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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in GCL New Energy Holdings Limited 協鑫新能源控股有限公司, you should at once hand this circular and the accompanying proxy form to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)****MAJOR TRANSACTION  
FINANCE LEASE ARRANGEMENT**

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Capitalised terms used in this cover shall have the same meanings as those defined in the section headed “Definitions” in this circular. A letter from the Board is set out on pages 5 to 13 of this circular.

The Finance Lease Arrangement have been approved by written Shareholders’ approval pursuant to Rule 14.44 of the Listing Rules in lieu of a general meeting of the Company. This circular is being dispatched to the Shareholders for information only.

16 May 2022

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## DEFINITIONS

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*In this circular, the following expressions shall have the meanings set out below unless the context requires otherwise:*

“Announcement”	the announcement of the Company dated 29 April 2022 in relation to the Finance Lease Arrangement
“Board”	the board of Directors
“Bingzhouhai Project”	the 130 MW solar plant power project located in Bingzhouhai town, Tumed Left banner, Hohhot (呼和浩特市土左旗兵州亥), owned and operated by Xiangdao New Energy as at the Latest Practicable Date
“Bye-laws”	the Bye-laws of the Company, as amended from time to time
“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 (stock code: 451)
“CR Leasing”	China Resources Leasing Co., Ltd.* (華潤融資租賃有限公司), a company established in the PRC with limited liability and a third party independent of the Company and its connected persons
“Directors”	the directors of the Company
“Dongsheng Photovoltaic”	Dongsheng Photovoltaic Technology (Hong Kong) Limited (東昇光伏科技(香港)有限公司), a company incorporated in Hong Kong with limited liability and is indirect wholly-owned by GCL System Integration
“Elite Time Global”	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 Technology
“Finance Lease Agreements”	collectively, Finance Lease Agreement I and Finance Lease Agreement II and should the context require, be construed as referring to either of Finance Lease Agreement I and Finance Lease Agreement II
“Finance Lease Agreement I”	the finance lease agreement dated 29 April 2022 entered into between Xiangdao New Energy and CR Leasing in respect of Subject Assets I with the Transfer Price of RMB435 million

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## DEFINITIONS

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“Finance Lease Agreement II”	the finance lease agreement dated 29 April 2022 entered into between Xiangdao New Energy and CR Leasing in respect of Subject Assets II with the Transfer Price of RMB75 million
“Finance Lease Arrangement”	the finance lease arrangement in respect of the transfer, lease-back and redemption of the Subject Assets under the Finance Lease Agreements
“GCL Technology”	GCL Technology Holdings Limited 協鑫科技控股有限公司 (formerly known as “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 (stock code: 3800)
“GCL System Integration”	GCL System Integration Technology Co., Ltd.* (協鑫集成科技股份有限公司), a company established in the PRC with its shares listed on the Small & Medium Enterprises Board of the Shenzhen Stock Exchange (stock code: 002506)
“Group”	the Company and its subsidiaries
“ICBC Loan”	the loan granted by Industrial and Commercial Bank of China Limited (HKEX stock code: 1398), a third party independent of the Company and its connected persons, to Xiangdao New Energy with an outstanding amount of RMB243,000,000 as at the Latest Practicable Date
“IFRS”	the International Financial Reporting Standard promulgated by the International Accounting Standards Board
“Interest Rate”	the interest rate under the Finance Lease Agreements as further described under the paragraph headed “2. The Finance Lease Agreements – Interest Rate” in this circular
“Latest Practicable Date”	10 May 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Lease Terms”	the lease terms of 144 months under the Finance Lease Agreements as further described under the paragraph headed “2. The Finance Lease Agreements – Lease Term” in this circular, and the expression “Lease Term” should be construed accordingly as referring to the lease term under Finance Lease Agreement I and Finance Lease Agreement II, respectively, in relation to the relevant context

