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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)

DISCLOSEABLE TRANSACTION

(1) DISPOSAL OF SUBSIDIARIES

(2) GRANT OF PUT OPTION

THE SHARE PURCHASE AGREEMENTS

The Board announces that on 16 March 2022 (after trading hours), Suzhou GCL New Energy and Suzhou GCL Development, being indirect subsidiaries of the Company (as the sellers), Jiangsu Hesheng (as the purchaser) and the Target Companies (as the target companies) entered into the Share Purchase Agreements. Pursuant to the Share Purchase Agreements, the Sellers agreed to, among other things, sell (i) the entire equity interest in Gaoyou GCL, Nantong Haide New Energy, Pizhou GCL, Suqian Green Energy Power and Suzhou Industrial Park Dingyu and (ii) 60% equity interest in Jiangsu GCL Haibin New Energy to the Purchaser.

After the Registration Completion Date, the Target Companies will cease to be subsidiaries of the Company. Accordingly, the financial results of the Target Companies will no longer be consolidated into the financial statements of the Company upon the Registration Completion Date.

USE OF PROCEEDS FROM THE DISPOSALS

The net cash proceeds from the Transactions (including the sum of (i) the aggregate Consideration and (ii) the aggregate Net Payable Amount as at the Reference Date deduct (iii) the aggregate Rectification Cost and (iv) the aggregate Net Receivable Amount) is expected to be approximately RMB311,364,123, which the Company intends to use for repayment of its debts.

LISTING RULES IMPLICATIONS

Since the highest applicable percentage ratio in respect of the Disposals exceeds 5% but is less than 25%, the entering into of the Disposals constitutes a discloseable transaction for the Company and it shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Given that the exercise of the Put Option is not at the discretion of the Company, pursuant to Rule 14.74 of the Listing Rules, the grant of the Put Option will be classified as if they had been exercised. Since the highest applicable percentage ratio in respect of the Put Option is less than 5%, the granting of the Put Option does not constitute a notifiable transaction for the Company.

1. INTRODUCTION

The Board announces that on 16 March 2022 (after trading hours), Suzhou GCL New Energy and Suzhou GCL Development, being indirect subsidiaries of the Company (as the sellers), Jiangsu Hesheng (as the purchaser) and the Target Companies (as the target companies) entered into the Share Purchase Agreements. Pursuant to the Share Purchase Agreements, the Sellers agreed to, among other things, sell (i) the entire equity interest in Gaoyou GCL, Nantong Haide New Energy, Pizhou GCL, Suqian Green Energy Power and Suzhou Industrial Park Dingyu and (ii) 60% equity interest in Jiangsu GCL Haibin New Energy to the Purchaser.

After the Registration Completion Date, the Target Companies will cease to be subsidiaries of the Company. Accordingly, the financial results of the Target Companies will no longer be consolidated into the financial statements of the Company upon the Registration Completion Date.

2. THE SHARE PURCHASE AGREEMENTS

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

Date

16 March 2022 (after trading hours)

Parties

The Sellers: (i) Suzhou GCL New Energy Investment Co., Ltd.* (蘇州協鑫新能源投資有限公司)

(ii) Suzhou GCL New Energy Development Co., Ltd.* (蘇州協鑫新能源開發有限公司)

The Purchaser: Jiangsu Hesheng New Energy Co., Ltd.* (江蘇和盛新能源有限公司)

- The Target Companies:
- (i) Gaoyou GCL Photovoltaic Power Co., Ltd. (高郵協鑫光伏電力有限公司)
 - (ii) Jiangsu GCL Haibin New Energy Technology Development Co., Ltd.* (江蘇協鑫海濱新能源科技發展有限公司)
 - (iii) Nantong Haide New Energy Co., Ltd.* (南通海德新能源有限公司)
 - (iv) Pizhou GCL Photovoltaic Power Co., Ltd.* (邳州協鑫光伏電力有限公司)
 - (v) Suqian Green Energy Power Co., Ltd.* (宿遷綠能電力有限公司)
 - (vi) Suzhou Industrial Park Dingyu Solar Power Co., Ltd.* (蘇州工業園區鼎裕太陽能電力有限公司)

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

Subject Matter

The Sale Shares will be sold by the respective Sellers to the Purchaser, being (i) the entire equity interest in Gaoyou GCL, Nantong Haide New Energy, Pizhou GCL, Suqian Green Energy Power and Suzhou Industrial Park Dingyu and (ii) 60% equity interest in Jiangsu GCL Haibin New Energy.

