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

If you have sold or transferred all your shares in GCL New Energy Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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GCL New Energy Holdings Limited

協鑫新能源控股有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 451)

**PROPOSED ADOPTION OF SHARE OPTION SCHEME
AND
NOTICE OF SPECIAL GENERAL MEETING**

A notice convening the special general meeting to be held at Centenary Room III, G/F, Marco Polo Hongkong Hotel, 3 Canton Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 15 October 2014 at 10:00 a.m. (“**SGM**”) is set out on pages 22 to 23 of this circular. Whether or not you intend to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company’s share registrar in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, as soon as possible and in any event not less than 48 hours before the time fixed 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 should you so wish.

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DEFINITIONS

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

“Adoption Date”	the date on which the last conditions to the Share Option Scheme becoming effective as set out in paragraph 20 of the Appendix to this circular is fulfilled
“Associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“Company”	GCL New Energy Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Stock Exchange
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Person”	means any of the following categories of persons who may be invited by the Board to take up Options under the Share Option Scheme: (a) an Executive; (b) a director or proposed director (including an independent non-executive director) of any member of the Group; (c) a direct or indirect shareholder of any member of the Group; (d) a supplier of goods or services to any member of the Group; (e) a customer, consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group; (f) a person or entity that provides design, research, development or other support or any advisory, consultancy, professional or other services to any member of the Group; and (g) an Associate of any of the foregoing persons
“Employee”	means any executive director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in any member of the Group

DEFINITIONS

“Executive”	any proposed Employee, any full-time or part-time Employee, or a person for the time being seconded to work full-time or part-time for any member of the Group
“Existing Scheme”	the share option Scheme adopted at the Shareholders’ meeting dated 23 February 2005
“GCL Poly”	GCL-Poly Energy Holdings Limited, a company incorporated in the Cayman Island with limited liability and the shares of which are listed on the Stock Exchange. As at the Latest Practicable Date, GCL Poly holds approximately 67.99% of the issued share capital of the Company
“Group”	the Company and its Subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	22 September 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offer Date”	in respect of an offer of the grant of an Option, the date of the Board approving the grant of such Option, which must be a Business Day (as defined in the Listing Rules)
“Option(s)”	option(s) to subscribe for Shares pursuant to the Share Option Scheme
“Option Holder(s)”	the holder(s) of the Option(s)
“Option Shares”	Shares to which any particular Option relates
“SFO”	The Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time)
“SGM”	the special general meeting of the Company to be held at Centenary Room III, G/F, Marco Polo Hongkong Hotel, 3 Canton Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 15 October 2014 at 10:00 a.m.

DEFINITIONS

“Share(s)”	share(s) of nominal value of HK\$0.01666 each in the share capital of the Company
“Share Option Scheme”	the share option scheme proposed to be adopted at the SGM, the principal terms of which are set out in the Appendix of this circular
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary” or “subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“%”	per cent.



GCL New Energy Holdings Limited

協鑫新能源控股有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 451)

Executive Directors:

Mr. Zhu Gongshan
Mr. Tang Cheng
Mr. Gu Xin
Ms. Hu Xiaoyan
Mr. Yip Sum Yin

Non-executive Director:

Ms. Sun Wei
Mr. Yu Baodong

Independent non-executive Directors:

Mr. Wang Bohua
Mr. Xu Songda
Mr. Han Qing-hua
Mr. Lee Conway Kong Wai

Registered Office:

Canon's Court
22 Victoria Street
Hamilton, HM12
Bermuda

*Principal Place of Business
in Hong Kong:*

Unit 1707A, Level 17
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

24 September 2014

To Shareholders

Dear Sir/Madam,

**PROPOSED ADOPTION OF SHARE OPTION SCHEME
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is (i) to provide you with information on the proposed adoption of the Share Option Scheme; and (ii) to give you the notice of the SGM at which a resolution will be proposed to consider and, if thought fit, to approve the adoption of the Share Option Scheme.

LETTER FROM THE BOARD

THE EXISTING SCHEME

Pursuant to an ordinary resolution passed by the Shareholders at the annual general meeting on 23 February 2005, the Company adopted the Existing Scheme. The Existing Scheme would remain in force for a period of 10 years from the date of its adoption and will expire on 22 February 2015. No options have been granted under the Existing Scheme since its adoption. The Company has not adopted any share option scheme other than the Existing Scheme.