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## DEFINITIONS

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“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Term Loan Prime Rate”	the loan prime rate in respect of loans over five years published by National Interbank Funding Center (全國銀行間同業拆借中心) as authorised by the People’s Bank of China
“MW”	megawatts
“p.a.”	per annum
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) in the share capital of the Company
“Shareholders”	the shareholders of the Company
“Short Term Loan Prime Rate”	the loan prime rate in respect of loans of one year published by National Interbank Funding Center (全國銀行間同業拆借中心) as authorised by the People’s Bank of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subject Assets”	collectively, Subject Assets I and Subject Assets II, and should the context require, be construed as referring to either of Subject Assets I or Subject Assets II
“Subject Assets I”	the subject assets under Finance Lease Agreement I as further described under the paragraph headed “2. The Finance Lease Agreements – Subject Assets” in this circular
“Subject Assets II”	the subject assets under Finance Lease Agreement II as further described under the paragraph headed “2. The Finance Lease Agreements – Subject Assets” in this circular
“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 Latest Practicable Date

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## DEFINITIONS

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“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs published by the Securities and Futures Commission of Hong Kong
“Transfer Prices”	collectively, Transfer Price I and Transfer Price II, and the expression “Transfer Price” should be construed accordingly as referring to either of Transfer Price I or Transfer Price II under the relevant context
“Transfer Price I”	the consideration for the transfer of the Subject Assets I from Xiangdao New Energy to CR Leasing under Finance Lease Agreement I of RMB435 million
“Transfer Price II”	the consideration for the transfer of the Subject Assets II from Xiangdao New Energy to CR Leasing under Finance Lease Agreement II of RMB75 million
“Xiangdao Project”	the 31 MW solar power plant project located in Xiangdao ecological farm in Hohhot (呼和浩特市香島生態農莊), owned and operated by Xiangdao New Energy as at the Latest Practicable Date
“Xiangdao Farm Development”	Inner Mongolia Xiangdao Ecological Agriculture Development Co., Ltd.* (內蒙古香島生態農業開發有限公司), a company established in the PRC with limited liability and a 9.9% equity interest shareholder of Xiangdao New Energy
“Xiangdao New Energy”	Inner Mongolia Xiangdao New Energy Development Co., Ltd.* (內蒙古香島新能源發展有限公司), a company established in the PRC with limited liability and an indirect 90.1% owned subsidiary of the Company as at the Latest Practicable Date
“ZJGL Loan”	the loan granted by Zhujiang Financial Leasing Co., Ltd.* (珠江金融租賃有限公司), a subsidiary of Guangzhou Rural Commercial Bank Co., Ltd. (HKEX stock code: 1551) where both a third party independent of the Company and its connected persons, to Xiangdao New Energy with an outstanding amount of RMB188,450,000 as at the Latest Practicable Date
“%”	per cent

\* All of the English titles or names of the PRC entities, as well as certain items contained in this circular 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.

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## LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Mr. Zhu Yufeng (*Chairman and President*)  
Mr. Liu Genyu (*Vice Chairman*)  
Ms. Hu Xiaoyan

*Non-executive Directors:*

Ms. Sun Wei  
Mr. Yeung Man Chung, Charles  
Mr. Fang Jiancai

*Independent non-executive Directors:*

Mr. Xu Songda  
Mr. Lee Conway Kong Wai  
Mr. Wang Yanguo  
Dr. Chen Ying

*Registered office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head office and principal place of  
business in Hong Kong:*

Unit 1707A, Level 17  
International Commerce Centre  
1 Austin Road West  
Kowloon Hong Kong

16 May 2022

*To the Shareholders*

Dear Sir or Madam,

**MAJOR TRANSACTION**  
**FINANCE LEASE ARRANGEMENT**

**1. INTRODUCTION**

Reference is made to the Announcement of the Company dated 29 April 2022 in relation to the Finance Lease Arrangement. As announced in the Announcement, on 29 April 2022 (after trading hours), Xiangdao New Energy, an indirect subsidiary of the Company, entered into two Finance Lease Agreements with CR Leasing, namely the Finance Lease Agreement I and the Finance Lease Agreement II, pursuant to which (i) Xiangdao New Energy shall transfer Subject Assets I and Subject Assets II to CR Leasing at the Transfer Prices of RMB435 million and RMB75 million, respectively; (ii) CR Leasing shall lease back the

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## LETTER FROM THE BOARD

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Subject Assets to Xiangdao New Energy for the Lease Term of 12 years; and (iii) Xiangdao New Energy shall have the right to re-acquire each of Subject Assets I and Subject Assets II at nominal consideration of RMB100 upon the end of the respective Lease Term.

