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**GCL-Poly Energy Holdings Limited**

**保利協鑫能源控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 3800)**



**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)**

## **JOINT ANNOUNCEMENT**

### **(1) DISCLOSEABLE TRANSACTION OF GCL-POLY AND (2) TOP-UP PLACING OF EXISTING SHARES AND SUBSCRIPTION FOR NEW SHARES UNDER GENERAL MANDATE**

**Placing Agents**



## **THE PLACING AGREEMENT AND SUBSCRIPTION AGREEMENT**

The GCL-Poly Board and the GNE Board are pleased to announce that on 10 February 2021 (before trading hours), the Vendor (a wholly-owned subsidiary of GCL-Poly), GNE and the Placing Agents entered into the Placing Agreement pursuant to which the Placing Agents have conditionally agreed with the Vendor to act as agents for the Vendor, each on a several but not joint nor joint and several basis, to procure Placees to purchase for the Placing Shares at the Placing Price on a best effort basis. As a condition precedent of the Placing Agreement, the Vendor and GNE shall enter into the Subscription Agreement prior to the completion of the Placing Agreement, pursuant to which the Vendor conditionally agrees to subscribe for, and GNE conditionally agrees to issue the Subscription Shares to the Vendor which is equivalent to the number of Placing Shares at the Subscription Price (being the same as the Placing Price) upon the terms and conditions set out in the Subscription Agreement.

The number of GNE Shares in aggregate to be placed by the Placing Agents are 2,000,000,000 GNE Shares, representing (i) approximately 10.49% of the issued share capital of GNE as at the date of this joint announcement and (ii) approximately 9.49% of the issued share capital of GNE, as enlarged by the Subscription (assuming that there is no change in the issued share capital of GNE from the date of this joint announcement to the completion of the Subscription save for the issue of the Subscription Shares).

The Placing Price of HK\$0.455 represents:

- (i) a discount of approximately 14.15% to the closing price of HK\$0.53 per GNE Share as quoted on the Stock Exchange on 9 February 2021 (being the date on which the Placing Price is fixed);
- (ii) a premium of approximately 12.21% to the average closing price of approximately HK\$0.4055 per GNE Share as quoted on the Stock Exchange for the last 10 trading days up to and including 9 February 2021, being the date immediately prior to the date of the Placing Agreement; and
- (iii) a premium of approximately 29.26% to the average closing price of approximately HK\$0.352 per GNE Share as quoted on the Stock Exchange for the last 30 trading days up to and including 9 February 2021, being the date immediately prior to the date of the Placing Agreement.

The Subscription Shares will be allotted and issued under the General Mandate granted to the GNE Directors to allot and issue GNE Shares by resolution of the GNE Shareholders passed at the AGM. Under such General Mandate, GNE is authorised to issue up to 3,814,743,088 GNE Shares. Save for the Subscription Shares, no GNE Shares have been issued under the General Mandate as of the date of this joint announcement since it was granted. Therefore, the Subscription is not subject to approval by the GNE Shareholders.

Assuming that all the Placing Shares will be placed out to the Placees and all the Subscription Shares will be subscribed by the Vendor, the gross proceeds of the Transactions will be approximately HK\$910 million, and the net proceeds of the Transactions after taking into account all related costs, fees, expenses and commission of the Transactions will be approximately HK\$895 million. The GCL-Poly Group (through the GNE Group) intends to use the net proceeds from the Transactions for repayment of existing borrowings and for general corporate purposes.

An application will be made by GNE to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

Assuming the Placing and the Subscription will be completed in full and there being no other changes in the issued share capital of GNE from the date of this joint announcement to the completion of the Subscription save for the issue of the Subscription Shares, the percentage shareholding of the Vendor in respect of GNE will reduce from approximately 58.94% to approximately 53.34%. Throughout the Transactions, GCL-Poly shall retain its control in the GNE Board and therefore GNE will continue to be a subsidiary of GCL-Poly. As one or more of the applicable percentage ratios calculated in accordance with Chapter 14 of the Listing Rules in relation to the Transactions exceeds 5% but is less than 25%, the Transactions constitutes a discloseable transaction of GCL-Poly under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

