

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this joint announcement.



GCL-Poly Energy Holdings Limited

保利協鑫能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3800)



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)

MAJOR TRANSACTION DISPOSAL OF SUBSIDIARIES

THE SECOND PHASE SHARE PURCHASE AGREEMENTS

Reference is made to the joint announcement of GCL-Poly and GNE dated 16 November 2020 in relation to the First Phase Disposals.

The GCL-Poly Board and the GNE Board jointly announce that on 22 November 2020, Anhui GCL New Energy and Suzhou GCL New Energy (as the sellers) and Xuzhou State Investment & Environmental Protection Energy Co., Ltd.* (徐州國投環保能源有限公司) (as the purchaser) entered into the Second Phase Share Purchase Agreements. Pursuant to the Second Phase Share Purchase Agreements, the respective Seller agreed to, among other things, sell 90% equity interest in each of Dangshan GCL, Funan GCL, Hefei Xinren and Tianchang GCL and 50% equity interest in Taihu Xinneng to the Purchaser.

USE OF PROCEEDS FROM THE TRANSACTIONS

The net cash proceeds from the Transactions (being the sum of the aggregate Consideration and the total Net Payable Amount as at the Reference Date amounting to approximately RMB987,114,000, minus estimated taxes and transaction costs of approximately RMB2,000,000) is expected to be approximately RMB985,114,000, which GNE intends to use for repayments of its debts.

LISTING RULES IMPLICATIONS

GCL-Poly

As the Sellers, being indirect subsidiaries of GCL-Poly, entered into the First Phase Disposals and the Second Phase Disposals with the Purchaser within a 12-month period, the Disposals contemplated in the First Phase Share Purchase Agreements and the Second Phase Share Purchase Agreements shall be aggregated as a series of transactions for GCL-Poly pursuant to Rule 14.22 of the Listing Rules.

Since the highest of the applicable percentage ratios in respect of the First Phase Disposals and the Second Phase Disposals is over 25% but less than 75%, the entering into of the Second Phase Disposals constitutes a major transaction of GCL-Poly under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GNE

As the Sellers, being indirect subsidiaries of GNE, entered into the First Phase Disposals and the Second Phase Disposals with the Purchaser within a 12-month period, the Disposals contemplated in the First Phase Purchase Agreements and the Second Phase Share Purchase Agreements shall be aggregated as a series of transactions for GNE pursuant to Rule 14.22 of the Listing Rules.

Since the highest of the applicable percentage ratios in respect of the First Phase Disposals and the Second Phase Disposals is over 25% but less than 75%, the entering into of the Second Phase Disposals constitutes a major transaction of GNE under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GENERAL

The GCL-Poly EGM will be convened for the GCL-Poly Shareholders to consider and, if thought fit, approve the Transactions and the entering into and performance of obligations under the Second Phase Share Purchase Agreements. A circular, which will include, among other things, further details of the Transactions and the transactions contemplated under the Second Phase Share Purchase Agreements, is expected to be despatched to the GCL-Poly Shareholders on or before 28 February 2021, as additional time is required to prepare the information to be disclosed in the circular.

The GNE SGM will be convened for the GNE Shareholders to consider and, if thought fit, approve the Transactions and the entering into and performance of obligations under the Second Phase Share Purchase Agreements. A circular, which will include, among other things, further details of the Transactions and the transactions contemplated under the Second Phase Share Purchase Agreements, is expected to be despatched to the GNE Shareholders on or before 28 February 2021, as additional time is required to prepare the information to be disclosed in the circular.

1. INTRODUCTION

Reference is made to the joint announcement of GCL-Poly and GNE dated 16 November 2020 in relation to the First Phase Disposals.

The GCL-Poly Board and the GNE Board jointly announce that on 22 November 2020, Anhui GCL New Energy and Suzhou GCL New Energy (as the sellers) and Xuzhou State Investment & Environmental Protection Energy Co., Ltd.* (徐州國投環保能源有限公司) (as the purchaser) entered into the Second Phase Share Purchase Agreements. Pursuant to the Second Phase Share Purchase Agreements, the respective Seller agreed to, among other things, sell 90% equity interest in each of Dangshan GCL, Funan GCL, Hefei Xinren and Tianchang GCL and 50% equity interest in Taihu Xinneng to the Purchaser.

