. Such conversion should not be construed as a representation that any amount have been, could have been, or may be, exchanged at this or any other rate.

GOLDPOLY NEW ENERGY HOLDINGS LIMITED
金保利新能源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

25 October 2013

To the Independent Shareholders

Dear Sir or Madam,

PROPOSED REFRESHMENT OF GENERAL MANDATE

We refer to the circular of the Company dated 25 October 2013 (the "**Circular**") of which this letter forms part. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Circular.

We have been appointed by the Board to advise the Independent Shareholders as to whether the terms of the proposed Refreshment of General Mandate are fair and reasonable so far as the Independent Shareholders are concerned. Quam Capital Limited has been appointed as the independent financial adviser to advise us in this respect.

Having considered the terms of the Original Subscription Agreement, the Subscription Agreement and after taking into account the advice of, Quam Capital Limited as set out in its letter of advice to us as set out on pages 46 to 53 of the Circular, we are of the opinion that the Refreshment of General Mandate is in the interests of the Company and the Shareholders as a whole and the terms of which are fair and reasonable so far as the Company and the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the SGM to approve the Refreshment of General Mandate.

Yours faithfully,
For and on behalf of the Independent Board Committee

Mr. Kwan Kai Cheong	**Mr. Ching Kwok Ho, Samuel**	**Mr. Yen Yuen Ho, Tony**	**Mr. Shi Dinghuan**	**Mr. Ma Kwong Wing**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*	*Independent non-executive Director*	*Independent non-executive Director*

* *For identification purpose only*

The following is the full text of a letter of advice from Quam Capital Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders, which has been prepared for the purpose of incorporation into this circular, setting out its advice to the Independent Board Committee and the Independent Shareholders in respect of the Refreshment of General Mandate.

Quam CAPITAL 華富嘉洛企業融資 **Quam Capital Limited**
A Member of The Quam Group

25 October 2013

To the Independent Board Committee and
the Independent Shareholders

Dear Sir or Madam,

REFRESHMENT OF GENERAL MANDATE

INTRODUCTION

We refer to our appointment as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Refreshment of General Mandate. Details of the Refreshment of General Mandate are set out in the "Letter from the Board" contained in the circular dated 25 October 2013 issued by the Company to the Shareholders (the "**Circular**"), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular, unless the context otherwise requires.

Mr. Kwan Kai Cheong, Mr. Ching Kwok Ho, Samuel, Mr. Yen Yuen Ho, Tony, Mr. Shi Dinghuan and Mr. Ma Kwong Wing, the independent non-executive Directors, have been appointed as members of the Independent Board Committee to consider and to advise the Independent Shareholders as to whether the Refreshment of General Mandate is fair and reasonable, and in the interests of the Company and the Shareholders as a whole, and to advise Independent Shareholders on how to vote. As the Independent Financial Adviser, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders in this regard.

Quam Capital Limited is independent of and not connected with any members of the Group or any of their substantial shareholders, directors or chief executives, or any of their respective associates, and is accordingly qualified to give an independent advice in respect of the Refreshment of the General Mandate.

In formulating our recommendation, we have relied on the information and facts supplied by the Company, and the opinions expressed by and the representations of the Directors and the management of the Company. We have assumed that all the information and representations contained or referred to in the Circular were true and accurate in all respects at the date thereof and may be relied upon. We have also assumed that all statements contained and representations made or referred to in the Circular are true at the

time that they were made and continue to be true until the date of the SGM. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and/or the management of the Company, and the Directors have confirmed that no material facts have been withheld or omitted from the information provided and referred to in the Circular, which would make any statement therein misleading.

We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in the Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Company or its subsidiaries or associates.

PRINCIPAL FACTORS CONSIDERED

In arriving at our recommendation, we have taken into consideration the following principal factors and reasons:

Background of and reasons for the Refreshment of General Mandate

At the AGM, the Shareholders passed, among others, an ordinary resolution to grant the Directors the Existing General Mandate to issue, allot and otherwise deal with a maximum of 389,018,127 new Shares, representing 20% of the total nominal amount of the share capital of the Company in issue on the date of passing such resolution.

On 13 September 2013, the Company entered into a subscription agreement (the "**1st Subscription Agreement**") in respect of the issue of the Previous Convertible Bonds. Upon full conversion of the Previous Convertible Bonds at the initial conversion price of HK$1.60 per conversion share, a total of 145,599,586 conversion shares will be issued. The Company originally intended to issue such conversion shares under the Existing General Mandate.