Upon expiration of the Existing Scheme, no further Options can be granted thereunder. However, the rules of the Existing Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of Options granted prior to its expiration or otherwise as may be required in accordance with the rules of the Existing Scheme.

ADOPTION OF SHARE OPTION SCHEME

In order to provide the Company with the flexibility of granting share options to the Directors, employees and other persons as incentives or rewards for their contribution or potential contribution to the Group, the Directors proposed to adopt the Share Option Scheme, the principal terms of which are set out in the Appendix.

Conditions of the adoption of the Share Option Scheme

The adoption of the Share Option Scheme is conditional upon (i) the approval of the adoption of the Share Option Scheme by Shareholders at the SGM; (ii) the passing of an ordinary resolution by the shareholders of GCL Poly at its extraordinary general meeting to be held on 15 October 2014 to approve the adoption of the Share Option Scheme, and (iii) the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares which may be issued upon the exercise of the Options which may be granted under the Share Option Scheme.

Listing and dealings

Based on the 3,176,948,262 Shares in issue as at the Latest Practicable Date and assuming that there is no change in the issued share capital of the Company before the SGM, the maximum number of Shares that may be issued upon the exercise of the Options that may be granted under the Share Option Scheme is 317,694,826 Shares, being 10% of the issued share capital of the Company as at the date of the adoption of the Share Option Scheme.

The aggregate number of Shares which may be issued upon the exercise of all share Options that may be granted under the Share Option Scheme and all outstanding share options granted and yet to be exercised under the other share option schemes of the Company has not exceeded 30% of the Shares in issue as at the Latest Practicable Date.

LETTER FROM THE BOARD

An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares which may be issued upon the exercise of the Options which may be granted under the Share Option Scheme.

Reasons for the Share Option Scheme

The purpose of the Share Option Scheme is to enable the Company to grant options to selected Eligible Persons as incentives or rewards for their contribution or potential contribution to the Group. The Directors consider that the Share Option Scheme will provide the Eligible Persons with the opportunity to acquire proprietary interests in the Company and will encourage such Eligible Persons to work towards enhancing the value of the Company and its Shares for the benefit of the Company and the Shareholders as a whole.

The Share Option Scheme does not specify a minimum period for which an option must be held nor a performance target which must be achieved before an option can be exercised. However, the rules of the Share Option Scheme provide that the Board may determine, at its sole discretion, such terms and conditions on the grant of an Option. This determination may vary on a case by case basis but no such terms will be imposed the result of which will be to the advantage of the Eligible Persons. The basis for the determination of the subscription price is specified in the rules of the Share Option Scheme.

Value of the Options

The Directors consider that it is not appropriate to disclose in this circular the value of the Options that may be granted under the proposed Share Option Scheme as if they have been granted as at the Latest Practicable Date, as various determining factors for the calculation of such value cannot be reasonably ascertained at this stage. It would not be meaningful and may even be misleading to Shareholders if the value of the Options is calculated based on a set of speculative assumptions. However, the Company will disclose the value of any Options granted during a financial year or a particular period in its annual report and interim report based on the Binomial Options Pricing Model or a generally accepted comparable methodology.

SPECIAL GENERAL MEETING

A notice convening the SGM is set out on pages 22 to 23 of this circular and a form of proxy for the SGM is enclosed. Whether or not you intend to attend the SGM, you are requested to complete the form of proxy and return it to the Company's share registrar in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time fixed for holding the SGM. The completion and delivery of a form of proxy will not preclude you from attending and voting at the meeting in person.

LETTER FROM THE BOARD

VOTING BY POLL

Pursuant to the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. An announcement on the poll vote results will be published by the Company after the SGM in the manner prescribed under Rule 13.39(5) and Rule 17.02(1)(a) of the Listing Rules.

No Shareholder has a material interest in the proposed adoption of the Share Option Scheme. To the best of the Directors' knowledge, information and belief, having made all reasonable enquires, no Shareholder is required to abstain from voting at the SGM in respect of the proposed resolution to approve the adoption of the Share Option Scheme.

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.

RECOMMENDATION

The Board considers that the adoption of the Share Option Scheme is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of the resolutions to be proposed at the SGM.

DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Share Option Scheme is available for inspection at the principal place of business of the Company in Hong Kong at Unit 1707A, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong during normal business hours on any business day from the date of this circular up to and including the date of the SGM.

Yours faithfully,
For and on behalf of
GCL New Energy Holdings Limited
協鑫新能源控股有限公司
Tang Cheng
Chairman

The following is a summary of the principal terms of the Share Option Scheme proposed to be approved at the SGM.