As at the date of this joint announcement, all Target Companies are wholly-owned by the respective Seller. Upon completion of the Second Phase Disposals, (i) Dangshan GCL, Funan GCL, Hefei Xinren and Tianchang GCL will be owned as to 90% by the Purchaser and 10% by the respective Seller, respectively, (ii) Taihu Xinneng will be owned as to 50% by the Purchaser and 50% by Anhui GCL New Energy, respectively and (iii) all of the Target Companies will cease to be subsidiaries of the GCL-Poly Group and the GNE Group.

2. THE SECOND PHASE SHARE PURCHASE AGREEMENTS

The principal terms of the Second Phase Share Purchase Agreements are set out below:

Date

22 November 2020

Parties

- (i) The Sellers:
- (a) Anhui GCL New Energy Investment Co., Ltd.* (安徽協鑫新能源投資有限公司)
 - (b) Suzhou GCL New Energy Investment Co., Ltd.* (蘇州協鑫新能源投資有限公司)
- (ii) The Purchaser:
- (a) Xuzhou State Investment & Environmental Protection Energy Co., Ltd.* (徐州國投環保能源有限公司)

To the best of the GCL-Poly Directors and the GNE Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) are third parties independent of GCL-Poly and GNE and their connected persons.

Assets to be sold

The Sale Shares will be sold by the respective Seller to the Purchaser, being (i) 90% equity interest in each of Dangshan GCL, Funan GCL, Hefei Xinren and Tianchang GCL and (ii) 50% equity interest in Taihu Xinneng.

The Target Companies own 7 operational solar power plants in the PRC with an aggregate grid-connected capacity of approximately 217 MW.

The table below sets out the Target Companies under each of the Second Phase Share Purchase Agreements:

Second Phase Share Purchase Agreements

	Target Companies
I	Dangshan GCL Solar Power Co., Ltd.* (碭山協鑫光伏電力有限公司)
II	Taihu Xinneng Solar Power Co., Ltd.* (太湖鑫能光伏電力有限公司)
III	Funan GCL Solar Power Co., Ltd.* (阜南協鑫光伏電力有限公司)
IV	Hefei Xinren Solar Power Co., Ltd.* (合肥鑫仁光伏電力有限公司)
V	Tianchang City GCL Solar Power Co., Ltd.* (天長市協鑫光伏電力有限公司)

For further information relating to the Target Companies, please refer to the section headed “Information on the Target Companies” below.

Consideration

The aggregate Consideration under the Second Phase Share Purchase Agreements is RMB312,728,221.

The table below sets out the Consideration of each of the Target Companies:

Second Phase

Share

Purchase

Agreements	Target Companies	Consideration <i>RMB</i>
I	Dangshan GCL	36,100,000
II	Taihu Xinneng	23,778,908
III	Funan GCL	183,469,028
IV	Hefei Xinren	14,430,285
V	Tianchang GCL	<u>54,950,000</u>
Total		<u><u>312,728,221</u></u>

Basis of the Consideration

The Consideration was determined after arm’s length negotiations between the Sellers and the Purchaser, taking into account of, among other things:

- (i) the net asset value of each of the Target Companies as at the Reference Date (i.e. 31 July 2020);
- (ii) the profitability of the Target Companies for the financial years ended 31 December 2019 and 31 December 2018, details of which can be found in the section headed “Information on the Target Companies” of this joint announcement;
- (iii) the reasons for the Second Phase Disposals as discussed in the paragraph headed “Reasons and Benefits of the Transactions” below; and
- (iv) the cash flow position of each of the Target Companies as at the Reference Date.

Payment arrangements of the Consideration

The aggregate Consideration under the Second Phase Share Purchase Agreements shall be paid by the Purchaser to the respective Seller in cash according to the manner set out below:

Second Phase Share Purchase Agreements	First Instalment <i>RMB</i>	Second Instalment <i>RMB</i>	Third Instalment <i>RMB</i>
Dangshan GCL	7,220,000	27,080,000	1,800,000
Taihu Xinneng	4,755,782	16,983,126	2,040,000
Funan GCL	36,693,805	146,325,223	450,000
Hefei Xinren	2,886,057	11,494,228	50,000
Tianchang GCL	<u>10,990,000</u>	<u>43,470,000</u>	<u>490,000</u>
Total	<u>62,545,644</u>	<u>245,352,577</u>	<u>4,830,000</u>

First instalment: The Purchaser shall pay 20% of the Consideration (the “**First Instalment**”) amounted to RMB62,545,644 to the respective Seller within 10 Business Days after the fulfilment of or waiver by the Purchaser of the following conditions:

- (i) obtaining the written consent from each of the creditors of the Target Companies in relation to the Second Phase Disposals;
- (ii) obtaining the consent from the pledgees to the release of all pledges over the equity interest of each of the Target Companies; and
- (iii) the Purchaser fulfilling the request of the relevant financial institutions to provide transitional guarantee (if any).