Subsequently, on 27 September 2013, the Company entered into the Original Subscription Agreement in respect of the issue of the Original Convertible Bonds. Upon full conversion of the Original Convertible Bonds at the initial conversion price of HK$1.60 per conversion share (the "**Original Conversion Shares**"), a total of 242,187,500 Original Conversion Shares will be issued. As it is the intention of the parties to the Original Subscription Agreement to complete the subscription of the Original Convertible Bonds as soon as practicable, it was then anticipated that the completion of the subscription of the Original Convertible Bonds will take place earlier than the completion of the subscription under the 1st Subscription Agreement where the parties agreed that the fulfilment of conditions precedent for the completion of the 1st Subscription Agreement shall be no later than 31 December 2013. The Directors therefore resolved to issue the Original Conversion Shares upon exercising the conversion rights attached to the Original Convertible Bonds under the Existing General Mandate and to seek a specific mandate for the issue of the conversion shares upon exercising the conversion rights attached to the Previous Convertible Bonds from the Shareholders.

Subscription of the Original Convertible Bonds was completed on 8 October 2013. The approval for the listing of, and permission to deal in, the Original Conversion Shares to be issued upon conversion of the Original Convertible Bonds under the Existing General Mandate has been granted by the Listing Committee of the Stock Exchange. Based on the 242,187,500 Original Conversion Shares to be issued upon full conversion of the Original Convertible Bonds at the initial conversion price, the Existing General Mandate is utilised as to approximately 62.3% of the aggregate number of Shares which may be allotted and issued thereunder. The conversion price of the Original Convertible Bonds is subject to adjustment. In the event that the conversion price is adjusted, the number of Original Conversion Shares to be issued may increase. Therefore, the Company intends to reserve the unutilised Existing General Mandate for the issue of any additional Original Conversion Shares to be issued in such event. No other new Share has been issued under the Existing General Mandate up to the Latest Practicable Date.

We were advised by the Directors that the next annual general meeting will not be held until around June 2014, which is around 8 months away from the Latest Practicable Date. If the Existing General Mandate (the majority of which has been utilised) is not to be refreshed at the SGM, the Company will not have flexible fund raising availability, if so required, until a new general mandate is approve in the next annual general meeting.

In order to provide the Company with maximum financial flexibility for the Group to issue new Shares in the future, the Board proposed to seek approval from the Independent Shareholders at the SGM in respect of the New General Mandate, in which the Directors shall be granted the authority to allot and issue not exceeding 20% of the total nominal amount of the issued share capital of the Company as at the date of the SGM. The New General Mandate will be in force when it is approved by the Independent Shareholders at the SGM. As at the Latest Practicable Date, the total number of issued Shares was 2,222,595,830 Shares. For illustrative purpose, subject to the passing of the resolution granting the New General Mandate and on the assumption that there will be no further issue of new Shares from the Latest Practicable Date to the date of the SGM (both dates inclusive), the Board will be allowed to issue a maximum of 444,519,166 Shares upon exercise of the New General Mandate in full.

In assessing the reasonableness of the Refreshment of General Mandate, we have considered the historical financial performance of the Group and the expected capital requirement of the Group for at least the next twelve months from the Latest Practicable Date. We noted that the Company has been pursuing investment opportunities to generate greater return for Shareholders. On 2, 22 and 29 August 2013, the Group entered into framework agreements in respect of potential acquisitions of certain completed solar power plants with an aggregate electricity generation capacity of approximately 800 megawatt. Further, on 6 September 2013 and 5 October 2013, the Group entered into a sale and purchase agreement and a supplemental agreement respectively in respect of the acquisition of 50% equity interest in a group which owns two roof top solar power plant projects in Jiangsu Province, the PRC with an aggregate solar electricity generation capacity of approximately 23.8 megawatt. The consideration for the acquisition is approximately HK$276.75 million in cash, which the Company intends to fund by external financing. We also noted from the Company's interim report for the six months ended 30 June 2013 (the "**Interim Report**") that as a result of the acquisition of 92.17% equity interest in CSPG, the

Group expects to incur capital expenditure of HK$5.2 billion for its solar energy initiatives in the twelve months following 30 June 2013. In view of the Group's considerable capital requirement in the near future, it is important to maintain financial flexibility for the Group to manage its businesses and to raise additional equity capital for its business development and future investment opportunities.