**Completion of the Placing and the Subscription is subject to the satisfaction of the conditions precedent in the Placing Agreement and the Subscription Agreement. As the Placing and the Subscription may or may not proceed, shareholders and potential investors of GCL-Poly and GNE are advised to exercise caution when dealing in the GCL-Poly Shares, GNE Shares and other securities of GCL-Poly and GNE.**

## **THE PLACING AGREEMENT**

### **Date**

10 February 2021 (before trading hours)

### **Parties**

- (i) the Vendor;
- (ii) GNE; and
- (iii) UBS and CCBI, as the Placing Agents

## **Placing Agents**

The Vendor has appointed the Placing Agents for the Placing. The Placing Agents have conditionally agreed with the Vendor, subject to the terms and conditions of the Placing Agreement, to act as agents for the Vendor, each on a several but not joint nor joint and several basis, to procure Placees to subscribe for the Placing Shares at the Placing Price on a best effort basis.

To the best knowledge, information and belief of the GCL-Poly Directors and the GNE Directors, and having made all reasonable enquiries, the Placing Agents and their respective ultimate beneficial owners are Independent Third Parties.

## **Placees**

The Placing Agents have informed the Vendor that they intend to place the Placing Shares to no less than six independent placees (who will be professional, institutional or other investors).

To the best knowledge, information and belief of the GCL-Poly Directors and the GNE Directors, and having made all reasonable enquiries, the Placees (and their respective ultimate beneficial owners) will be Independent Third Parties. Upon completion of the Placing, it is expected that none of the Placees will become a substantial shareholder of GNE immediately after the Placing.

## **Placing Shares**

The number of GNE Shares in aggregate to be placed by the Placing Agents are 2,000,000,000 GNE Shares, representing (i) approximately 10.49% of the issued share capital of GNE as at the date of this joint announcement and (ii) approximately 9.49% of the issued share capital of GNE as enlarged by the Subscription (assuming that there is no change in the issued share capital of GNE from the date of this joint announcement to the completion of the Subscription save for the issue of the Subscription Shares).

## **Rights of the Placing Shares**

The Placing Shares are fully paid up and rank pari passu in all respects with other issued GNE Shares, and will be sold and transferred free from and clear of all liens, charges and encumbrances, claims, options and third party rights.

## **Placing Price**

The Placing Price of HK\$0.455 represents:

- (i) a discount of approximately 14.15% to the closing price of HK\$0.53 per GNE Share as quoted on the Stock Exchange on 9 February 2021 (being the date on which the Placing Price is fixed);

- (ii) a premium of approximately 12.21% to the average closing price of approximately HK\$0.4055 per GNE Share as quoted on the Stock Exchange for the last 10 trading days up to and including 9 February 2021, being the date immediately prior to the date of the Placing Agreement; and
- (iii) a premium of approximately 29.26% to the average closing price of approximately HK\$0.352 per GNE Share as quoted on the Stock Exchange for the last 30 trading days up to and including 9 February 2021, being the date immediately prior to the date of the Placing Agreement.

The Placing Price was determined with reference to the prevailing market price of the GNE Shares and was arrived at after arm's length negotiations among the Vendor, GNE and the Placing Agents. The GCL-Poly Directors and the GNE Directors consider that the terms of the Placing and the Placing Price are on normal commercial terms and are fair and reasonable based on the current market conditions and the Transactions are in the interests of GCL-Poly, GNE, GCL-Poly Shareholders and GNE Shareholders as a whole. After taking into account all related costs, fees, expenses and commission of the Transactions, the net Placing Price is approximately HK\$0.447 per Placing Share.

### **Lock-up Undertaking**

The Vendor has undertaken to the Placing Agents that (except for, among others, the sale of the Placing Shares pursuant to the Placing Agreement) for a period of 90 days from the date of the Placing Agreement it will not, and will procure that none of its nominees and companies controlled by it and trusts associated with it (whether individually or together and whether directly or indirectly) will (without the prior written consent of the Placing Agents):

- (i) offer, stock borrowing to any person for short selling purposes, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any GNE Shares (including the Subscription Shares but excluding the Placing Shares) or any interests therein or any securities convertible into or exercisable or exchangeable for or substantially similar to any such GNE Shares or interests;
- (ii) enter into any swap or similar agreement that transfers, in whole or in part, the economic risk of ownership of such GNE Shares, whether any such transaction described in (i) above or (ii) herein is to be settled by delivery of GNE Shares or such other securities, in cash or otherwise; or
- (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above.