Second instalment: The Purchaser shall pay RMB245,352,577 of the Consideration (the “**Second Instalment**”) to the respective Seller within 7 Business Days after the fulfilment of the following conditions:

- (i) the completion of the Registration Procedures within 7 to 15 Business Days after the receipt of the First Instalment;
- (ii) the handover of the management of each of the Target Companies in accordance with the terms and conditions of the Second Phase Share Purchase Agreements; and
- (iii) the execution of a transfer confirmation in relation to the handover of corporate documents in connection to the Transactions.

Third instalment: The Purchaser shall pay RMB4,830,000 of the remaining Consideration (the “**Third Instalment**”) to the respective Seller within 90 days after the Closing.

Net Payable Amount

The table below sets out the Net Payable Amount of each of the Target Companies as at the Reference Date:

Second Phase Share Purchase Agreements	Target Companies	Net Payable Amount RMB
I	Dangshan GCL	98,212,755
II	Taihu Xinneng	33,366,010
III	Funan GCL	371,652,827
IV	Hefei Xinren	1,850,863
V	Tianchang GCL	<u>169,303,239</u>
Total		<u><u>674,385,694</u></u>

According to the audit report prepared by a PRC audit firm, the total Net Payable Amount payable by Dangshan GCL, Taihu Xinneng, Funan GCL, Hefei Xinren and Tianchang GCL to the respective Sellers and their respective affiliates as at the Reference Date was approximately RMB674,385,694.

The Purchaser undertakes to, or procures the Target Companies to, make full payment of the Net Payable Amount as at the Reference Date and their respective interests accrued to the Sellers within 90 day after the Closing. Subject to the progress of the Target Companies in refinancing its existing debts, the Target Companies shall make an initial payment of the Net Payable Amount as at the Reference Date of RMB78,303,468 to the Sellers within 30 days after the Closing Date. In the event of late payment, the Purchaser or the respective Target Company shall pay a default interest to the respective Seller.

Transition Period Arrangement

The parties acknowledged in principle that the Transition Period shall not exceed 120 days. The profit and loss incurred by the Target Companies within 120 days from the Reference Date (the “**Cut-off Date**”) shall be accrued for the benefit of or borne by the Sellers and the Purchaser based on their respective equity interest held in the Target Companies after the Closing. In the event that the Closing fails to take place within the Cut-off Date, the Sellers agree to grant a grace period of 90 days. If the Closing is not completed before the expiry of the grace period, the Sellers are entitled to the profit of the Target Companies after the Reference Date as determined by the number of days which the Closing was delayed. The calculation of the profit and loss shall be determined by the Closing Audit Report.

If the Sellers and their respective affiliates continue to provide any loans or advances to the Target Companies during the Transition Period, the Purchaser shall repay the Net Payable Amount incurred during the Transition Period to the Sellers and their affiliates within 7 Business Days after completion of the Closing Audit Report. In the event of late payment, the Purchaser shall pay a default interest to the Sellers.

Other Undertakings

The Sellers and the Purchaser agreed to be subject to the following undertakings:

- (i) (applicable to all Target Companies except Hefei Xinren) the respective Seller shall be responsible for all tax payment including but not limited to farmland occupation tax, land use tax and the related tax expenses incurred by or subject to payment by the relevant Target Company prior to the Reference Date based on the duration for which the relevant Seller owns the relevant Target Company;
- (ii) (applicable to all Target Companies) in the event that the contingent liabilities incurred by the Target Companies prior to Reference Date become actual liabilities payable after the Closing, such amount of contingent liabilities shall be paid by the relevant Seller; and

- (iii) (applicable to all Target Companies except Taihu Xinneng) the Purchaser shall undertake to allow the respective Seller to appoint one director to the board of directors of each of the Target Companies (except Taihu Xinneng).