1. PURPOSE

The purpose of the Share Option Scheme is to give the Eligible Persons to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such Eligible Persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of Executives, to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions.

2. WHO MAY PARTICIPATE IN THE SHARE OPTION SCHEME

Subject to the terms of the Share Option Scheme, the Board shall be entitled at any time within 10 years after the Adoption Date to offer the grant of any Options to subscribe for such number of Shares in accordance with the terms set out in the Share Option Scheme to any of the Eligible Persons as the Board may in its absolute discretion select.

3. MAXIMUM NUMBER OF SHARES

The maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Company shall not in aggregate exceed 10% of the Shares in issue as at the date of the adoption of the Share Option Scheme (such 10% limit representing 317,694,826 Shares), (the “**Scheme Mandate Limit**”) provided that:

- (a) the Company may at any time as the Board may think fit seek approval from the Shareholders to refresh the Scheme Mandate Limit, save that the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Company shall not exceed 10% of the Shares in issue as at the date of approval by the Shareholders in general meeting where the Scheme Mandate Limit is refreshed. Options previously granted under the Share Option Scheme and any other schemes of the Company (including those outstanding, cancelled, lapsed or exercised in accordance with the terms of the Share Option Scheme or any other schemes of the Company) shall not be counted for the purpose of calculating the Scheme Mandate Limit as refreshed. The Company shall send to the Shareholders a circular containing the details and information required under the Listing Rules;
- (b) the Company may seek separate approval from the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit, provided that the Options in excess of the Scheme Mandate Limit are granted only to the Eligible Person specified by the Company before such approval is obtained. The Company should issue a circular to the Shareholders containing the details and information required under the Listing Rules; and

- (c) the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company shall not exceed 30% of the Company's issued share capital from time to time.

4. MAXIMUM ENTITLEMENT OF EACH PARTICIPANT

The maximum number of Shares issued and to be issued upon exercise of the Options granted to any one Eligible Person (including exercised and outstanding Options) in any 12-month period shall not exceed 1% of the Shares in issue from time to time. Where any further grant of Options to such an Eligible Person would result in the Shares issued and to be issued upon exercise of all Options granted and to be granted to such Eligible Person (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant shall be separately approved by the Shareholders in general meeting with such Eligible Person and his or her Associates abstaining from voting. The Company shall send a circular to the Shareholders disclosing the identity of the Eligible Person, the number and terms of the Options to be granted (and Options previously granted) to such Eligible Person, and containing the details and information required under the Listing Rules. The number and terms (including the subscription price) of the Options to be granted to such Eligible Person must be fixed before the approval of the Shareholders and the date of the Board meeting proposing such grant shall be taken as the offer date for the purpose of calculating the subscription price of those Options.

5. OFFER AND GRANT OF OPTIONS

Subject to the terms of the Share Option Scheme, the Board shall be entitled at any time within 10 years from the Adoption Date to offer the grant of an Option to any Eligible Person as the Board may in its absolute discretion select to subscribe at the subscription price for such number of Shares as the Board may (subject to the terms of the Share Option Scheme) determine (in accordance with the provisions of the Share Option Scheme).

6. GRANTING OPTIONS TO CONNECTED PERSONS

Subject to the terms in the Share Option Scheme, but only insofar as and for so long as the Listing Rules require, where any offer of an Option is proposed to be made to a director, chief executive or a substantial shareholder (as defined in the Listing Rules) of the Company or any of their respective Associates, such offer must first be approved by the independent non-executive Directors of the Company (excluding the independent non-executive Director who is the grantee of an Option).

Where any grant of Options to a substantial shareholder (as defined in the Listing Rules) or an independent Non-executive Director of the Company, or any of their respective Associates, would result in the securities issued and to be issued upon exercise of all Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (a) representing in aggregate over 0.1% of the relevant class of securities in issue; and
- (b) (where the securities are listed on the Stock Exchange), having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5.0 million,

such further grant of Options must be approved by the Shareholders in general meeting by way of poll. The Company shall send a circular to the Shareholders containing the information required under the Listing Rules. All connected persons (as defined in the Listing Rules) of the Company must abstain from voting in favor of the resolution(s) relating to the grant of such Options at such general meeting.

Any change in the terms of Options granted to a participant who is a substantial shareholder or an independent non-executive Director of the Company, or any of their respective Associates shall be subject to the prior approval of the Shareholders in general meeting by way of poll and all connected persons of the Company must abstain from voting in favour of the resolution(s) to the change in terms of such Options.