### 2. THE FINANCE LEASE AGREEMENTS

The principal terms of the Finance Lease Agreements are set out below:

#### **Date**

29 April 2022 (after trading hours)

#### **Parties**

Lessor: CR Leasing

Lessee: Xiangdao New Energy

#### **Subject Assets**

Certain solar modules, inverters, transformers, cables cabinets, monitoring systems and other photovoltaic equipment and installations used by Xiangdao New Energy for the Bingzhouhai Project and the Xiangdao Project.

#### **Transfer Price**

Xiangdao New Energy shall transfer Subject Assets I and Subject Assets II to CR Leasing at the Transfer Prices of RMB435 million and RMB75 million, respectively, and the ownership of the Subject Assets shall be transferred to CR Leasing upon payment of the respective Transfer Price.

#### **Handling Fee**

RMB4.35 million and RMB0.75 million under Finance Lease Agreement I and Finance Lease Agreement II, respectively, which shall be paid by Xiangdao New Energy before the payment of the respective Transfer Price.

#### **Transfer Price Payment Conditions**

##### *Finance Lease Agreement I*

Transfer Price I shall be paid within 15 business days of fulfillment of all the payment conditions, including, among others, production of the early repayment application in relation to the ICBC Loan and the supplemental agreement on early repayment of the ZJGL Loan by Xiangdao New Energy.



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## LETTER FROM THE BOARD

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### *Finance Lease Agreement II*

Transfer Price II shall be paid within 15 business days of fulfillment of all the payment conditions, including, among others, payment of Transfer Price I and full settlement of the ICBC Loan and the ZJGL Loan.

### **Usage of Transfer Price**

#### *Finance Lease Agreement I*

Repayment of the ICBC Loan and the ZJGL Loan, repayment of shareholders' loans and operating expenses etc.. Xiangdao New Energy further undertook to immediately settle the ICBC Loan and the ZJGL Loan upon receiving Transfer Price I from CR Leasing.

#### *Finance Lease Agreement II*

Repayment of shareholders' loans and operating expenses etc.

### **Lease Term**

144 months from the payment of Transfer Price I and Transfer Price II, respectively.

### **Lease Deposit**

Nil

### **Rent**

The rent shall be paid every three months (i.e. a total of 48 payments) based on an amortization schedule calculated in accordance with the Interest Rate.

For illustrative purpose only, assuming the Interest Rate remained unchanged at 5.98% p.a. during the entire Lease Term, a payment of approximately RMB12,828,300 and RMB2,211,700 shall be made every three months under Finance Lease Agreement I and Finance Lease Agreement II, respectively, during the Lease Term.

### **Interest Rate**

The initial Interest Rate shall be 5.98% p.a. and shall be adjusted on each anniversary during the Lease Term by the same percentage point change in the Long-Term Loan Prime Rate as at such date of adjustment as compared to that as at the respective payment date of the Transfer Price.

As at the Latest Practicable Date, the prevailing Long-Term Loan Prime Rate was 4.6% p.a.

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## LETTER FROM THE BOARD

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### **Redemption**

Xiangdao New Energy shall have the right to re-acquire the Subject Assets on “as-is” basis at a nominal consideration of RMB100 upon the end of the respective Lease Term under Finance Lease Agreement I and Finance Lease Agreement II.

During the Lease Term, Xiangdao New Energy may, with the consent of CR Leasing, early re-acquire the Subject Assets at a consideration equivalent to the sum of (i) the remaining principal amount; (ii) accrued but unpaid interest; (iii) overdue rent together with damages; and (iv) all direct and indirect losses incurred by CR Leasing as a result of the early redemption.

In addition, if Xiangdao New Energy re-acquires the Subject Assets during the initial 12 months of the relevant Lease Term, Xiangdao New Energy shall pay an additional compensation equals to 1% of the remaining principal amount.