Conditions Precedent

The Closing under each of the Second Phase Share Purchase Agreements is subject to the fulfilment or waiver of the following Conditions Precedent:

- (i) save for the legal encumbrances as set out in the Second Phase Share Purchase Agreements (including but not limited to the pledges over the equity interest, income rights and certain equipment of the Target Companies (as the case may be)), the Target Companies have no other actual or potential legal encumbrances. In the event of the existence of any undisclosed legal encumbrances, such legal encumbrances shall be removed, waived in writing or otherwise settled in a manner that would not affect the Transactions;
- (ii) the parties have obtained all the necessary approvals, consents and authorisations in relation to the Transactions. The execution of documents in relation to the Transactions has not violated any provisions of the applicable laws and regulations, articles of association, contracts and any agreements entered into with third parties or relevant government authorities;
- (iii) the Target Companies have normal business operation. During the Transition Period, (a) there is no adverse change to the business operation, financial condition and assets of the Target Companies, (b) there is no change in laws and regulations which may adversely affect the Transactions, the legality of the Transactions or the operation of the Target Companies, and (c) there is no litigation, judicial procedures, administrative procedures and other dispute resolution procedures that may affect the Transactions;
- (iv) save for Dangshan GCL Share Purchase Agreement and Hefei Xinren Share Purchase Agreement, prior consent has been obtained from certain financial institution to release all pledges over the equity interest of the Target Companies before the completion of the Registration Procedures and the Sale Shares are free from other encumbrances; and
- (v) GNE and GCL-Poly have convened board meeting and shareholders' meeting to approve the Transactions under the Second Phase Purchase Agreements.

The Sellers agreed that the Purchaser is entitled to waive one or more of the Conditions Precedent (except condition (v) above) to facilitate the Closing.

Closing

The Sellers shall assist to release all pledges over the equity interest of the Target Companies and the Sellers shall be responsible for and shall procure the Target Companies to complete the Registration Procedures within 7 to 15 Business Days after the payment of the First Instalment or the fulfillment of Condition Precedent (v) above (whichever is later). Within 30 Business Days after the completion of the Registration Procedures, the Purchaser undertakes to provide guarantee or procure to arrange for alternative guarantees or make other arrangements to discharge the respective Seller and its affiliates from being the guarantors in relation to the financing or liabilities of the Target Companies.

Closing Audit Report

Pursuant to the Second Phase Share Purchase Agreement, the Sellers and the Purchaser shall engage an auditing agency to audit the financials of the Target Companies for the period from the Reference Date to the Closing Date and prepare the Closing Audit Report within 15 Business Days after the Closing Date.

3. INFORMATION ON THE PARTIES TO THE SECOND PHASE SHARE PURCHASE AGREEMENTS

The GCL-Poly Group

GCL-Poly is an exempted company with limited liability incorporated in the Cayman Islands. The principal business of GCL-Poly is investment holding.

The GCL-Poly Group is principally engaged in the manufacturing and sale of polysilicon and wafers products, and developing and operating solar farms. As at the date of this joint announcement, GCL-Poly is interested in approximately 62.28% of the issued share capital of GNE.

The GNE Group

GNE is incorporated in Bermuda as an exempted company with limited liability. The principal business of GNE is investment holding.

The GNE Group is principally engaged in the sale of electricity, development, construction, operation and management of solar power plants. As at the date of this joint announcement, GNE is owned as to approximately 62.28% by GCL-Poly.

Anhui GCL New Energy

Anhui GCL New Energy is a company established in the PRC with limited liability and an indirect subsidiary of GNE and GCL-Poly. Anhui GCL New Energy is principally engaged in the development, operation and management of solar power plants.

Suzhou GCL New Energy

Suzhou GCL New Energy is a company established in the PRC with limited liability and an indirect subsidiary of GNE and GCL-Poly. Suzhou GCL New Energy indirectly owns a majority of solar power plants of GNE in the PRC.

4. INFORMATION ON THE PURCHASER

The Purchaser is a company incorporated in the PRC with limited liability. The Purchaser is mainly engaged in the operation of solar power, biomass power, wind power and cogeneration, production and supply of electricity and the promotion of new energy, environmental protection technology, energy saving technology, agriculture, forestry, fishing, and animal husbandry technology, planting of vegetables, flowers and Chinese herbal medicines, processing and sales of agricultural products and leisure and sightseeing activities.

The Purchaser is wholly-owned by State-owned Assets Investment & Management Group Co., Ltd. of Xuzhou* (徐州市國有資產投資經營集團有限公司) which is principally engaged in the energy and environmental protection industries, development of high and new technology and strategic investment in emerging industries.

To the best of the GCL-Poly Directors and the GNE Directors' knowledge, information and belief after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are state-owned and third parties independent of GCL-Poly and GNE and their connected persons.