7. RESTRICTION ON THE TIME OF GRANT OF OPTIONS

The Board shall not offer the grant of any Option to any Eligible Person after inside information has come to its knowledge until it has announced the information pursuant to the requirements of the Listing Rules. In particular, no Option shall be granted during the period commencing one month immediately preceding the earlier of (a) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and (b) the deadline for the Company to publish an announcement of its results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcements provided that no Option may be granted during any period of delay in publishing a results announcement.

8. MINIMUM HOLDING PERIOD, VESTING AND PERFORMANCE TARGET

Subject to the provisions of the Listing Rules, the Board may in its absolute discretion when offering the grant of an Option impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the Share Option Scheme as the Board may think fit (to be stated in the letter containing the offer of the grant of the Option) including (without prejudice to the generality of the foregoing) qualifying and/or continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by the Company and/or the grantee, the

satisfactory performance or maintenance by the grantee of certain conditions or obligations or the time or period when the right to exercise the Option in respect of any of the Option Shares shall vest provided that such terms or conditions shall not be inconsistent with all or some other terms or conditions of the Share Option Scheme. For the avoidance of doubt, subject to such terms and conditions as the Board may determine as aforesaid (including such terms and conditions in relation to their vesting, exercise or otherwise) there is no performance target which need to be achieved by the grantee before the Option can be exercised.

9. AMOUNT PAYABLE FOR OPTIONS AND OFFER PERIOD

An offer of the grant of an Option shall remain open for acceptance by the Eligible Person concerned for a period of not more than 30 days from the offer date provided that no such grant of an Option may be accepted after the expiry of the effective period of the Share Option Scheme. An Option shall be deemed to have been granted and accepted by the Eligible Person and to have taken effect when the duplicate offer letter comprising acceptance of the offer of the Option duly signed by the grantee together with a remittance in favor of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company on or before the date upon which an offer of an Option must be accepted by the relevant Eligible Person, being a date no later than 30 days after the Offer Date (the “**Acceptance Date**”). Such remittance shall in no circumstances be refundable.

Any offer of the grant of an Option may be accepted in respect of less than the number of Shares in respect of which it is offered provided that it is accepted in respect of board lots for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer letter comprising acceptance of the offer of the Option. To the extent that the offer of the grant of an Option is not accepted by the Acceptance Date, it will be deemed to have been irrevocably declined.

10. SUBSCRIPTION PRICE

The subscription price in respect of any particular Option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant Option (and shall be stated in the letter containing the offer of the grant of the Option) but the subscription price shall not be less than whichever is the highest of:

- (a) the nominal value of a Share;
- (b) the closing price of a Share as stated in the Stock Exchange’s daily quotations sheet on the Offer Date; and
- (c) the average closing price of a Share as stated in the Stock Exchange’s daily quotations sheets for the five Business Days (as defined in the Listing Rules) immediately preceding the Offer Date.

11. EXERCISE OF OPTION

- (a) To the extent not inconsistent with any applicable laws of any jurisdiction which the grantee and/or the Eligible Person will be under, an Option shall be exercised in whole or in part (but if in part only, in respect of a board lot or any integral multiple thereof) within the Option Period (as defined below) in the manner as set out in this Share Option Scheme by the grantee (or his or her legal personal representative(s)) by giving notice in writing to the Company stating that the Option is thereby exercised and specifying the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given. Within 30 days after receipt of the notice and, where appropriate, receipt of a certificate from the auditors or independent financial advisor pursuant to the Share Option Scheme, the Company shall accordingly allot and issue the relevant number of Shares to the grantee (or his or her legal personal representative(s)) credited as fully paid with effect from (but excluding) the relevant exercise date and issue to the grantee (or his or her legal personal representative(s)) share certificate(s) in respect of the Shares so allotted.
- (b) The exercise of any Option shall be subject to the members of the Company in general meeting approving any necessary increase in the authorized share capital of the Company.
- (c) There is no general provision which requires that any Option granted under this Share Option Scheme shall be exercisable only after any performance target is met by the grantee; however, the Board may in its sole discretion set the conditions for the exercise of the Option so long as such conditions are set out clearly in the offer when the Option is granted.
- (d) Subject as hereinafter provided, an Option may be exercised by the grantee at any time during the Option Period (in respect of any particular Option, the period commencing immediately after the Business Day (as defined under the Listing Rules) on which the Option is deemed to be granted and accepted in accordance with the Share Option Scheme (“**Commencement Date**”) and expiring on the date of the expiry of the Option as the Board may in its absolute discretion determine and which shall not exceed 10 years from the Commencement Date but subject to the provisions for early termination thereof contained in the Share Option Scheme) (“**Option Period**”), provided that:
- (i) in the event that the grantee dies or becomes permanently disabled before exercising an Option (or exercising it in full), he or she (or his or her legal representative(s)) may exercise the Option up to the grantee’s entitlement (to the extent not already exercised) within a period of 12 months following his or her death or permanent disability or such longer period as the Board may determine;