As at 30 June 2013, the Group had unaudited consolidated cash and bank balances of approximately HK$39.0 million. The Group recorded net current liabilities of approximately HK$249.6 million and HK$189.7 million as at 31 December 2012 and 30 June 2013 respectively. Considering the loss-making performance of the Group throughout the last five financial years and the net current liabilities position of the Group, we consider that there is no certainty that the existing cash level will be adequate for its future working capital uses. Further, we noted from the Interim Report that there is a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern in relation to whether the Group could generate adequate internally generated cash flows, obtain additional bank loan of HK$175 million and renew two short-term banking facilities of HK$473 million. In light of the above, even though the Company has recently raised net proceeds of approximately HK$358.1 million from the issue of the Original Convertible Bonds and is expected to raise an additional HK$843.5 million from the issue of the Previous Convertible Bonds and the Additional Convertible Bonds and the Placing, it would be fair and reasonable for the Group to remain financial flexible in obtaining future financing to meet its urgent liquidity needs, if any, by the grant of the New General Mandate.

Further, in the event that the Group identifies suitable investment opportunities and does not have sufficient cash on hand, and it fails to obtain loans on terms which the Directors consider acceptable to the Group, or it cannot find other alternatives to finance such investment opportunity in a timely manner, the Group may lose its bid in an otherwise favourable investment.

In view of the foregoing, we are of the opinion that the granting of the New General Mandate would provide the Company with the necessary flexibility essential for fulfiling any possible funding needs for future business development and/or investments and that the Refreshment of the General Mandate is in the interests of the Company and the Independent Shareholders as a whole.

Other financing alternatives

Other than raising funds by way of placing of new Shares or convertible securities, the Board indicated that the Company will consider other financing methods such as bank financing, rights issue and open offer in order to meet its liquidity needs and financing requirements arising from any business development and/or future investment of the Group, depending on the then financial position, capital structure, cost of funding of the Group and urgency of such funding needs as well as the then market condition. However, the Directors are of the view that the ability of the Group to obtain bank financing usually depends on the Group's profitability, financial position and the then prevailing market condition. Further, bank financing may be subject to lengthy negotiations with banks while rights issue and open offer generally involve negotiations with underwriters and may be subject to lengthy procedures and high documentation preparation costs. In light of the above, the Directors

consider certain alternatives to be relatively uncertain and time-consuming as compared to placing of new Shares or convertible securities under general mandate to obtain additional funding. Further, in the event that the Company is unable to refresh the Existing General Mandate but to seek specific mandate from the Shareholders when specific terms for the fund raising are identified, the timely process may delay or even hinder the fund raising opportunities for the Group.

As such, the New General Mandate will serve as one of the alternatives for the Company to finance the Group's investment and the Board will use the method that serves the best interests of the Group and the Shareholders. We consider that the Refreshment of the General Mandate would provide the Group with a higher degree of financing flexibility as allowed under the Listing Rules to issue new Shares to raise capital and improve the equity base of the Company.

Fund raising activities in the past twelve months

Set out below is the equity fund raising activities conducted by the Company in the past twelve months prior to the Latest Practicable Date.

Date of announcement	**Event**	**Net proceeds (HK$)**	**Intended use of proceeds**	**Actual use of proceeds as at the Latest Practicable Date**
18 January 2013	(1) Issue of 959,462,250 new Shares	(1) 959,462,250	Acquisition of approximately 92.17% of the entire issued share capital of CSPG	Used as intended
	(2) Issue of convertible bonds in the total principal amount of HK$1,160,447,750	(2) 1,160,447,750		
13 September 2013	Proposed issue of the Previous Convertible Bonds	232,559,339	Possible future investments, in particular the development, investment, acquisition, operation and management of solar power plants, and the general working capital of the Group	The subscription is not yet completed as at the Latest Practicable Date

Date of announcement	Event	Net proceeds (HK$)	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
29 September 2013	Issue of the Original Convertible Bonds	358,050,000	In connection with the solar power business of CSPG and any of its subsidiaries, to fund the interest reserve account opened and maintained with The Bank of New York Mellon, acting through its Hong Kong branch and for general operating and administrative costs and expenses of the Group	To be used as intended
9 October 2013	Proposed Placing	91,664,000	Possible acquisitions of solar power plants	The Placing is not yet completed as at the Latest Practicable Date
16 October 2013	Proposed issue of the Additional Convertible Bonds	519,250,000	In connection with the solar power business of CSPG or any of its subsidiaries, (ii) to fund the Interest Reserve Account in accordance with the Conditions; and (iii) for general operating and administrative costs and expenses of the Group	The subscription is not yet completed as at the Latest Practicable Date

Save as disclosed above, the Company has not conducted any other capital raising activities in the past twelve months immediately preceding the Latest Practicable Date.

Potential dilution to shareholdings of the Shareholders

Shareholders should note that the New General Mandate if approved by the Independent Shareholders at the SGM will be and continue to be in force until the earliest of (i) the conclusion of the Company's next annual general meeting; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held; and (iii) the revocation or variation of the authority given under the relevant resolutions to be proposed as ordinary resolutions of the Shareholders in general meeting.