GNE has undertaken to the Placing Agents that for a period of 90 days from the date of the Placing Agreement, except for the Subscription Shares to be allotted and issued to the Vendor or any new GNE Shares to be issued or options granted pursuant to the share option scheme adopted by GNE, GNE will not (without the prior written consent of the Placing Agents):

- (i) allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe (either conditionally or unconditionally, or directly or indirectly, or otherwise) any GNE Shares or any interests in GNE Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to any GNE Shares or interest in GNE Shares;
- (ii) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in (i) above; or
- (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above.

### **Conditions Precedent to the Placing**

The obligation of the Placing Agents to proceed to Completion is conditional upon:

- (i) the Subscription Agreement having been entered into by the Vendor, GNE and the Placing Agents and not subsequently having been revoked, terminated or modified;
- (ii) there not having occurred at any time prior to Completion (i) any breach of, or any event rendering untrue, incorrect or breached in any respect, any of the representations, warranties or undertakings referred to in the Placing Agreement or (ii) any breach of, or failure to perform, any of the other obligations of GNE or the Vendor which are required to be performed at or before Completion;
- (iii) no circumstances have occurred where the status of the development in the restructuring of any debt by any member of the GNE Group (including but not limited to the Restructuring) or any other circumstances of the GNE Group which has material adverse effect on the liquidity and solvency position of any member of the GNE Group;
- (iv) no order or a petition is presented for the winding up or liquidation of any member of the GNE Group or any member of the GNE Group makes any composition or arrangement with its creditors or enters into a scheme of arrangement or any resolution is passed for the winding-up of any member of the GNE Group or a provisional liquidator, receiver or manager is appointed over all or part of the assets or undertaking of any member of the GNE Group or anything analogous thereto occurs in respect of any member of the GNE Group;

- (v) there not having occurred:
- (a) any event, or series of events beyond the reasonable control of the Placing Agents (including, without limitation, any calamity, act of government, strike, labour dispute, lock-out, fire, explosion, flooding, earthquake, civil commotion, economic sanctions, epidemic, pandemic, outbreak of infectious disease (but excluding the COVID-19 pandemic presently subsisting), terrorism, outbreak or escalation of hostilities (whether local, national or international), act of war and act of God);
  - (b) any change (whether or not permanent) or any development (whether or not permanent) involving a prospective change or any crisis in local, national or international financial, political, economic, legal, military, industrial, fiscal, regulatory, currency or market conditions (including, without limitation, conditions in the stock and bond markets, money and foreign exchange markets, interbank markets and credit markets and conditions with respect to interest rates in Hong Kong or otherwise) or foreign exchange controls in or affecting Hong Kong or elsewhere or any occurrence of a combination of any such changes or developments or crises or any deterioration of any such conditions;
  - (c) the commencement by any state, governmental, judicial, regulatory or political body or organisation of any action against any director of GNE or an announcement by any state, governmental, judicial, regulatory or political body or organisation that it intends to take any such action;
  - (d) the introduction of any new law or regulation or any change (whether or not permanent) or development (whether or not permanent) involving a prospective change in existing laws or regulations or the interpretation or application thereof by any court or other competent authority;
  - (e) any suspension of dealings in the GNE Shares during the period of Placing whatsoever (other than as a result of the Placing);
  - (f) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise at any time prior to the Placing Closing Date;
  - (g) any litigation or claim being instigated against any member of the GNE Group, which in the sole and absolute opinion of the Placing Agents is or is likely to have material adverse effect on the business or financial conditions or prospects of GNE or the GNE Group taken as a whole or be materially adverse to the success of the Placing, or makes or is likely to make it impracticable or inadvisable or inexpedient to proceed therewith; or
  - (h) any executive director of GNE being charged with an indictable offence or prohibited by applicable laws or otherwise disqualified from taking part in the management of GNE; or