The Target Companies collectively own 7 operational solar power plants in the PRC with an aggregate grid-connected capacity of approximately 85MW.

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

No.	Share Purchase Agreements	Target Companies
I	Gaoyou GCL Share Purchase Agreement	Gaoyou GCL
II	Jiangsu GCL Haibin New Energy Share Purchase Agreement	Jiangsu GCL Haibin New Energy
III	Nantong Haide New Energy Share Purchase Agreement	Nantong Haide New Energy
IV	Pizhou GCL Share Purchase Agreement	Pizhou GCL
V	Suqian Green Energy Power Share Purchase Agreement	Suqian Green Energy Power
VI	Suzhou Industrial Park Dingyu Share Purchase Agreement	Suzhou Industrial Park Dingyu

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 Share Purchase Agreements is RMB90,379,800.

The table below sets out the Consideration under each of the Share Purchase Agreements:

No.	Share Purchase Agreements	Consideration <i>RMB</i>
I	Gaoyou GCL Share Purchase Agreement	43,120,000
II	Jiangsu GCL Haibin New Energy Share Purchase Agreement	2,689,300
III	Nantong Haide New Energy Share Purchase Agreement	11,660,000
IV	Pizhou GCL Share Purchase Agreement	830,000
V	Suqian Green Energy Power Share Purchase Agreement	30,680,000
VI	Suzhou Industrial Park Dingyu Share Purchase Agreement	<u>1,400,500</u>
Total		<u><u>90,379,800</u></u>

Basis of the Consideration

The Consideration under each of the Share Purchase Agreements was determined after arm’s length negotiations between the Sellers and the Purchaser, having taken into account of, among other things:

- (i) the net asset value of each of the Target Companies as at the Reference Date (i.e. 28 February 2021);
- (ii) the profitability of the Target Companies for the financial years ended 31 December 2020 and 31 December 2019, details of which can be found in the section headed “Information on the Target Companies” of this announcement;
- (iii) the reasons for the Disposals as discussed in the paragraph headed “Reasons for and Benefits of the Transactions” below; and
- (iv) the cash flow position of the Target Companies as at the Reference Date.

Payment arrangements of the Consideration

The aggregate Consideration under each of the Share Purchase Agreements shall be paid by the Purchaser to the Sellers in the following manner:

First instalment The Purchaser shall pay a total of RMB54,227,900 (the “**First Instalment**”) to the Sellers within seven Business Days after the fulfilment of the following conditions:

- (a) the Share Purchase Agreements have become effective upon signing; and
- (b) the Purchaser has received the relevant payment receipt from the Sellers.

Second instalment The Purchaser shall pay a total of RMB34,976,400 (the “**Actual Second Instalment**”)^(Note) to the Sellers within seven Business Days after the fulfilment of the following conditions:

- (a) completion of the Registration Procedures;
- (b) the delivery and handover of the corporate documents and seals of the Target Companies specified in the Share Purchase Agreements; and
- (c) the Purchaser has received the relevant payment receipt from the Sellers.

