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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)

VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE

This announcement is made by GCL New Energy Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) on a voluntary basis to keep the shareholders and potential investors of the Company informed of the latest business development of the Group.

The Company is pleased to announce that, with accelerated asset-light transformation, the Group had accomplished its target for the year of disposing approximately 2GW of solar power plant assets ahead of schedule. The Group disposed solar power plants with a total capacity of approximately 2.9GW from 1 January 2021 up to the date of this announcement with accumulated disposed capacity of approximately 6.4GW, and this year’s disposals are expected to generate cash flow of over RMB9.3 billion for the Group. These proceeds will fully settle the debts of the domestic and overseas holding platform companies of the Group, including (but not limited to) the US\$496,869,839 10.0% senior notes due in 2024 issued by the Company and listed in Singapore Exchange, and will safeguard the debt repayment of the remaining solar power plants due in the coming twelve months. Currently, with the successful asset-light transformation, the Group retains some of the solar power generation business and provides operation and maintenance services for most of the disposed solar power plants. As at the date of this announcement, the Group has been contracted to provide operation and maintenance services for solar power plants with total installed capacity of approximately 3.18GW. The asset disposals effectively reduced the debt scales of the Group, coupled with the debt restructuring and share placing completed earlier, the gearing ratio of the Group will decrease to a level of approximately 50%. Subsequent to the completion of such disposals of solar power plants and the repayment of debts with the cash received from these disposals, the gearing ratio of the Group will continue to decrease to a more healthy level in the first half of 2022.

After the Group fully received the proceeds from disposals of the solar power plants and settled the debts of all of its holding platform companies, the Group intends to use the remaining cash to develop its hydrogen energy business. Given the main application areas and market prospect of hydrogen energy, the Group will focus on blue hydrogen energy and ancillary products as well as hydrogen production with green power, so as to develop the unique competitiveness for the sustainable development of the Group.

The Company will keep shareholders and potential investors informed of any significant business developments by making further announcements as and when appropriate.

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, 19 December 2021

As at the date of this announcement, the board of directors of the Company 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.