- (i) any lender, creditor, noteholder or bondholder of any member of the GNE Group having issued, given or provided any notice or request demanding the immediate repayment of any financial indebtedness prior to its maturity or any circumstance giving rise to the reasonable belief that any such creditor will be doing so; or
- (j) any announcement by GNE which discloses any negative impact on the commencement or undertaking of the process of implementing the Restructuring under the Bermuda Scheme or extending the Longstop Date for implementing the Restructuring,

which individually or together, in the sole opinion of the Placing Agents, prejudices or is likely to prejudice materially the success of the Placing or dealings in the Placing Shares in the secondary market or makes it or is likely to make it impracticable or inadvisable or inexpedient to proceed with the offer, sale, distribution or delivery of the Placing Shares on the terms and in the manner contemplated in the Placing Agreement;

- (vi) there has not been any change, or any development involving a prospective change, in or affecting the business, general affairs, management, prospects, assets and liabilities, shareholders' equity, results of operations or position, financial or otherwise of GNE, any member of the GNE Group or the GNE Group as a whole (other than those already disclosed by GNE to the public by way of formal announcements published on website the Stock Exchange on or before the date of the Placing Agreement or disclosed in this joint announcement) which in the sole and absolute opinion of the Placing Agents is or is likely to be materially adverse to the success of the Placing, or makes or is likely to make it impracticable or inadvisable or inexpedient to proceed therewith; and
- (vii) the delivery of legal opinion by the U.S. counsel of GNE in a form and substance satisfactory to the Placing Agents.

Each of the Vendor and GNE undertakes promptly to inform the Placing Agents of any matter or circumstance which comes to the attention of any of them which may fall within conditions (i) to (vi) above. If any of such conditions shall not have been fulfilled or waived by the Placing Agents (upon such terms as the Placing Agents may deem necessary) by Completion, the Placing Agreement and the obligations of each of the Placing Agents pursuant to the Placing Agreement shall ipso facto cease and terminate at that time or at such earlier time as the relevant condition shall have become incapable of fulfilment and the Placing Agents shall have determined not to waive fulfilment and notified the same to the Vendor and GNE.

If the Placing Agreement terminates pursuant to the terms in the Placing Agreement or if for any reason the Placing is not completed, no party to the Placing Agreement shall be under any liability to any other party for costs, damages, charges, compensation or otherwise under the Placing Agreement, except for obligations, agreements and liabilities arising prior to such termination (including liabilities arising prior to such termination under the representations, warranties and undertakings referred to in the Placing Agreement) and provided further that (i) the Vendor shall remain liable for the payment



of all costs, charges, fees and expenses, stamp duties, SFC transaction levy and the Stock Exchange trading fee referred to in the Placing Agreement to the extent already incurred and (ii) the warranty and indemnity provisions in the Placing Agreement shall remain in full force and effect.

### **Completion of the Placing**

Completion of the Placing is expected to take place on or before 17 February 2021, or such other time or date as may be agreed by the Vendor, GNE and the Placing Agents. A further joint announcement will be made by GCL-Poly and GNE in relation to the completion of the Placing.

### **THE SUBSCRIPTION AGREEMENT**

Date: 10 February 2021 (before trading hours)

Parties: (i) GNE; and  
(ii) the Vendor.

### **Number of Subscription Shares**

2,000,000,000 GNE Shares in aggregate shall be subscribed by the Vendor, representing approximately 10.49% of the existing issued share capital of GNE as at the date of this joint announcement and approximately 9.49% of the issued share capital of GNE as enlarged by the Subscription (assuming that there is no change in the issued share capital of GNE from the date of this joint announcement to the completion of the Subscription save for the issue of the Subscription Shares). The number of Subscription Shares to be subscribed by the Vendor is equivalent to the number of the Placing Shares placed by it. The aggregate nominal value of the Subscription Shares is approximately HK\$8,333,333.

The GCL-Poly Directors and the GNE Directors consider that the terms of the Subscription are fair and reasonable under the current market conditions, on normal commercial terms and in the interest of GCL-Poly, GNE, GCL-Poly Shareholders and GNE Shareholders as a whole.

