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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)**

### **INSIDE INFORMATION EXERCISE OF SECURITY INTERESTS OVER PLEDGED SHARES HELD BY THE CONTROLLING SHAREHOLDER**

This announcement is made by the board (the “**Board**”) of directors of GCL New Energy Holdings Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

We refer to the announcement dated 21 May 2021 made by GCL-Poly Energy Holdings Limited (“**GCL-Poly**”), the controlling shareholder (as defined in the Listing Rules) of the Company and a company listed on the Stock Exchange with stock code 3800, in relation to the exercise of security interests over certain shares in the Company (the “**GCL-Poly Announcement**”). Unless otherwise defined herein, the capitalised terms used in this announcement shall have the same meanings as those defined in the GCL-Poly Announcement.

The Company has been informed by GCL-Poly that:

1. On 28 August 2019, Elite Time Global Limited (as borrower), a wholly-owned subsidiary of GCL-Poly (“**Elite Time**”) and an independent third party lender (“**Lender**”) entered into a loan agreement (“**Loan Agreement**”) pursuant to which the Lender agreed to lend funds to Elite Time, to be secured by shares in the Company. Elite Time transferred 865,100,000 shares in the Company (“**Pledged Shares**”) as security for the first tranche of the loan, to Elite Time’s account held with the depository broker (the “**Depository Broker**”).
2. Earlier this month, Elite Time was informed, following an enquiry made to the Depository Broker, that on or around 6 June 2020, the Lender had sent an entitlement order to the Depository Broker purporting to exercise its security interests over the Pledged Shares, and that as a result, the Lender had taken direct custody of all of the Pledged Shares. At the relevant time, Elite Time was not provided with a copy of the entitlement order nor informed that such an order had been issued. Upon further enquiry with the Depository Broker, Elite Time received an email from an entity claiming to be the successor entity of the Lender stating that the Pledged Shares “was forfeited and disposed”. Prior to this, Elite Time had not been notified by the Lender of such purported forfeiture and disposal.

3. On the basis that ownership of the Pledged Shares had been purportedly forfeited on or around June 2020, set out below are the unaudited pro forma implications on GCL-Poly, to illustrate the effect of such loss:
- (i) as at 30 June 2020: approximately 57.75% of the total issued share capital of the Company, comprising 11,014,900,000 shares in the Company, were held by Elite Time;
  - (ii) as at 31 December 2020: approximately 57.75% of the total issued share capital of the Company comprising 11,014,900,000 shares in the Company, were held by Elite Time; and
  - (iii) as at the date of the GCL-Poly Announcement, approximately 49.24% of the total issued share capital of the Company, comprising 10,376,602,000 shares in the Company, were held by Elite Time, after taking into account (1) the completion of a sale of 638,298,000 shares in the Company by Elite Time on 5 January 2021 as disclosed in the joint announcement of GCL-Poly and the Company dated 29 December 2020 and (2) the subscription of 2,000,000,000 new shares in the Company as disclosed in the joint announcement of GCL-Poly and the Company dated 10 February 2021.
4. GCL-Poly is of the view that it continues to control the operations of the Company even if ownership of the Pledged Shares has been purportedly forfeited. Accordingly, subject to confirmation from the GCL-Poly's new auditors, the board of directors of GCL-Poly believes that the Company will continue to be accounted for and consolidated in the consolidated financial statements of GCL-Poly as a subsidiary in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

Please refer to the GCL-Poly Announcement for further details regarding the purported exercise of security interests over the Pledged Shares.

The Board is of the view that the exercise of security interests over the Pledged Shares by the Lender would not have any material impact on the business operation of the Company.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.**

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

Hong Kong, 23 May 2021

*As at the date of this announcement, the Board comprises Mr. Zhu Yufeng (Chairman), Mr. Liu Genyu and Ms. Hu Xiaoyan as executive Directors; Ms. Sun Wei, Mr. Yeung Man Chung, Charles and Mr. Fang Jiancai as non-executive Directors; and Mr. Xu Songda, Mr. Lee Conway Kong Wai, Mr. Wang Yanguo and Dr. Chen Ying as independent non-executive Directors.*