No.	Share Purchase Agreements	First	Initial	Rectification	Actual
		Instalment	Second	Cost	Second
		(Note)	(Note)	(Note)	(Note)
		RMB	RMB	RMB	RMB
I	Gaoyou GCL Share Purchase Agreement	25,872,000	17,248,000	(585,000)	16,663,000
II	Jiangsu GCL Haibin New Energy Share Purchase Agreement	1,613,600	1,075,700	(180,000)	895,700
III	Nantong Haide New Energy Share Purchase Agreement	6,996,000	4,664,000	(130,500)	4,533,500
IV	Pizhou GCL Share Purchase Agreement	498,000	332,000	(50,000)	282,000
V	Suqian Green Energy Power Share Purchase Agreement	18,408,000	12,272,000	(195,000)	12,077,000
VI	Suzhou Industrial Park Dingyu Share Purchase Agreement	840,300	560,200	(35,000)	525,200
Total		<u>54,227,900</u>	<u>36,151,900</u>	<u>(1,175,500)</u>	<u>34,976,400</u>

Note: The Actual Second Instalment under each of the Share Purchase Agreements payable by the Purchaser to the Sellers represents the deduction of the agreed rectification cost for the engineering and compliance defects of each of the Target Companies under each of the Share Purchase Agreements (“**Rectification Cost**”) from the initial second instalment to be received by the Sellers under each of the Share Purchase Agreements (“**Initial Second Instalment**”).

Payment Arrangement of the Net Payable Amount or Net Receivable Amount

The Amount Payable as at the Reference Date will be set off against the Amount Receivable as at the Reference Date in order to ascertain (i) the Net Payable Amount as at the Reference Date payable by the Target Companies to the Sellers, which such payment obligation of the Target Companies shall be procured by the Purchaser, or (ii) the Net Receivable Amount as at the Reference Date payable by the Sellers to Target Companies.

Within 90 days after the Registration Completion Date, the Target Companies shall:

- (i) pay to the Sellers the Net Payable Amount as at the Reference Date as set out in the table below, which is interest-bearing, after deduction of the Net Receivable Amount payable by the Sellers to the Target Companies; and
- (ii) pay to the Sellers any additional Amount Payable of the Target Companies incurred during the Transition Period, which is interest-bearing, with reference to the Closing Audit Report.

The table below sets out the carrying amount of the Net Payable Amount or Net Receivable Amount of each of the Target Companies under each of the Share Purchase Agreements as at the Reference Date:

No.	Target Companies	Net Receivable Amount RMB	Net Payable Amount RMB
I	Gaoyou GCL	N/A	70,691,528
II	Jiangsu GCL Haibin New Energy	N/A	62,253,618
III	Nantong Haide New Energy	N/A	27,998,486
IV	Pizhou GCL	N/A	2,945,953
V	Suqian Green Energy Power	N/A	58,870,238
VI	Suzhou Industrial Park Dingyu	<u>600,000</u>	<u>N/A</u>
Total		<u><u>600,000</u></u>	<u><u>222,759,823</u></u>

Other Undertakings

The Sellers and the Purchaser agreed to be subject to certain undertakings, including but not limited to, the following undertakings:

- (i) within 20 Business Days from the Closing Date, the Sellers shall complete the delivery and handover of the corporate documents and seals of each of the Target Companies as specified in the Share Purchase Agreements to the Purchaser;
- (ii) prior to the Registration Completion Date, the Sellers shall release all pledges over the Sale Shares and within 90 Days from the Registration Completion Date, the Purchaser shall provide guarantee substitution of the liabilities of the Target Companies owed to the financial institutions in order to release the existing guarantees provided by the Sellers or their affiliates in respect of such liabilities; and
- (iii) in the event of any other circumstance specified in the Share Purchase Agreements that may cause the Sellers to be liable for any damages or compensation to the Target Companies, the Purchaser is entitled to request the Sellers to pay the actual amount of such damages or compensation to the Target Companies in proportionate to the shareholding of the Sale Shares in the Target Companies.

Transition Period Arrangement

During the Transition Period, the Sellers and the Purchaser agreed to be subject to, including but not limited to, the following arrangements:

- (i) profit or loss of the Target Companies during the Transition Period shall be enjoyed or borne by the Purchaser and the remaining shareholder (if applicable) based on their respective equity interest held in the Target Companies after the Closing; and
- (ii) the Target Companies shall not take various actions, such as payment of dividend, specified in the Share Purchase Agreements during the Transition Period before obtaining the written consent from the Purchaser.