### **Subscription Price**

The Subscription Price is equivalent to the Placing Price, which is HK\$0.455 per Subscription Share. The net price of each Subscription Share after deduction of related costs and expenses is approximately HK\$0.447.

### **General Mandate to issue the Subscription Shares**

The Subscription Shares will be allotted and issued under the General Mandate granted to the GNE Directors to allot and issue GNE Shares by resolution of the GNE Shareholders passed at the AGM. Under such General Mandate, GNE is authorised to issue up to 3,814,743,088 GNE Shares. Save for

the Subscription Shares, no GNE Shares have been issued under the General Mandate as of the date of this joint announcement since it was granted. Therefore, the Subscription is not subject to approval by the GNE Shareholders.

### **Ranking of the Subscription Shares**

The Subscription Shares will rank pari passu in all respects with the GNE Shares in issue as at the date of allotment of the Subscription Shares, in particular will rank in full for all dividends and other distributions declared, made or paid at any time after the date of the allotment.

### **Application for listing**

An application will be made by GNE to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares on the Stock Exchange.

### **Conditions of the Subscription**

The Subscription by the Vendor of the Subscription Shares is conditional upon:

- (i) completion of the Placing; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, such Subscription Shares and such listing and permission not subsequently revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares.

### **Completion of the Subscription**

Completion shall take place on a date no later than 14 days from the date of the Placing Agreement (or such later date, subject to the approval of the Stock Exchange, as may be agreed between the Vendor and GNE), failing which the Subscription Agreement and all rights and obligations of the Vendor and GNE under the Subscription shall cease and terminate. The Subscription constitutes a connected transaction under the Listing Rules but it falls within the exemption under Rule 14A.92(4) of the Listing Rules if the Subscription is completed within 14 days from the date of the Placing Agreement.

### **REASONS FOR THE PLACING**

GNE is an investment holding company. The GNE Group is principally engaged in the sale of electricity, development, construction, operation and management of solar power plants. In view of the current market condition, the GCL-Poly Directors and the GNE Directors consider the Placing to be a good opportunity to raise capital for GNE. The Placing will enable GNE to broaden its shareholders' base and strengthen the financial position of GNE.

## **USE OF PROCEEDS**

Assuming that all the Placing Shares will be placed out to the Placees and all the Subscription Shares will be subscribed by the Vendor, the gross proceeds of the Transactions will be approximately HK\$910 million, and the net proceeds of the Transactions after taking into account all related costs, fees, expenses and commission of the Transactions will be approximately HK\$895 million. The GCL-Poly Group (through the GNE Group) intends to use the net proceeds from the Transactions for repayment of existing borrowings and for general corporate purposes.

## **FUND RAISING ACTIVITIES BY GNE IN THE PAST TWELVE MONTHS**

GNE has not conducted any fund raising activities involving the issue of equity securities within the 12 months immediately prior to the date of this joint announcement.

## **INFORMATION OF THE PARTIES TO THE PLACING AGREEMENT AND SUBSCRIPTION AGREEMENT**

### **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 of solar farms. As at the date of this joint announcement, GCL-Poly is interested in approximately 58.94% 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 58.94% by GCL-Poly.

According to the published financial statements of GNE, the audited consolidated financial information of the GNE Group for the two financial years ended 31 December 2019 and 2018 and the unaudited consolidated financial information of the GNE Group for the six months ended 30 June 2020 are as follows:

	<b>For the six months ended 30 June 2020 (unaudited) RMB'000</b>	<b>For the financial year ended 31 December 2019 (audited) RMB'000</b>	<b>For the financial year ended 31 December 2018 (audited) RMB'000</b>
Profit before tax	285,355	782,316	755,870
Total comprehensive income	200,314	621,442	795,529
Net asset value	10,169,957	9,969,643	9,701,540

### **The Vendor**

The Vendor is a company incorporated in British Virgin Islands with limited liability and a wholly-owned subsidiary of GCL-Poly. The principal business of the Vendor is investment holding.