- (ii) in the event that the grantee ceases to be an Executive by reason of his retirement pursuant to such retirement scheme applicable to the Group at the relevant time, his Option (to the extent not already exercised) shall be exercisable until the expiry of the relevant Option Period;
- (iii) in the event that the grantee ceases to be an Executive by reason of his transfer of employment to the controlling shareholder (as defined under the Listing Rules) or a subsidiary or an Associate of a controlling shareholder of the Company (as defined under the Listing Rules) (“**Affiliate Company**”), his Option (to the extent not already exercised) shall be exercisable until the expiry of the relevant Option Period unless the Board in its absolute discretion otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board has determined;
- (iv) in the event that the grantee ceases to be an Executive for any reason (including his or her employing company ceasing to be a member of the Group) other than his or her death, permanent disability, retirement pursuant to such retirement scheme applicable to the Group at the relevant time or the transfer of his or her employment to an Affiliate Company or the termination of his or her employment with the relevant member of the Group by resignation or termination on the ground that he or she has been guilty of serious misconduct, or there exists grounds allowing his or her summary dismissal under his or her employment contract or under common law, or he or she is unable or has no reasonable prospects of being able to pay his or her debts within the meaning of the Bankruptcy Ordinance (Chapter 6 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time) or any other applicable law, or he or she has become otherwise insolvent or has made any arrangement or composition with his or her creditors generally, or he or she has been convicted of any criminal offence involving his or her integrity or honesty (“**Culpable Termination**”), the Option (to the extent not already exercised) shall lapse within one month after the date of cessation of such employment and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such cessation;
- (v) in the event that the grantee ceases to be an Executive by reason of the termination of his or her employment by resignation or Culpable Termination, the Option (to the extent not already exercised) shall lapse within one month after the date on which the notice of termination is served (in the case of resignation) or within one month after the date on which the grantee is notified of the termination of his employment (in the case of Culpable Termination) and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion

determine following the date of such service or notification. A resolution of the Board resolving that the Executive's Option has lapsed pursuant to this paragraph (v) shall be final and conclusive;

(vi) if a grantee being:

(1) an executive director of the Company ceases to be an Executive but remains a Non-executive Director, his or her Option (to the extent not already exercised) shall be exercisable until the expiry of the relevant Option Period unless the Board in its absolute discretion otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board has determined; or

(2) a Non-executive Director of the Company ceases to be a director:

(aa) by reason of Non-Executive Director retirement, his or her Option (to the extent not already exercised) shall be exercisable until the expiry of the relevant Option Period unless the Board in its absolute discretion otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board has determined; or

(bb) for reasons other than his or her retirement, his or her Option (to the extent not already exercised) shall lapse on the date of cessation of such appointment and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such cessation;

(vii) if:

(1) the Board in its absolute discretion at any time determines that a grantee has ceased to be an Eligible Person; or

(2) a grantee has failed to or no longer satisfies or complies with such criteria or terms and conditions that may be attached to the grant of the Option or which were the basis on which the Option was granted,

the Option (to the extent not already exercised) shall lapse on the date on which the grantee is notified thereof (in the case of (1)) or on the date on which the grantee has failed to or no longer satisfies or complies with such criteria or terms and conditions as aforesaid (in the case of (2)) and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such notification or the date of such failure, non-satisfaction or non-compliance.