For illustrative purpose, the table below sets out the potential dilution effect on the shareholding of the Company upon full utilisation of the New General Mandate on the assumptions that no Shares are repurchased and there will be no further issue of new Shares from the Latest Practicable to the date of the SGM.

	As at the Latest Practicable Date		Immediately upon full utilisation of the New General Mandate	
	Number of Shares	*Approx. % of issued share capital*	*Number of Shares*	*Approx. % of issued share capital*
Hung Chao Hong and parties acting in concert with him				
Hung Chao Hong	9,376,000	0.42	9,376,000	0.35
Hong Zhonghai	1,800,000	0.08	1,800,000	0.07
Jet Mile Limited	242,936,803	10.93	242,936,803	9.11
Hyatt Servicing Limited	72,036,000	3.24	72,036,000	2.70
Sub-total:	**326,148,803**	**14.67**	**326,148,803**	**12.23**
China Merchants New Energy Group Limited and parties acting in concert with it				
China Merchants New Energy Group Limited	467,538,250	21.04	467,538,250	17.53
China Green Holdings Limited	2,205,621	0.10	2,205,621	0.08
Renewable Energy Trade Board Corporation	39,974,000	1.80	39,974,000	1.50
Sino Arena Investments Limited	20,010,000	0.90	20,010,000	0.75
Sub-total:	**529,727,871**	**23.83**	**529,727,871**	**19.86**
Ease Soar Limited	239,982,000	10.80	239,982,000	9.00
Directors	1,325,191	0.06	1,325,191	0.05
Public Shareholders				
Other public Shareholders	1,125,411,965	50.64	1,125,411,965	42.19
Holders of Shares to be issued under the New General Mandate	–	–	444,519,166	16.67
Total:	**2,222,595,830**	**100.00**	**2,667,114,996**	**100.00**

Upon utilisation in full of the New General Mandate, 444,159,166 new Shares can be allotted and issued, representing approximately 20% and 16.7% of the total issued share capital of the Company as at the Latest Practicable Date and the then enlarged issued share capital of the Company respectively. The aggregate shareholding of the existing public Shareholders upon full utilisation of the New General Mandate will, therefore, decrease from approximately 50.64% to approximately 42.20%, representing a potential maximum dilution of approximately 16.7%.

Taking into consideration that the New General Mandate will increase the amount of capital which may be raised thereunder and will provide more options to the Group for improving its financial position and to raise fund for its business developments and/or

investments and the fact that the shareholding of all the existing Shareholders will be diluted proportionally to their respective shareholding upon utilisation of the New General Mandate, we consider that such potential dilution to the shareholdings of the Shareholders to be justifiable.

RECOMMENDATION

Having considered the above principal factors, we are of the opinion that the Refreshment of General Mandate is fair and reasonable so far as the Independent Shareholders are concern and the grant of the New General Mandate is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution approving the Refreshment of General Mandate at the SGM.

Yours faithfully
For and on behalf of
Quam Capital Limited
Gary Mui
Managing Director

GOLDPOLY NEW ENERGY HOLDINGS LIMITED
金保利新能源有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 686)

NOTICE IS HEREBY GIVEN that a special general meeting (the "**Meeting**") of Goldpoly New Energy Holdings Limited (the "**Company**") will be held at Academy Room III, 1/F., InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Monday, 11 November 2013 at 10:30 a.m. for the purpose of considering and, if thought fit, passing with or without modifications the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. "**THAT**:

   (a) the placing agreement dated 9 October 2013 entered into between the Company as issuer and CITIC Securities Corporate Finance (HK) Limited as placing agent in relation to the placing of a maximum of 55,000,000 new shares (the "**Placing Shares**") of HK$0.1 each in the share capital of the Company, on a best effort basis, at a placing price of HK$1.70 per Placing Share (the "**Placing Agreement**") (a copy of which marked "**A**" has been produced to the meeting and signed by the chairman of the meeting for the purpose of identification) and all transactions contemplated thereunder be and are hereby approved, confirmed and ratified;

   (b) conditional upon, among others, the Listing Committee of The Stock Exchange of Hong Kong Limited granting the approval for the listing of, and permission to deal in, the Placing Shares, the allotment and issue of the Placing Shares, pursuant to and subject to the terms and conditions of the Placing Agreement, be and are hereby approved;

   (c) any one director of the Company be and is hereby authorised to exercise all the powers of the Company and take all steps as might in his/her opinion be desirable, necessary or expedient in connection with the implementation of the transactions contemplated under the Placing Agreement as well as in relation to the allotment and issue of the Placing Shares, including, without limitation to, the execution, amendment, supplement, delivery, submission and implementation of any further documents or agreements."