5. INFORMATION ON THE TARGET COMPANIES

The table below sets out the information on the Target Companies under each of the Second Phase Share Purchase Agreements:

**Second
Phase Share
Purchase
Agreements**

	Target Companies	Information on the Target Companies
I	Dangshan GCL	Dangshan GCL is a company established in the PRC with limited liability and is principally engaged in the operation of solar power plant in the PRC. Dangshan GCL is wholly-owned by Anhui GCL New Energy and an indirect subsidiary of GCL-Poly and GNE.
II	Taihu Xinneng	Taihu Xinneng is a company established in the PRC with limited liability and is principally engaged in the operation of solar power plant in the PRC. Taihu Xinneng is wholly-owned by Anhui GCL New Energy and an indirect subsidiary of GCL-Poly and GNE.
III	Funan GCL	Funan GCL is a company established in the PRC with limited liability and is principally engaged in the operation of solar power plant in the PRC. Funan GCL is wholly-owned by Suzhou GCL New Energy and an indirect subsidiary of GCL-Poly and GNE.
IV	Hefei Xinren	Hefei Xinren is a company established in the PRC with limited liability and is principally engaged in the operation of solar power plant in the PRC. Hefei Xinren is wholly-owned by Anhui GCL New Energy and an indirect subsidiary of GCL-Poly and GNE.

**Second
Phase Share
Purchase**

Agreements Target Companies Information on the Target Companies

V	Tianchang GCL	Tianchang GCL is a company established in the PRC with limited liability and is principally engaged in the operation of solar power plant in the PRC. Tianchang GCL is wholly-owned by Suzhou GCL New Energy and an indirect subsidiary of GCL-Poly and GNE.
---	---------------	--

Set out below is an extract of the audited financial statements prepared for the financial years ended 31 December 2018 and 31 December 2019 of the Target Companies prepared in accordance with China Accounting Standards:

Second Phase Share Purchase Agreements	Target Companies	Year ended 31 December 2019		Year ended 31 December 2018	
		Profit before taxation <i>RMB'000</i>	Profit after taxation <i>RMB'000</i>	Profit before taxation <i>RMB'000</i>	Profit after taxation <i>RMB'000</i>
I	Dangshan GCL	6,545	6,546	2,719	2,707
II	Taihu Xinneng	10,322	10,322	10,739	10,715
III	Funan GCL	47,355	41,372	37,769	37,688
IV	Hefei Xinren	2,738	2,642	2,451	2,450
V	Tianchang GCL	16,158	14,138	14,483	14,703

As at 31 December 2019 and the Reference Date (i.e. 31 July 2020), the audited and the unaudited net assets of the Target Companies amounted to approximately RMB390,260,608 and approximately RMB396,912,872 respectively.

6. FINANCIAL IMPACT OF THE TRANSACTIONS

After the Closing Date, the Target Companies will cease to be subsidiaries of the GCL-Poly Group and the GNE Group, and the profit and loss, as well as the assets and liabilities of the Target Companies will no longer be consolidated into the consolidated financial statements of the GCL-Poly Group and the GNE Group.

As at the date of this joint announcement, it is estimated that the GCL-Poly Group and the GNE Group will realise a net loss on the Second Phase Disposals of approximately RMB27,470,238 and such loss is calculated with reference to the difference between the Consideration of the Target Companies of approximately RMB312,728,221 and the net asset value attributed to the disposed Sale Shares based on the unaudited financial statements of the Target Companies as at 31 July 2020 of approximately RMB338,198,459, after deducting related transaction costs of the Second Phase Disposals of approximately RMB2,000,000. Such loss will not have any material impact on the earnings of the GCL-Poly Group or the GNE Group. The actual loss as a result of the Second Phase Disposals to be recorded by the GCL-Poly Group and the GNE Group is subject to audit and will be reassessed after completion of the Second Phase Disposals.

7. USE OF PROCEEDS FROM THE TRANSACTIONS

The net cash proceeds from the Transactions (being the sum of the aggregate Consideration and the total Net Payable Amount as at the Reference Date amounting to approximately RMB987,114,000, minus estimated taxes and transaction costs of approximately RMB2,000,000) is expected to be approximately RMB985,114,000, which GNE intends to use for repayments of its debts.