### **Placing Agents**

#### **CCBI**

CCB International Capital Limited, a company incorporated with limited liability under the laws of Hong Kong and a licensed corporation (CE number: AJO225) licensed to carry on business in type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO. The ultimate beneficial owner of CCB International Capital Limited is China Construction Bank Corporation, a company listed on the Main Board of the Stock Exchange (stock code: 939) and the Shanghai Stock Exchange (stock code: 601939).

#### **UBS**

UBS AG Hong Kong Branch, a company incorporated with limited liability under the laws of Switzerland, acting through its Hong Kong branch situated at 52/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong, which is a licensed corporation (CE number: AEP554) and licensed to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance), type 7 (providing automated trading services) and type 9 (asset management) regulated activities under the SFO. UBS AG Hong Kong Branch is a member of UBS Group AG (SWX: UBSG).

## FINANCIAL IMPLICATIONS OF THE TRANSACTIONS

As at the date of the joint announcement, GCL-Poly holds 11,241,702,000 GNE Shares through the Vendor, representing approximately 58.94% of the issued share capital of GNE. Assuming the Placing and the Subscription will be completed in full and there being no other changes in the issued share capital of GNE from the date of this joint announcement to the completion of the Subscription save for the issue of the Subscription Shares, upon the completion of the Transactions, the number of GNE Shares held by GCL-Poly, through the Vendor, will remain at 11,241,702,000 GNE Shares, representing approximately 53.34% of the issued share capital of GNE as enlarged by the Subscription, and GNE will remain as a subsidiary of GCL-Poly. As the change in GCL-Poly's interest in GNE throughout the Transactions will not result in loss of control in GNE, according to the prevailing accounting standards, no gain or loss will be recognised in GCL-Poly's consolidated income statement as a result of the disposal of Placing Shares arising from the Placing. The movement in the consolidated net assets of GCL-Poly arising from the Placing will be dealt with in the equity attributable to owners of GCL-Poly and non-controlling interests of GCL-Poly Group. The above accounting treatment will be subject to review by the independent auditors of GCL-Poly and the actual amount shall be determined after the Completion. The GNE Board does not expect the sale of the Placing Shares by the Vendor to have any significant impact on the business operations of the GNE Group. Save as disclosed above, GNE was not informed of any other substantial change in shareholdings as at the date of this joint announcement.

## EFFECTS ON SHAREHOLDING STRUCTURE

Assuming the Placing and the Subscription will be completed in full and there being no other changes in the total issued share capital of GNE from the date of this joint announcement (before trading hours) up to the Completion, set out below is the shareholding structure of GNE (i) as at the date of this joint announcement (before trading hours), (ii) immediately after completion of the Placing but before completion of the Subscription and (iii) immediately after completion of the Placing and the Subscription:

Name of the GNE Shareholder	Shareholding as at the date of this joint announcement (before trading hours)		Shareholding immediately upon completion of the Placing but before completion of the Subscription		Shareholding immediately upon completion of the Placing and the Subscription	
	Number of the GNE Shares	Approximate % of issued share capital of GNE	Number of the GNE Shares	Approximate % of issued share capital of GNE	Number of the GNE Shares	Approximate % of issued share capital of GNE
Vendor	11,241,702,000	58.94%	9,241,702,000	48.45%	11,241,702,000	53.34%
Dongsheng Photovoltaic Technology (Hong Kong) Limited (an associate of Mr. Zhu Gongshan)	1,905,978,301	9.99%	1,905,978,301	9.99%	1,905,978,301	9.04%
Placees under the Placing	Nil	Nil	2,000,000,000	10.49%	2,000,000,000	9.49%
Other GNE Shareholders	5,926,035,140	31.07%	5,926,035,140	31.07%	5,926,035,140	28.13%
<b>Total</b>	<b><u>19,073,715,441</u></b>	<b><u>100%</u></b>	<b><u>19,073,715,441</u></b>	<b><u>100%</u></b>	<b><u>21,073,715,441</u></b>	<b><u>100%</u></b>