In the case of (1), a resolution of the Board resolving that the grantee's Option has lapsed pursuant to this paragraph (vii) shall be final and conclusive;

(viii) if a grantee (being a corporation):

- (1) has a liquidator or receiver appointed anywhere in the world in respect of the whole or any part of the assets or undertaking of the grantee; or
- (2) has suspended, ceased or threatened to suspend or cease business; or
- (3) is unable to pay its debts; or
- (4) otherwise becomes insolvent; or
- (5) suffers a change in its constitution, management, directors or shareholding which in the opinion of the Board is material; or
- (6) commits a breach of any contract entered into between the grantee or his Associate and any member of the Group,

the Option (to the extent not already exercised) shall lapse on the date of appointment of the liquidator or receiver or on the date of suspension or cessation of business or on the date when the grantee is deemed to be unable to pay its debts as aforesaid or on the date of notification by the Company that the said change in constitution, management, directors or shareholding is material or on the date of notification by the Company of the said breach of contract (as the case may be) and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such occurrence. A resolution of the Board resolving that the grantee's Option has lapsed pursuant to the clause in the Share Option Scheme corresponding to this paragraph (viii) by reason of breach of contract or material change in the constitution, management, directors or shareholding as aforesaid shall be final and conclusive;

(ix) if a grantee (being an individual):

- (1) is unable or has no reasonable prospects of being able to pay his or her debts within the meaning of the Bankruptcy Ordinance (Chapter 6 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time) or any other applicable law or has otherwise become insolvent; or
- (2) has made any arrangement or composition with his or her creditors generally; or

- (3) has been convicted of any criminal offence involving his or her integrity or honesty; or
- (4) commits a breach of any contract entered into between the grantee or his Associate and any member of the Group,

the Option (to the extent not already exercised) shall lapse on the date on which he or she is deemed unable or to have no reasonable prospects of being able to pay his or her debts as aforesaid or on the date on which a petition for bankruptcy has been presented in any jurisdiction or on the date on which he or she enters into the said arrangement or composition with his or her creditors or on the date of his or her conviction or on the date of the said breach of contract (as the case may be) and not be exercisable unless the Board otherwise determines in which event the Option (or such remaining part thereof) shall be exercisable within such period as the Board may in its absolute discretion determine following the date of such occurrence. A resolution of the Board resolving that the grantee's Option has lapsed pursuant to this paragraph (ix) for breach of contract as aforesaid shall be final and conclusive;

- (x) if a general offer is made to all holders of Shares and such offer becomes or is declared unconditional (in the case of a takeover offer) or is approved by the requisite majorities at the relevant meetings of the Shareholders (in the case of a scheme of arrangement), the grantee shall be entitled to exercise the Option (to the extent not already exercised) at any time (in the case of a takeover offer) within one month after the date on which the offer becomes or is declared unconditional or (in the case of a scheme of arrangement) prior to such time and date as shall be notified by the Company;
- (xi) if a compromise or arrangement between the Company and its members or creditors is proposed for the purpose of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company, the Company shall give notice thereof to the grantees who have Options unexercised at the same time as it despatches notices to all members or creditors of the Company summoning the meeting to consider such a compromise or arrangement and thereupon each grantee (or his or her legal representatives or receiver) may until the expiry of the earlier of:
 - (1) the Option period;
 - (2) the period of two months from the date of such notice; or
 - (3) the date on which such compromise or arrangement is sanctioned by the court, exercise in whole or in part his or her Option,

except insofar as exercised in accordance with this paragraph (xi), all Options outstanding at the expiry of the relevant period referred to in this paragraph (xi) shall lapse. The Company may thereafter require each grantee to transfer

or otherwise deal with the Shares issued on exercise of the Option to place the grantee in the same position as would have been the case had such Shares been the subject of such compromise or arrangement; and

- (xii) in the event a notice is given by the Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up the Company, the Company shall on the same date as or soon after it dispatches such notice to each member of the Company give notice thereof to all grantees and thereupon, each grantee (or his or her legal personal representative(s)) shall be entitled to exercise all or any of his or her Options at any time not later than two Business Days (as defined in the Listing Rules) prior to the proposed general meeting of the Company by giving notice in writing to the Company, accompanied by a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given whereupon the Company shall as soon as possible and, in any event, no later than the business day (as defined in the Listing Rules) immediately prior to the date of the proposed general meeting referred to above, allot the relevant Shares to the grantee credited as fully paid.

12. LIFE OF SHARE OPTION SCHEME

Subject to the terms of the Share Option Scheme, the Share Option Scheme shall be valid and effective for a period of 10 years from the Adoption Date. Upon the expiry of the Share Option Scheme or when all Options that may be granted under the Share Option Scheme have been granted, no further Options will be offered but the provisions of the Share Option Scheme shall remain in force and effect in all other respects. All Options granted prior to such aforesaid expiry and not then exercised shall continue to be valid and exercisable subject to and in accordance with the provisions of the Share Option Scheme.

