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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)

PROFIT WARNING

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

The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary assessment on the latest consolidated management accounts of the Group for the year ended 31 December 2021 (“**FY2021**”) and the information currently available, the Group expects that the net loss for FY2021 will decrease by more than 50% as compared to the net loss of approximately RMB1,218 million for the year ended 31 December 2020 (“**FY2020**”).

The substantive decrease in net loss was mainly attributable to (i) a decrease in one-off impairment losses for the solar power plants and certain receivables recorded in FY2020 and (ii) a decrease in finance costs as a result of repayment of debts. However, the decrease in net loss was partly offset by scaling down of our solar power plants business. In order to reduce our financial risks, the Group adopted an asset-light business model by disposing certain solar power plants assets. During FY2021, the Group entered into agreements to dispose solar power plants with a total capacity of approximately 2.9GW. Together with the disposal agreements that were entered into in the preceding financial year, a total of approximately 4GW of solar power plants disposal was completed during FY2021. As a result of the disposals, the aggregate installed capacity decreased from approximately 5 GW as at 31 December 2020 to approximately 1 GW as at 31 December 2021, which has affected the Group’s overall profitability deriving from the solar power plants operations.

The Company is still in the process of finalizing the audited consolidated annual results of the Group for FY2021. Accordingly, the information contained in this announcement is based on information currently available to the Board and a preliminary assessment of the latest consolidated management accounts of the Group for the FY2021, which have not been audited or reviewed by the independent auditors of the Company nor reviewed by the audit committee of the Company. Such information will be subject to finalization and necessary adjustments.

The audited consolidated annual results of the Group for FY2021 is expected to be published by the end of March 2022.

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, 24 January 2022

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