Closing

The Closing Date shall be the date of the payment of the First Instalment under the Share Purchase Agreements. The Sellers should complete the Registration Procedures and transfer the Sale Shares to the Purchaser within 20 Business Days from the Closing Date (the “**Registration Deadline**”). The Purchaser agrees to exempt the liability of the Sellers in the event that (i) the delay of the completion of the Registration Procedures was caused by the delay in release of existing share charges over the Sale Shares and (ii) the Registration Procedures was completed within 90 days from the Registration Deadline.

Closing Audit

Pursuant to the Share Purchase Agreements, the Purchaser shall engage an auditing agency to audit the financial condition of the Target Companies for the Transition Period and prepare the Closing Audit Report within 15 Business Days after the Registration Completion Date.

Grant of Put Option (*Applicable to Nantong Haide New Energy Share Purchase Agreement only*)

Nantong Haide New Energy operates solar power plant projects with an aggregate grid-connected capacity of approximately 11.95MW, amongst which, an aggregate grid-connected capacity of approximately 2.62MW are Unregistered Projects, representing approximately 21.92% of the aggregate grid-connected capacity of all the solar power plant projects operated by Nantong Haide New Energy.

In view of the above, within three years from the date of the signing of the Nantong Haide New Energy Share Purchase Agreement, the Purchaser shall be entitled to require Suzhou GCL New Energy to repurchase the approximately 21.92% equity interest in Nantong Haide New Energy (“**Nantong Haide New Energy Equity Interest**”) from the Purchaser in the event that the Unregistered Projects are unable to be registered under the National Subsidy Catalogue.

- (i) The price for the repurchase of the Nantong Haide New Energy Equity Interest shall be no more than the following amount:

Consideration attributable to Nantong Haide New Energy Equity Interest + (Consideration attributable to Nantong Haide New Energy Equity Interest \times 4.9% \times 3)

Consideration attributable to Nantong Haide New Energy Equity Interest, amounting to approximately RMB2,556,400, is calculated based on the following:

Consideration under Nantong Haide New Energy Share Purchase Agreement \times approximately 21.92% (being the proportion of the aggregate grid-connected capacity of the Unregistered Projects against the aggregate grid-connected capacity of all the solar power plant projects operated by Nantong Haide New Energy)

3. INFORMATION ON THE PARTIES TO THE SHARE PURCHASE AGREEMENTS

The Group

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

The Group is principally engaged in the sale of electricity, development, construction, operation and management of solar power plants.

Suzhou GCL New Energy

Suzhou GCL New Energy is a company incorporated in the PRC with limited liability and an indirect subsidiary of the Company. Suzhou GCL New Energy is principally engaged in photovoltaic power investment, investment management and consultation, business management consultation, technology development, technology transfer, technical advice related to photovoltaic power projects, and sales of photovoltaic materials and equipment. Suzhou GCL New Energy indirectly owns a majority of solar power plants of the Company in the PRC.

Suzhou GCL Development

Suzhou GCL Development is a company established in the PRC with limited liability and an indirect subsidiary of the Company. Suzhou GCL Development is wholly-owned by Suzhou GCL New Energy. Suzhou GCL Development is principally engaged in the development, operation and management of solar power plants in the PRC.

The Target Companies

Please refer to the section “Information on the Target Companies” for information of the Target Companies.

4. INFORMATION ON THE PURCHASER

Jiangsu Hesheng is a company established in the PRC with limited liability and is principally engaged in, among others, power generation, transmission, power supply business as well as engineering and construction activities in the PRC.