2. "**THAT**:

   (a) the subscription agreement (the "**Subscription Agreement**") dated 16 October 2013 entered into between the Company as issuer, Seven Points Enterprises Inc., Financial Vantage Limited, York Asian Opportunities Investments Master Fund, L.P., York Credit Opportunities Investments

* *For identification purpose only*

Master Fund, L.P. and York Global Finance Fund, L.P. as purchasers (the "**Purchasers**"), Profit Icon Investments Limited, China Solar Power Group Limited, China Technology New Energy Limited, Faster Assets Limited, Sino Delight Developments Limited, Upper Light Limited, New Light Technology Limited, Fortune Wheel Holdings Limited and Profit Giant Holdings Limited as guarantors and Credit Suisse AG, Singapore Branch as the arranger and settlement agent in relation to the issue of the 5% secured guaranteed convertible bonds due 2016 in the aggregated principal amount of US$70,000,000 (equivalent to approximately HK$542,500,000) (the "**Additional Convertible Bonds**") to be issued by the Company pursuant to the Subscription Agreement at the initial conversion price of HK$1.60 per conversion share (subject to adjustment), which, when issued, will be consolidated and form a single series with the US$50,000,000 5.0 per cent. secured guaranteed convertible bonds due 2016 issued by the Company on 8 October 2013 (a copy of which marked "**B**" has been produced to the meeting and signed by the chairman of the meeting for the purpose of identification) and all transactions contemplated thereunder, including the allotment and issue of an aggregate 339,062,500 new ordinary shares of HK$0.10 each in the share capital of the Company (the "**Conversion Shares**") to the Purchasers, be and are hereby approved, confirmed and ratified;

(b) conditional upon, among others, the Listing Committee of The Stock Exchange of Hong Kong Limited granting the approval for the listing of, and permission to deal in, the Conversion Shares, the allotment and issue of the Conversion Shares upon exercise of the conversion rights attached to the Additional Convertible Bonds by the Purchasers, pursuant to and subject to the terms and conditions of the Subscription Agreement, be and are hereby approved; and

(c) any one director of the Company be and is hereby authorised to exercise all the powers of the Company and take all steps as might in his/her opinion be desirable, necessary or expedient in connection with the implementation of the transactions contemplated under the Subscription Agreement as well as in relation to the allotment and issue of the Conversion Shares, including, without limitation to, the execution, amendment, supplement, delivery, submission and implementation of any further documents or agreements."

3. "**THAT**:

(a) subject to paragraph (c) of this resolution, and pursuant to the Listing Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or grant additional shares of the Company or securities convertible into such shares, options, warrants or similar rights to subscribe for any shares of the Company or such convertible securities, and to make or grant offers, agreements or options which would

or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) of this resolution shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such powers after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the directors of the Company pursuant to the approval given in paragraph (a) above, otherwise than pursuant to the exercise of any options granted under any share option scheme adopted by the Company or any offer of any class of securities of the Company made pro rata (apart from fractional entitlements) by the Company to holders of such class of securities (excluding any holder who is resident in a place where such offer is not permitted under the law of that place) or any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company at the date of passing of this resolution, plus (the directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company in the annual general meeting of the Company held on 27 June 2013) the nominal amount of share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the share capital of the Company in issue) and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(d) for the purpose of this resolution "**Relevant Period**" means the period from the passing of this resolution until whichever is the earliest of: (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company, or Bermuda law or any applicable laws to be held; and (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to under this resolution."

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

Hong Kong, 25 October 2013

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.

2. A form of proxy for use at the Meeting is enclosed. Whether or not you intend to attend the Meeting in person, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the Meeting or any adjournment thereof, should he/she/it so wish.

3. To be valid, a proxy form, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, must be lodged at the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, 18/F, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, not less than 48 hours before the time fixed for holding of the Meeting or any adjournment thereof. Completion and return of the proxy will not preclude any member from attending and voting in person at the Meeting or any adjournment thereof if you so desire and, in such event, the instrument appointing such a proxy shall be deemed to be revoked.

4. In the case of joint holders of shares, any one of such holders may vote at the Meeting, either personally or by proxy, in respect of such share as if he/she/it were solely entitled thereto, but if more than one of such joint holder are present at the Meeting personally or by proxy, the persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.

5. Votes on the ordinary resolutions set out herein and are to be passed at the Meeting will be taken by way of poll.

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