## **COMPLIANCE WITH RULE 26 OF THE TAKEOVERS CODE**

The Vendor and Dongsheng Photovoltaic (an associate of Mr. Zhu Gongshan) have been acting in concert with each other in respect of GNE and have continuously held more than 50% of the voting rights of GNE for at least 12 months immediately preceding the Transactions. As a result of the Placing, the aggregate percentage shareholding of the Vendor and the persons acting in concert with it in respect of GNE will reduce from approximately 68.93% to approximately 58.44% (assuming there will be no change to the total number of GNE Shares in issue from the date of this joint announcement to the completion of the Placing) and, as a result of the Subscription, their aggregate percentage shareholding will increase from approximately 58.44% (assuming there will be no change to the total number of GNE Shares in issue from the date of this joint announcement to the completion of the Placing) to approximately 62.38% (assuming there will be no change to the total number of GNE Shares in issue from the date of this joint announcement to the completion of the Subscription other than the issue by GNE of the Subscription Shares).

Pursuant to Note 6 on dispensations from Rule 26 of the Takeovers Code, a waiver from the obligation to make a general offer under Rule 26 of the Takeovers Code is not required where a shareholder, together with persons acting in concert with it, have continuously held more than 50% of the voting rights of a company for at least 12 months immediately preceding the relevant placing and top-up transaction.

Given the Vendor, together with persons acting in concert with it in respect of GNE, have continuously held more than 50% of the voting rights of GNE for at least 12 months immediately preceding the date of the Placing Agreement and Subscription Agreement, a waiver from the obligation to make a general offer under Rule 26 of the Takeovers Code is not required for the Subscription.

## **IMPLICATIONS UNDER THE LISTING RULES**

Assuming the Placing and the Subscription will be completed in full and there being no other changes in the issued share capital of GNE from the date of this joint announcement to the completion of the Subscription save for the issue of the Subscription Share, the percentage shareholding of the Vendor in respect of GNE will reduce from approximately 58.94% to approximately 53.34%. Throughout the Transactions, GCL-Poly shall retain its control in the GNE Board and therefore GNE will continue to be a subsidiary of GCL-Poly. As one or more of the applicable percentage ratios calculated in accordance with Chapter 14 of the Listing Rules in relation to the Transactions exceeds 5% but is less than 25%, the Transactions constitutes a discloseable transaction of GCL-Poly under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

**Completion of the Placing and the Subscription is subject to the satisfaction of the conditions precedent in the Placing Agreement and the Subscription Agreement. As the Placing and the Subscription may or may not proceed, shareholders and potential investors of GCL-Poly and GNE are advised to exercise caution when dealing in the GCL-Poly Shares, GNE Shares and other securities of GCL-Poly and GNE.**

## **DEFINITIONS**

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

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Bermuda Scheme”	the scheme of arrangement under Part VII of the Bermuda Companies Act 1981 that might be applied for sanction by the Bermuda Court by GNE in accordance with a restructuring support agreement entered into by GNE and certain subsidiaries of GNE, details of which are set out in the joint announcement of GCL-Poly and GNE dated 23 December 2020 and may be published from time to time
“Business Day(s)”	any day (other than a Saturday or Sunday or days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks in Hong Kong are open for general banking business
“CCBI”	CCB International Capital Limited, a company incorporated with limited liability under the laws of Hong Kong and a licensed corporation (CE number: AJO225) licensed to carry on business in type 1 (dealing in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities under the SFO
“Completion”	completion of the Transactions
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Dongsheng Photovoltaic”	Dongsheng Photovoltaic Technology (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability and is wholly-owned by 句容協鑫集成科技有限公司 which is in turn wholly-owned by 協鑫集成科技股份有限公司. 協鑫集團有限公司 and 營口其印投資管理有限公司 are controlling shareholders of 協鑫集成科技股份有限公司. 營口其印投資管理有限公司 is a party acting in concert with 協鑫集團有限公司. 協鑫集團有限公司 is (i) 48.86% owned by 協鑫(遼寧)實業有限公司, which is in turn wholly-owned by Mr. Zhu Gongshan (a director and the chairman of GCL-Poly) and (ii) 51.14% owned by 江蘇協鑫建設管理有限公司, which is in turn wholly-owned by 協鑫新能科技(深圳)有限公司. 協鑫新能科技(深圳)有限公司 is wholly-owned by Golden Concord Group Management Limited which is in turn wholly-owned by Golden Concord Group Limited. Golden Concord Group Limited is in turn wholly-owned by Asia Pacific Energy Holdings Limited which is in turn wholly-owned by Asia Pacific Energy Fund Limited. Asia Pacific Energy Fund Limited is ultimately held under a discretionary trust with Credit Suisse Trust Limited as trustee and Mr. Zhu Yufeng (a director and the chairman of GNE and a director of GCL-Poly respectively) and his family, including Mr. Zhu Yufeng’s father, Mr. Zhu Gongshan as beneficiaries
“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 58.94% of the issued share capital of GNE
“GCL-Poly Board”	the board of GCL-Poly Directors
“GCL-Poly Group”	GCL-Poly and its subsidiaries
“GCL-Poly Shares”	share(s) in the share capital of GCL-Poly
“GCL-Poly Shareholders”	the shareholders of GCL-Poly
“General Mandate”	the general mandate granted to the GNE Directors by the GNE Shareholders pursuant to an ordinary resolution passed at the annual general meeting of GNE held on 17 June 2020 to issue and allot up to an aggregate of 3,814,743,088 new GNE Shares