As confirmed by Jiangsu Hesheng and based on publicly available information, as at the date of this announcement,

- (i) Jiangsu Hesheng is owned as to 65% by Shanghai Power Investment Suihe Equity Investment Fund Partnership (Limited Partnership)* (上海電投穗禾股權投資基金合夥企業(有限合夥)) (“**Shanghai Power Investment Suihe**”) and 35% by State Power Investment Group Jiangsu Electric Power Co., Ltd. (“**State Power Investment Jiangsu**”);
- (ii) Shanghai Power Investment Suihe is owned as to approximately 0.02% by ABC Capital Management Co., Ltd.* (農銀資本管理有限公司) (“**ABC Capital Management**”), which acts as the general partner or executive partner and fund manager of Shanghai Power Investment Suihe. ABC Capital Management is indirectly wholly-owned by Agricultural Bank Of China Limited (中國農業銀行股份有限公司) which is a joint stock limited company established in the PRC and dually listed on the Stock Exchange (stock code: 1288) and the Shanghai Stock Exchange (stock code: 601288) (“**ABC Bank**”);

- (iii) Among the other partners of Shanghai Power Investment Suihe, Agricultural Bank Financial Assets Investment Co., Ltd.* (農銀金融資產投資有限公司) (“**ABC Financial Assets**”), SDIC Sanxin Industry Equity Investment Fund (Tianjin) Partnership (Limited Partnership)* (國電投三新產業股權投資基金(天津)合夥企業(有限合夥)) (“**SDIC Sanxin Industry Equity Investment**”) and SDIC Clean Energy Fund Management Co., Ltd.* (國電投清潔能源基金管理有限公司) (“**SDIC Clean Energy**”, which acts as fund manager of Shanghai Power Investment Suihe), owns approximately 79.98%, 19.98% and 0.02% interest in Shanghai Power Investment Suihe, respectively;
- (iv) ABC Financial Assets is wholly-owned by ABC Bank and SDIC Sanxin Industry Equity Investment and SDIC Clean Energy are indirectly wholly-owned by the State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會); and
- (v) State Power Investment Jiangsu is (i) directly owned as to approximately 87.94% by Shanghai Electric Power Company Limited (上海電力股份有限公司) which is a joint stock limited company established in the PRC and listed on the Shanghai Stock Exchange (stock code: 600021) and (ii) indirectly owned as to approximately 12.06% by Industrial and Commercial Bank of China Limited (中國工商銀行股份有限公司), which is a joint stock limited company established in the PRC and dually listed on the Stock Exchange (stock code: 1398) and the Shanghai Stock Exchange (stock code: 601398).

5. INFORMATION ON THE TARGET COMPANIES

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

No.	Share Purchase Agreements	Information on the Target Companies
I	Gaoyou GCL Share Purchase Agreement	Gaoyou GCL is a company incorporated in the PRC with limited liability, which is directly wholly-owned by Suzhou GCL New Energy and an indirect subsidiary of the Company. Gaoyou GCL is principally engaged in the operation of solar power plants in the PRC.

No.	Share Purchase Agreements	Information on the Target Companies
II	Jiangsu GCL Haibin New Energy Share Purchase Agreement	Jiangsu GCL Haibin New Energy is a company incorporated in the PRC with limited liability, which is owned as to 60% by Suzhou GCL New Energy and 40% by Jiangsu Haibin New Energy Investment Co., Ltd* (江蘇海濱新能源投資有限公司), an independent party to the Company and an indirect subsidiary of the Company. Jiangsu GCL Haibin New Energy is principally engaged in the operation of solar power plants in the PRC.
III	Nantong Haide New Energy Share Purchase Agreement	Nantong Haide New Energy is a company incorporated in the PRC with limited liability, which is directly wholly-owned by Suzhou GCL New Energy and an indirect subsidiary of the Company. Nantong Haide New Energy is principally engaged in the operation of solar power plants in the PRC.
IV	Pizhou GCL Share Purchase Agreement	Pizhou GCL is a company incorporated in the PRC with limited liability, which is directly wholly-owned by Suzhou GCL Development and an indirect subsidiary of the Company. Pizhou GCL is principally engaged in the operation of solar power plants in the PRC.
V	Suqian Green Energy Power Share Purchase Agreement	Suqian Green Energy Power is a company incorporated in the PRC with limited liability, which is directly wholly-owned by Suzhou GCL New Energy and an indirect subsidiary of the Company. Suqian Green Energy Power is principally engaged in the operation of solar power plants in the PRC.