8. REASONS AND BENEFITS OF THE TRANSACTIONS

As part of its “transformation and upgrade” development objective, GCL-Poly through its subsidiary GNE has been taking steps towards transforming to an asset-light model. Upon completion of the Transactions, the Target Companies will no longer be subsidiaries of the GCL-Poly Group and the GNE Group, and the profit and loss as well as the assets and liabilities of the Target Companies will no longer be consolidated into the consolidated financial statements of the GCL-Poly Group and the GNE Group. The liabilities of the GCL-Poly Group and the GNE Group will decrease by approximately RMB950,957,000. Meanwhile, the cash derived from the Transactions amounted to approximately RMB985,114,000, which will be used for further repayment of debts, and the gearing ratio of the GNE Group will decrease by approximately 0.7%, calculated with reference to the unaudited financial statements of the GNE Group as at 30 June 2020, effectively reducing the financial risks.

GCL-Poly, through GNE, intends to reinforce the strategic cooperation with domestic centralised management enterprises and local state-owned enterprises, including the Purchaser to achieve an asset-light model. After the completion of the Second Phase Disposals, the GCL-Poly Group, through the GNE Group, and the Purchaser will further explore other co-operation opportunities, including but not limited to, the GNE Group’s existing solar power plants in the PRC.

Based on the above reasons and having considered all relevant factors, the GNE Directors believe and consider that the terms of the Transactions are on normal commercial terms, are fair and reasonable and that the entering into of the Second Phase Share Purchase Agreements is in the interests of GNE and the GNE Shareholders as a whole.

Based on the views of the GNE Directors and having considered all relevant factors, the GCL-Poly Directors believe and consider that the terms of the Transactions are on normal commercial terms, are fair and reasonable and that the entering into of the Second Phase Share Purchase Agreements is in the interests of GCL-Poly and GCL-Poly Shareholders as a whole.

9. LISTING RULES IMPLICATIONS

GCL-Poly

As the Sellers, being indirect subsidiaries of GCL-Poly, entered into the First Phase Disposals and the Second Phase Disposals with the Purchaser within a 12-month period, the Disposals contemplated in the First Phase Share Purchase Agreements and the Second Phase Share Purchase Agreements shall be aggregated as a series of transactions for GCL-Poly pursuant to Rule 14.22 of the Listing Rules.

Since the highest of the applicable percentage ratios in respect of the First Phase Disposals and the Second Phase Disposals is over 25% but less than 75%, the entering into of the Second Phase Disposals constitutes a major transaction of GCL-Poly under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

GNE

As the Sellers, being indirect subsidiaries of GNE, entered into the First Phase Disposals and the Second Phase Disposals with the Purchaser within a 12-month period, the Disposals contemplated in the First Phase Purchase Agreements and the Second Phase Share Purchase Agreements shall be aggregated as a series of transactions for GNE pursuant to Rule 14.22 of the Listing Rules.

Since the highest of the applicable percentage ratios in respect of the First Phase Disposals and the Second Phase Disposals is over 25% but less than 75%, the entering into of the Second Phase Disposals constitutes a major transaction of GNE under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

10. GENERAL

The GCL-Poly EGM will be convened for the GCL-Poly Shareholders to consider and, if thought fit, approve the Transactions and the entering into and performance of obligations under the Second Phase Share Purchase Agreements. A circular, which will include, among other things, further details of the Transactions and the transactions contemplated under the Second Phase Share Purchase Agreements, is expected to be despatched to the GCL-Poly Shareholders on or before 28 February 2021, as additional time is required to prepare the information to be disclosed in the circular.

The GNE SGM will be convened for the GNE Shareholders to consider and, if thought fit, approve the Transactions and the entering into and performance of obligations under the Second Phase Share Purchase Agreements. A circular, which will include, among other things, further details of the Transactions and the transactions contemplated under the Second Phase Share Purchase Agreements, is expected to be despatched to the GNE Shareholders on or before 28 February 2021, as additional time is required to prepare the information to be disclosed in the circular.

11. DEFINITIONS

Unless the context otherwise requires, the following expressions have the following meanings in this joint announcement.