“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 Shares”	share(s) in the share capital of GNE
“GNE Shareholders”	the holder(s) of the GNE Shares
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with or acting in concert with GNE, its connected persons and their respective associates (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Longstop Date”	the date falling six month after (and excluding) 4:00 p.m. on 13 January 2021 (London Time)
“Placee(s)”	any professional, institutional and other investors (who are Independent Third Parties to GNE or its subsidiaries and their respective associates) whom the Placing Agents have procured to subscribe for any of the Placing Shares pursuant to its obligations under the Placing Agreement
“Placing”	the placing by or on behalf of the Placing Agents of the Placing Shares pursuant to the terms and conditions of the Placing Agreement
“Placing Agents”	UBS and CCBI

“Placing Agreement”	the placing agreement dated 10 February 2021 (before trading hours) entered into among the Vendor, GNE and the Placing Agents in relation to the Transactions
“Placing Closing Date”	the Business Day after the date on which the conditions as set out in the Placing Agreement are fulfilled but in any event no later than 17 February 2021, or such other date as GNE and the Placing Agents may agree in writing
“Placing Price”	HK\$0.455 per Placing Share
“Placing Shares”	up to a total of 2,000,000,000 new GNE Shares to be issued by GNE pursuant to the Placing Agreement
“PRC”	the People’s Republic of China which, for the purposes of this joint announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Restructuring”	the restructuring of the senior notes of GNE due 2021 (stock code: 4410) in an aggregate principal amount of US\$500,000,000 at 7.1% per annum, details of which are set out in the joint announcement of GCL-Poly and GNE dated 23 December 2020 and may be published from time to time
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares by the Vendor pursuant to the Subscription Agreement
“Subscription Agreement”	the agreement dated 10 February 2021 (before trading hours) entered into between GNE and the Vendor in respect of the Subscription
“Subscription Price”	an amount equal to the Placing Price
“Subscription Shares”	an aggregate of 2,000,000,000 new GNE Shares to be issued by GNE and subscribed by the Vendor under the Subscription Agreement
“subsidiaries”	has the meaning ascribed to it under the Listing Rules

“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers and Share Buy-backs of Hong Kong
“Transactions”	the Placing and the Subscription
“UBS”	UBS AG Hong Kong Branch, a company incorporated with limited liability under the laws of Switzerland, acting through its Hong Kong branch situated at 52/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong, which is a licensed corporation (CE number: AEP554) and licensed to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance), type 7 (providing automated trading services) and type 9 (asset management) regulated activities under the SFO
“Vendor”	Elite Time Global Limited (傑泰環球有限公司), a company incorporated in British Virgin Islands with limited liability and a wholly-owned subsidiary of GCL-Poly
“%”	percent

*Note: Certain figures included in this joint announcement have been subject to rounding adjustments. Any discrepancies between the total shown and the sum of the amounts listed are due to rounding.*

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, 10 February 2021

*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. Liu Genyu 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.*