No. Share Purchase Agreements

Information on the Target Companies

VI Suzhou Industrial Park Dingyu Share Purchase Agreement

Suzhou Industrial Park Dingyu is a company incorporated in the PRC with limited liability, which is directly wholly-owned by Suzhou GCL Development and an indirect subsidiary of the Company. Suzhou Industrial Park Dingyu is principally engaged in the operation of solar power plants in the PRC.

Set out below is an extract of the audited financial statements prepared for the financial years ended 31 December 2019 and 31 December 2020 of each of the Target Companies prepared in accordance with China Accounting Standards:

Share Purchase Agreements	Target Companies	For the year ended 31 December			
		2020	2019		
		Profit before taxation	Profit after taxation	Profit before taxation	Profit after taxation
		RMB	RMB	RMB	RMB
I	Gaoyou GCL	8,792,714	8,375,765	7,096,138	6,650,524
II	Jiangsu GCL Haibin New Energy	3,323,166	2,807,140	1,862,369	1,344,421
III	Nantong Haide New Energy	970,487	533,977	3,268,767	2,857,859
IV	Pizhou GCL	64,641	58,625	120,424	120,424
V	Suqian Green Energy Power	2,036,731	1,664,738	4,598,839	4,176,515
VI	Suzhou Industrial Park Dingyu	121,887	121,802	126,974	126,974

The unaudited net assets as at the Reference Date (i.e. 28 February 2021) and the audited net assets as at 31 December 2020 of the Target Companies amounted to approximately RMB124,221,544 and approximately RMB148,493,926, respectively.

6. FINANCIAL IMPACT OF THE DISPOSALS

After the Registration Completion Date, the Target Companies will cease to be subsidiaries of the 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 Group.

As at the date of this announcement, it is estimated that the Group will realise a net loss on the Disposals of approximately RMB35,017,244 and such loss is calculated with reference to the difference between the aggregate Consideration of approximately RMB90,379,800, deduct the Rectification Cost of RMB1,175,500 and the net asset value of the disposed Sale Shares based on the unaudited financial statements of the Target Companies as at the Reference Date (i.e. 28

February 2021) of approximately RMB124,221,544. The actual loss as a result of the Disposals to be recorded by the Group is subject to audit and will be reassessed after completion of the Disposals.

7. USE OF PROCEEDS FROM THE DISPOSALS

The net cash proceeds from the Transactions (including the sum of (i) the aggregate Consideration and (ii) the aggregate Net Payable Amount as at the Reference Date deduct (iii) the aggregate Rectification Cost and (iv) the aggregate Net Receivable Amount) is expected to be approximately RMB311,364,123, which the Company intends to use for repayment of its debts.

8. REASONS FOR AND BENEFITS OF THE DISPOSALS

As part of its “transformation and upgrade” development objective, the Company 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 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 Group. The liabilities of the Group will decrease by approximately RMB353,667,000. Meanwhile, the cash derived from the Transactions amounting to approximately RMB311,364,123 will be used for further repayment of debts, and the gearing ratio of the Group will decrease by approximately 0.6%, calculated with reference to the unaudited financial statements of the Group as at 30 June 2021, thus effectively reducing the financial risks.

Based on the above reasons and having considered all relevant factors, the 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 Share Purchase Agreements is in the interests of the Company and the Shareholders as a whole.

9. LISTING RULES IMPLICATIONS

Since the highest applicable percentage ratio in respect of the Disposals exceeds 5% but is less than 25%, the entering into of the Disposals constitutes a discloseable transaction for the Company and it shall comply with the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Given that the exercise of the Put Option is not at the discretion of the Company, pursuant to Rule 14.74 of the Listing Rules, the grant of the Put Option will be classified as if they had been exercised. Since the highest applicable percentage ratio in respect of the Put Option is less than 5%, the granting of the Put Option does not constitute a notifiable transaction for the Company.