“Anhui GCL New Energy”	Anhui GCL New Energy Investment Co., Ltd.* (安徽協鑫新能源投資有限公司), a company established in the PRC with limited liability and an indirect subsidiary of GCL-Poly and GNE as at the date of this joint announcement
“Business Day”	a day on which banks in China are open for general commercial business, other than a Saturday, Sunday or public holiday in the PRC
“Closing Audit Report”	the closing audit report prepared by an auditing agency appointed by the respective Seller and the Purchaser to audit the financials of the Target Companies from the Reference Date to the Closing Date in accordance with the Second Phase Share Purchase Agreements
“Closing Date”	the date of issuance as stated on the new business certificate of the Target Company(ies) upon the completion of the Registration Procedures
“Conditions Precedent”	the conditions under the section “Conditions Precedent” in this joint announcement

“connected persons”	has the same meaning ascribed to it under the Listing Rules
“Consideration”	the consideration for the Transactions
“Dangshan GCL”	Dangshan GCL Solar Power Co., Ltd. (碭山協鑫光伏電力有限公司), a company established in the PRC with limited liability, which is wholly-owned by Anhui GCL New Energy and an indirect subsidiary of GCL-Poly and GNE as at the date of this joint announcement
“Dangshan GCL Share Purchase Agreement”	an equity transfer agreement dated 22 November 2020 entered into between Anhui GCL New Energy and the Purchaser in relation to the sale of the 90% equity interest in Dangshan GCL
“Disposals”	the First Phase Disposals and the Second Phase Disposals
“First Phase Disposals”	the proposed disposals of (i) 90% of equity interest in Suzhou GCL Solar Power Co., Ltd.* (宿州協鑫光伏電力有限公司), Huaibei Xinneng Solar Power Co., Ltd.* (淮北鑫能光伏電力有限公司), Hefei Jiannan Electric Power Co., Ltd.* (合肥建南電力有限公司) and Hefei Jiuyang New Energy Co., Ltd.* (合肥久陽新能源有限公司) and (ii) 67% equity interest in Dangshan Xinneng Solar Power Co., Ltd.* (碭山鑫能光伏電力有限公司) by the Sellers to the Purchaser as contemplated under the First Phase Share Purchase Agreements
“First Phase Share Purchase Agreements”	the series of five share purchase agreements dated 16 November 2020 entered into between the respective Seller and the Purchaser, as detailed in the joint announcement of GCL-Poly and GNE dated 16 November 2020 in relation to the First Phase Disposals
“Funan GCL”	Funan GCL Solar Power Co., Ltd.* (阜南協鑫光伏電力有限公司), a company established in the PRC with limited liability, which is wholly-owned by Suzhou GCL New Energy and an indirect subsidiary of GCL-Poly and GNE as at the date of this joint announcement
“Funan GCL Share Purchase Agreement”	an equity transfer agreement dated 22 November 2020 entered into between Suzhou GCL New Energy and the Purchaser in relation to the sale of the 90% equity interest in Funan GCL

“GCL-Poly”	GCL-Poly Energy Holdings Limited (保利協鑫能源控股有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange, with stock code 3800. As at the date of this joint announcement, GCL-Poly is interested in approximately 62.28% of the issued share capital of GNE
“GCL-Poly Board”	the board of GCL-Poly Directors
“GCL-Poly Directors”	the directors of GCL-Poly
“GCL-Poly EGM”	the extraordinary general meeting of GCL-Poly to be convened to consider and, if thought fit, approve the Transactions and the entering into and performance of obligations under the Second Phase Share Purchase Agreements
“GCL-Poly Group”	GCL-Poly and its subsidiaries
“GCL-Poly Shareholders”	the shareholders of GCL-Poly
“GNE”	GCL New Energy Holdings Limited (協鑫新能源控股有限公司), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange, with stock code 451
“GNE Board”	the board of GNE Directors
“GNE Directors”	the directors of GNE
“GNE Group”	GNE and its subsidiaries
“GNE Shareholders”	the shareholders of GNE
“GNE SGM”	the special general meeting of GNE to be convened to consider and, if thought fit, approve the Transactions and the entering into and performance of obligations under the Second Phase Share Purchase Agreements

“Hefei Xinren”	Hefei Xinren Solar Power Co., Ltd.* (合肥鑫仁光伏電力有限公司), a company established in the PRC with limited liability, which is wholly-owned by Anhui GCL New Energy and an indirect subsidiary of GCL-Poly and GNE as at the date of this joint announcement
“Hefei Xinren Share Purchase Agreement”	an equity transfer agreement dated 22 November 2020 entered into between Anhui GCL New Energy and the Purchaser in relation to the sale of the 90% equity interest in Hefei Xinren
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MW”	megawatt(s)
“Net Payable Amount”	the amount equivalent to the positive difference between total amount payable by the respective Target Company to the respective Seller and its affiliates and the total amount receivable by the respective Target Company from the respective Seller and its affiliates
“PRC”	People’s Republic of China, and for the purpose of this joint announcement, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Purchaser”	Xuzhou State Investment & Environmental Protection Energy Co., Ltd.* (徐州國投環保能源有限公司), a company established in the PRC with limited liability and an independent third party to GCL-Poly and GNE
“Reference Date”	31 July 2020
“Registration Procedures”	the registration procedures in respect of the change of shareholder of each of the Target Companies and other relevant filing procedures in respect of the Transactions in the PRC
“RMB”	Renminbi, the lawful currency of the PRC