13. LAPSE OF SHARE OPTION SCHEME

An Option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

- (a) the expiry of the Option Period;
- (b) the expiry of any of the period referred to in the paragraph titled “Principal Terms of the Share Option Scheme — 11. Exercise of Option” in this Appendix;
- (c) subject to the terms of the period mentioned in sub-paragraph (xii) of the paragraph entitled “Principal Terms of the Share Option Scheme — 11. Exercise of Option” in this Appendix, the date of the commencement of the winding-up of the Company;
- (d) there is an unsatisfied judgment, order or award outstanding against the grantee or the Board has reason to believe that the grantee is unable to pay or to have no reasonable prospect of being able to pay his/her/its debts;

- (e) there are circumstances which entitle any person to take any action, appoint any person, commence proceedings or obtain any order of the type mentioned in the Share Option Scheme with respect to the exercise or lapse of the Option; or
- (f) a bankruptcy order has been made against any director or shareholder of the grantee (being a corporation) in any jurisdiction.

No compensation shall be payable upon the lapse of any Option, provided that the Board shall be entitled in its discretion to pay such compensation to the grantee in such manner as it may consider appropriate in any particular case.

14. ADJUSTMENT

In the event of any alteration to the capital structure of the Company while any Option remains exercisable, whether by way of capitalization of profits or reserves, open offer, right issue, consolidations, reclassification, reconstruction, sub-division or reduction of the share capital of the Company, the Board may, if it considers the same to be appropriate, direct that adjustments be made to:

- (a) the maximum number of Shares subject to the Share Option Scheme; and/or
- (b) the aggregate number of Shares subject to the Option so far as unexercised; and/or
- (c) the subscription price of each outstanding Option.

Where the Board determines that such adjustments are appropriate (other than an adjustment arising from a capitalization issue), the auditors or independent financial advisor appointed by the Company shall certify in writing to the Board that any such adjustments are in their opinion fair and reasonable, provided that:

- (a) any such adjustments shall be made on the basis that the aggregate subscription price payable by the grantee on the full exercise of any Option shall remain as nearly as practicable the same as (but shall not be greater than) it was before such event;
- (b) no such adjustments shall be made the effect of which would be to enable a Share to be issued at less than its nominal value;
- (c) any such adjustments shall be made to in accordance with the provisions as stipulated under Chapter 17 of the Listing Rules and supplementary guidance on the interpretation of the Listing Rules issued by the Stock Exchange from time to time; and
- (d) the issue of securities as consideration in a transaction shall not be regarded as a circumstance requiring any such adjustments.

15. CANCELLATION OF OPTIONS NOT EXERCISED

The Board shall be entitled for the following causes to cancel any Option in whole or in part by giving notice in writing to the grantee stating that such Option is thereby cancelled with effect from the date specified in such notice (the “**Cancellation Date**”):

- (a) the grantee commits or permits or attempts to commit or permit a breach of provisions as set out in the paragraph titled “Principal Terms of the Share Option Scheme — 18. Transferability” in this Appendix or any terms or conditions attached to the grant of the Option;
- (b) the grantee makes a written request to the Board for the Option to be cancelled; or
- (c) if the grantee has, in the opinion of the Board, conducted himself in any manner whatsoever to the detriment of or prejudicial to the interests of the Company or its subsidiary.

The Option shall be deemed to have been cancelled with effect from the Cancellation Date in respect of any part of the Option which has not been exercised as at the Cancellation Date. No compensation shall be payable upon any such cancellation, provided that the Board shall be entitled in its discretion to pay such compensation to the grantee in such manner as it may consider appropriate in any particular case.

16. RANKING OF SHARES

The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the bye-laws of the Company and the laws of the Bermuda from time to time and shall rank *pari passu* in all respects with the then existing fully paid Shares in issue on the allotment date or, if that date falls on a day when the register of members of the Company is closed, the first date of the re-opening of the register of members, and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the allotment date or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members, other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefore shall be before the allotment date.

Share issued upon the exercise of an Option shall not carry rights until the registration of the grantee (or any other person) as the holder thereof.

17. TERMINATION

The Company may by resolution in general meeting at any time terminate the operation of the Share Option Scheme. Upon termination of the Share Option Scheme as aforesaid, no further Options shall be offered but the provisions of the Share Option Scheme shall remain in force and effect in all other respects. All Options granted prior to such termination and not then exercised shall continue to be valid and exercisable subject to and in accordance with the Share Option Scheme.