10. DEFINITIONS

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

“affiliates”	for the purpose of the announcement, means affiliates of each of the Target Companies
“Amount Payable”	the amount payable (if any) by the Target Companies to the Sellers and their affiliates (if applicable, including other subsidiaries of the Company)
“Amount Receivable”	the amount receivable (if any) by the Target Companies from the Sellers and their affiliates (if applicable, including other subsidiaries of the Company)
“Board”	the board of Directors
“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 Purchaser to audit the financial condition of the Target Companies during the Transition Period in accordance with the Share Purchase Agreements
“Closing Date”	the date of the payment of the First Instalment under the Share Purchase Agreements
“Company”	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
“connected persons”	has the same meaning ascribed to it under the Listing Rules
“Consideration”	the consideration for the Disposals
“Directors”	the directors of the Company
“Disposals”	the proposed disposals of (i) the entire equity interest in Gaoyou GCL, Nantong Haide New Energy, Pizhou GCL, Suqian Green Energy Power and Suzhou Industrial Park Dingyu and (ii) 60% equity interest in Jiangsu GCL Haibin New Energy as contemplated under the Share Purchase Agreements

“Gaoyou GCL”	Gaoyou GCL Photovoltaic Power Co., Ltd. (高郵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 the Company as at the date of this announcement
“Gaoyou GCL Share Purchase Agreement”	an equity transfer agreement dated 16 March 2022 entered into between the Purchaser and Suzhou GCL New Energy in relation to the sale of the entire equity interest in Gaoyou GCL
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Jiangsu GCL Haibin New Energy”	Jiangsu GCL Haibin New Energy Technology Development Co., Ltd.* (江蘇協鑫海濱新能源科技發展有限公司), a company established in the PRC with limited liability, which is owned as to 60% by Suzhou GCL New Energy and 40% by Jiangsu Haibin New Energy Investment Co., Ltd* (江蘇海濱新能源投資有限公司), an independent party to the Company, and an indirect subsidiary of the Company as at the date of this announcement
“Jiangsu GCL Haibin New Energy Share Purchase Agreement”	an equity transfer agreement dated 16 March 2022 entered into between the Purchaser and Suzhou GCL New Energy in relation to the sale of 60% equity interest in Jiangsu GCL Haibin New Energy
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“MW”	megawatt(s)
“Nantong Haide New Energy”	Nantong Haide New Energy Co., Ltd.* (南通海德新能源有限公司), a company established in the PRC with limited liability, which is wholly-owned by Suzhou GCL New Energy and an indirect subsidiary of the Company as at the date of this announcement
“Nantong Haide New Energy Share Purchase Agreement”	an equity transfer agreement dated 16 March 2022 entered into between the Purchaser and Suzhou GCL New Energy in relation to the sale of the entire equity interest in Nantong Haide New Energy
“National Subsidy Catalogue”	National Renewable Energy Tariff Surcharge Subsidy Catalogue (可再生能源電價附加資金補助目錄) under the Renewable Energy Law of the PRC (中華人民共和國可再生能源法)