### **Insurance on Subject Assets**

Responsible by Xiangdao New Energy

### **Securities**

Under each of the Finance Lease Agreements, the securities provided to secure the performance by Xiangdao New Energy of its obligations include:

- (a) the 90.1% equity interest in Xiangdao New Energy held by Suzhou GCL New Energy;
- (b) the 9.9% equity interest in Xiangdao New Energy held by Xiangdao Farm Development;
- (c) the electric fees received or to be received by Xiangdao New Energy under the Bingzhouhai Project and the Xiangdao Project which shall be deposited in an escrow account; and
- (d) the land use right of the land where Bingzhouhai Project situates.

### **Guarantee**

Suzhou GCL New Energy shall guarantee and the Company shall provide undertaking for, the performance by Xiangdao New Energy of its obligations under each of the Finance Lease Agreements.

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## LETTER FROM THE BOARD

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### 3. BASIS OF DETERMINATION OF THE TRANSFER PRICES AND THE INTEREST RATE

The book value of the Subject Assets is approximately RMB552.6 million and the Transfer Prices were determined after arm's length negotiation between Xiangdao New Energy and CR Leasing based on the amount of financing agreed to be provided by CR Leasing with reference to the value of the respective Subject Assets.

The Interest Rate and handling fees were determined after arm's length negotiation between Xiangdao New Energy and CR Leasing with reference to the prevailing market interest rate of finance leases of similar assets and the usual percentage of handling fee charged for similar finance lease, respectively. The Directors consider that the percentage of handling fee charged by CR Leasing is comparable to the percentage of handling fee charged by other leasing institutions for similar finance lease.

### 4. REASONS FOR AND BENEFITS OF THE FINANCE LEASE ARRANGEMENT

Xiangdao New Energy entered into the Finance Lease Arrangement to refinance the ICBC Loan and the ZJGL Loan which are also secured by part of the Subject Assets together with some other equipments of the Bingzhouhai Project and the Xiangdao Project and originally scheduled to be fully repaid by June 2024 and November 2022, respectively. By entering into the Finance Lease Arrangement which has a Lease Term of 12 years, Xiangdao New Energy would be able to extend the repayment term of the financing facilities.

As at the Latest Practicable Date, the outstanding balance of the ICBC Loan and the ZJGL Loan are RMB243,000,000 and RMB188,450,000, with prevailing interest rate of 5.65% p.a. (subject to adjustment in accordance with changes to the Long Term Loan Prime Rate) and 5.77% p.a. (subject to adjustment in accordance with changes to the Short Term Loan Prime Rate), respectively.

The Company has evaluated different options in utilising the Group's interest in Xiangdao New Energy and/or its underlying assets as securities to obtain financing and, taking into consideration of the interest rate quoted, the possible loan size, transaction arrangement, transaction cost and time required, the Directors consider that the Finance Lease Arrangement is the better financing option.

The additional cash obtained by Xiangdao New Energy can provide additional liquidity to the Group. Accordingly, the proceeds of the Finance Lease Arrangement will be used for repayment of the ICBC Loan and the ZJGL Loan and general working capital use.

Based on the terms reached with CR Leasing by Xiangdao New Energy, Xiangdao New Energy is required to pay the handling fees under the Finance Lease Arrangement upfront in accordance with the usual practice of CR Leasing instead of offsetting against the Transfer Prices. Taking into consideration of the background of CR Leasing, being a state-owned enterprise, the liquidity condition of the Group and the length of time between payment of the handling fees and receipt of the Transfer Prices, the Directors consider that such arrangement is not detrimental to the Group.

The Directors consider that the Finance Lease Arrangement is in the ordinary and usual course of business of the Group and the terms of the Finance Lease Agreements and the transactions contemplated thereunder are on normal commercial term, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### 5. FINANCIAL IMPACT OF THE FINANCE LEASE ARRANGEMENT

Pursuant to the IFRS, the Finance Lease Arrangement shall be recognised as financial liability arrangement and therefore will not give rise to any gain or loss on or result in a decrease in the value of the Subject Assets at initial recognition.

In particular, the Finance Lease Arrangement is in substance a financing arrangement rather than a lease transaction under *IFRS 16 Leases*. The Transfer Prices are effectively the principal amount of the finance lease granted to Xiangdao New Energy by CR Leasing. In addition, as substantial risks and rewards of the Subject Assets are retained by Xiangdao New Energy under the Finance Lease Arrangement, the sale of Subject Assets under the Finance Lease Arrangement does not satisfy the requirement of *IFRS 15 Revenue* to be accounted for as a sale of an asset. According to *IFRS16.103(a)*, the seller-lessee (i.e. Xiangdao New Energy) shall continue to recognise the Subject Assets as property, plant and equipment and a recognition of financial liability applying *IFRS 9 Financial instruments* for the cash received.