18. TRANSFERABILITY

The Option shall be personal to the grantee and shall not be assignable and no grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any Option or attempt to do so (save that the grantee may nominate a nominee in whose name the Shares issued pursuant to the Share Option Scheme may be registered) except with the prior written consent of the Board from time to time. Any breach of the foregoing shall entitle the Company to cancel any outstanding Option or part thereof granted to such grantee.

19. ALTERATION OF SHARE OPTION SCHEME

The Share Option Scheme may be altered in any respect by a resolution of the Board except that the following shall not be carried out except with the prior sanction of an ordinary resolution of the the Shareholders in general meeting at which any persons to whom or for whose benefit the Shares may be issued under the Share Option Scheme and their respective Associates shall abstain from voting:

- (a) any material alteration to its terms and conditions or any change to the terms of Options granted (except where the alterations take effect under the existing terms of the Share Option Scheme);
- (b) any alteration to the provisions of the Share Option Scheme in relation to the matters set out in Rule 17.03 of the Listing Rules to the advantage of grantee;
- (c) any change to the authority of the Board or any person or committee delegated by the Board pursuant to the clause in the Share Option Scheme related to the duration and administration to administer the day-to-day running of the Share Option Scheme; and
- (d) any alteration to the provisions as set out in this paragraph 19 of this Appendix.

provided always that the amended terms of the Share Option Scheme shall comply with the applicable requirements of the Listing Rules.

20. CONDITIONS OF THE SHARE OPTION SCHEME

The Share Option Scheme shall come into effect on the date on which the following conditions are fulfilled:

- (a) the approval of all the Shareholders for the adoption of the Share Option Scheme;
- (b) the approval of the shareholders of GCL Poly for the adoption of the Share Option Scheme by the Company; and
- (c) the approval of the Stock Exchange for the listing of and permission to deal in, a maximum of 317,694,826 Shares to be allotted and issued pursuant to the exercise of the Share Option Scheme in accordance with the terms and conditions of the Share Option Scheme;

If the approval referred to in condition (b) and the permission referred to in condition (c) above are not granted within two calendar months after the Adoption Date:

- (a) the Share Option Scheme will forthwith determine;
- (b) any Option granted or agreed to be granted pursuant to the Share Option Scheme and any offer of such a grant shall be of no effect; and
- (c) no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the Share Option Scheme or any Option.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Shares which may be issued pursuant to the exercise of Options which may be granted under the Share Option Scheme.

NOTICE OF SPECIAL GENERAL MEETING



GCL New Energy Holdings Limited

協鑫新能源控股有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 451)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a Special General Meeting of GCL New Energy Holdings Limited (the “**Company**”) will be held at Centenary Room III, G/F, Marco Polo Hongkong Hotel, 3 Canton Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 15 October 2014 at 10:00 a.m. to consider and, if thought fit, to pass with or without amendments, the following resolution:

ORDINARY RESOLUTION

“**THAT** subject to the approval by the shareholders of GCL-Poly Energy Holdings Limited, the controlling shareholder of the Company, at its extraordinary general meeting to be held on 15 October 2014 (or any adjournment thereof) and The Stock Exchange of Hong Kong Limited granting approval of the listing of and permission to deal in the shares falling to be issued pursuant to the exercise of any options granted under the share option scheme referred to in the circular despatched to the shareholders on the same day as this notice, the terms of which are set out in the printed document marked “**A**” now produced to the meeting and for the purpose of identification signed by the Chairman hereof (the “**Share Option Scheme**”), the Share Option Scheme be approved and adopted to be the share option scheme of the Company and that the Directors of the Company be authorised to grant options thereunder and to allot and issue shares pursuant to the Share Option Scheme and take all such steps as may be necessary or desirable to implement such Share Option Scheme.”

By order of the Board
GCL New Energy Holdings Limited
協鑫新能源控股有限公司
Tang Cheng
Chairman

Hong Kong, 24 September 2014

NOTICE OF SPECIAL GENERAL MEETING

Notes:

1. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy (who must be an individual) to attend and on a poll, vote instead of him. A member may appoint not more than two proxies to attend the meeting and a proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof must be lodged with the Company's share registrar in Hong Kong, Tricor Abacus Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude a member from attending and voting in person at the meeting.
3. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he/she were solely entitled thereto; but if more than one of such joint holders are present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register of members in respect of the relevant joint holding.
4. The above resolution will be put to vote at the above meeting by way of poll.