“Net Payable Amount”	the amount equivalent to the difference between the Amount Payable and the Amount Receivable in the event that the Amount Payable is more than the Amount Receivable
“Net Receivable Amount”	the amount equivalent to the difference between the Amount Payable and the Amount Receivable in the event that the Amount Payable is less than the Amount Receivable
“Pizhou GCL”	Pizhou GCL Photovoltaic Power Co., Ltd.* (邳州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 Development and an indirect subsidiary of the Company as at the date of this announcement
“Pizhou GCL Share Purchase Agreement”	an equity transfer agreement dated 16 March 2022 entered into between the Purchaser and Suzhou GCL Development in relation to the sale of the entire equity interest in Pizhou GCL
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“Purchaser” or “Jiangsu Hesheng”	Jiangsu Hesheng New Energy Co., Ltd.* (江蘇和盛新能源有限公司), a company established in the PRC with limited liability and an independent third party to the Company
“Put Option”	the put option granted to the Purchaser under the Nantong Haide New Energy Share Purchase Agreement, pursuant to which the Purchaser is entitled to request Suzhou GCL New Energy to repurchase the Nantong Haide New Energy Equity Interest from the Purchaser
“Reference Date”	28 February 2021
“Registration Completion Date”	the date of the completion of the Registration Procedures
“Registration Procedures”	the registration procedures in respect of the change of shareholder of the Target Companies and other relevant filing procedures in respect of the Disposals in the PRC
“RMB”	the lawful currency of the PRC

“Sale Shares”	the entire equity interest in Gaoyou GCL, Nantong Haide New Energy, Pizhou GCL, Suqian Green Energy Power and Suzhou Industrial Park Dingyu and 60% equity interest in Jiangsu GCL Haibin New Energy
“Sellers” and each a “Seller”	Suzhou GCL New Energy and Suzhou GCL Development
“Shareholders”	the shareholders of the Company
“Share Purchase Agreements” and each a “Share Purchase Agreement”	Gaoyou GCL Share Purchase Agreement, Jiangsu GCL Haibin New Energy Share Purchase Agreement, Nantong Haide New Energy Share Purchase Agreement, Pizhou GCL Share Purchase Agreement, Suzhou Industrial Park Dingyu Share Purchase Agreement and Suqian Green Energy Power Share Purchase Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“Suqian Green Energy Power”	Suqian Green Energy Power Co., Ltd.* (宿遷綠能電力有限公司), a company established in the PRC with limited liability, which is wholly-owned by Suzhou GCL New Energy and an indirect subsidiary of the Company as at the date of this announcement
“Suqian Green Energy Power Share Purchase Agreement”	an equity transfer agreement dated 16 March 2022 entered into between the Purchaser and Suzhou GCL New Energy in relation to the sale of the entire equity interest in Suqian Green Energy Power
“Suzhou GCL Development”	Suzhou GCL New Energy Development Co., Ltd.* (蘇州協鑫新能源開發有限公司), a company established in the PRC with limited liability and an indirect subsidiary of the Company as at the date of this announcement
“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 the Company as at the date of this announcement
“Suzhou Industrial Park Dingyu”	Suzhou Industrial Park Dingyu Solar Power Co., Ltd.* (蘇州工業園區鼎裕太陽能電力有限公司), a company established in the PRC with limited liability, which is wholly-owned by Suzhou GCL Development and an indirect subsidiary of the Company as at the date of this announcement

“Suzhou Industrial Park Dingyu Share Purchase Agreement”	an equity transfer agreement dated 16 March 2022 entered into between the Purchaser and Suzhou GCL Development in relation to the sale of the entire equity interest in Suzhou Industrial Park Dingyu
“Target Companies” and each a “Target Company”	Gaoyou GCL, Jiangsu GCL Haibin New Energy, Nantong Haide New Energy, Pizhou GCL, Suqian Green Energy Power and Suzhou Industrial Park Dingyu
“Transactions”	the transactions contemplated under the Share Purchase Agreements
“Transition Period”	the period between the Reference Date and the Registration Completion Date
“Unregistered Projects”	the solar power plant projects which are pending to be registered in the National Subsidy Catalogue and operated by Nantong Haide New Energy
“%”	per cent.

* *All of the English titles or names of the PRC entities, as well as certain items contained in this 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 Board
GCL New Energy Holdings Limited
 協鑫新能源控股有限公司
Zhu Yufeng
Chairman

Hong Kong, 16 March 2022

As at the date of this announcement, the Board comprises Mr. Zhu Yufeng (Chairman), Mr. Liu Genyu (Vice Chairman) 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.