“Sale Shares”	the 90% equity interest in each of Dangshan GCL, Funan GCL, Hefei Xinren and Tianchang GCL and the 50% equity interest in Taihu Xinneng held by the respective Seller as at the date of this joint announcement
“Second Phase Disposals”	the proposed disposals of the Sale Shares by the Sellers to the Purchaser as contemplated under the Second Phase Share Purchase Agreements
“Second Phase Share Purchase Agreements”	Dangshan GCL Share Purchase Agreement, Taihu Xinneng Share Purchase Agreement, Funan GCL Share Purchase Agreement, Hefei Xinren Share Purchase Agreement and Tianchang GCL Share Purchase Agreement
“Seller(s)”	Anhui GCL New Energy and Suzhou GCL New Energy
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“Suzhou GCL New Energy”	Suzhou GCL New Energy Investment Co., Ltd.* (蘇州協鑫新能源投資有限公司), a company established in the PRC with limited liability and an indirect subsidiary of GCL-Poly and GNE as at the date of this joint announcement
“Taihu Xinneng”	Taihu Xinneng Solar Power Co., Ltd.* (太湖鑫能光伏電力有限公司), a company established in the PRC with limited liability, which is wholly-owned by Anhui GCL New Energy and an indirect subsidiary of GCL-Poly and GNE as at the date of this joint announcement
“Taihu Xinneng Share Purchase Agreement”	an equity transfer agreement dated 22 November 2020 entered into between Anhui GCL New Energy and the Purchaser in relation to the sale of the 50% equity interest in Taihu Xinneng
“Target Company(ies)”	the five target companies being the subject of the Second Phase Disposals, details of which can be found in the section headed “Information on the Target Companies” of this joint announcement

“Tianchang GCL”	Tianchang City GCL Solar Power Co., Ltd.* (天長市協鑫光伏電力有限公司), a company established in the PRC with limited liability, which is wholly-owned by Suzhou GCL New Energy and an indirect subsidiary of GCL-Poly and GNE as at the date of this joint announcement
“Tianchang GCL Share Purchase Agreement”	an equity transfer agreement dated 22 November 2020 entered into between Suzhou GCL New Energy and the Purchaser in relation to the sale of the 90% equity interest in Tianchang GCL
“Transactions”	the transactions contemplated under the Second Phase Share Purchase Agreements
“Transition Period”	the period between the Reference Date and the Closing Date
“%”	per cent.

* *All of the English titles or names of the PRC entities, as well as certain items contained in this joint announcement have been included for identification purpose only and may not necessarily be the official English translations of the corresponding Chinese titles or names. If there is any inconsistency between the English translations and the Chinese titles or names, the Chinese titles or names shall prevail.*

By order of the GCL-Poly Board
GCL-Poly Energy Holdings Limited
保利協鑫能源控股有限公司
Zhu Gongshan
Chairman

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

Hong Kong, 22 November 2020

As at the date of this joint announcement, the GCL-Poly Board comprises Mr. Zhu Gongshan (Chairman), Mr. Zhu Zhanjun, Mr. Zhu Yufeng, Ms. Sun Wei, Mr. Yeung Man Chung, Charles, Mr. Jiang Wenwu and Mr. Zheng Xiongjiu as executive directors of GCL-Poly; Ir. Dr. Ho Chung Tai, Raymond, Mr. Yip Tai Him, Dr. Shen Wenzhong and Mr. Wong Man Chung, Francis as independent non-executive directors of GCL-Poly.

As at the date of this joint announcement, the GNE Board comprises Mr. Zhu Yufeng (Chairman), Mr. Mo Jicai and Ms. Hu Xiaoyan as executive directors of GNE; Ms. Sun Wei, Mr. Yeung Man Chung, Charles and Mr. He Deyong as non-executive directors of GNE; and Mr. Wang Bohua, Mr. Xu Songda, Mr. Lee Conway Kong Wai, Mr. Wang Yanguo and Dr. Chen Ying as independent non-executive directors of GNE.