As a result of the Finance Lease Arrangement, it is expected that (i) the total assets of the Group will increase to reflect the sale proceeds of the Subject Assets of approximately RMB510 million, partially set off by the reduction in total assets as a result of repayment of the ICBC Loan and the ZJGL Loan of approximately RMB431.45 million, and there will be no financial impact on the fixed assets of the Group; and (ii) the total liabilities of the Group will be increased by the same net amount to reflect the payment obligations of the Group under the Finance Lease Agreements, partially set off by the reduction in total liabilities as a result of repayment of the ICBC Loan and the ZJGL Loan.

The Company considers that there is no immediate material impact on the earnings of the Group as a result of the Finance Lease Arrangement. However, the interest elements of approximately RMB212 million (assuming no change in the Interest Rate) in aggregate and handling fee of approximately RMB5.1 million in aggregate will be charged to the income statement of the Group over the Lease Terms.

The sale of the Subject Assets is not expected to result in any gain or loss to the Group in its consolidated financial statements pursuant to applicable accounting principles. The Directors consider that the Transfer Prices received will improve the liquidity of the Group.

### 6. INFORMATION ON THE PARTIES TO THE FINANCE LEASE 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. As at the Latest Practicable Date, the Company is a subsidiary of GCL Technology.

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## LETTER FROM THE BOARD

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### **Xiangdao New Energy**

Xiangdao New Energy is a company incorporated in the PRC with limited liability and an indirect subsidiary of the Company, 90.1% owned by Suzhou GCL New Energy and 9.9% owned by Xiangdao Farm Development. Xiangdao New Energy owns and operates the Bingzhouhai Project and the Xiangdao Project.

### **Suzhou GCL New Energy**

Suzhou GCL New Energy is a company incorporated in the PRC with limited liability and an indirect wholly-owned 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 Group in the PRC.

### **Xiangdao Farm Development**

Xiangdao Farm Development is a company incorporated in the PRC with limited liability and is owned by Mr. Liu Yongliang (劉永良先生), Mr. Hong Yushen (洪育慎先生) (through his wholly-owned company) and Ms. Bai Yuying (白玉英女士) as to approximately 54.3739%, 25.9435% and 19.6826%, respectively, as at the Latest Practicable Date. To the best of the Directors' knowledge, information and belief, after having made all reasonable enquiries, save for their respective indirect interests in Xiangdao New Energy, each of Mr. Liu, Mr. Hong and Ms. Bai is a third party independent of the Company and its connected persons.

### **CR Leasing**

CR Leasing is a company incorporated in the PRC with limited liability and is principally engaged in finance leasing businesses. CR Leasing is a subsidiary of China Resources Holdings Company Limited, a company owned by State-owned Assets Supervision and Administration Commission of the State Council of the PRC.

To the best of the Directors' knowledge, information and belief, after having made all reasonable enquiries, CR Leasing is a third party independent of the Company and its connected persons.

## **7. LISTING RULES IMPLICATION**

As the highest applicable percentage ratio in respect of the Finance Lease Arrangement (Finance Lease Agreement I and Finance Lease Agreement II in aggregate) is higher than 25% but less than 75%, the Finance Lease Arrangement constitutes a major transaction of the Company and is subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

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## LETTER FROM THE BOARD

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### 8. WRITTEN SHAREHOLDERS' APPROVAL

To the extent that the Company aware, having made all reasonable enquiries, as at the Latest Practicable Date, none of the Shareholders has a material interest in the Finance Lease Arrangement and therefore no Shareholder is required to abstain from voting under the Listing Rules if the Company were to convene a general meeting for the approval of the Finance Lease Arrangement.

As no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Finance Lease Arrangement, pursuant to Rule 14.44 of the Listing Rules, in lieu of a resolution passed at a general meeting of the Company, the Company has obtained a written approval from Elite Time Global and Dongsheng Photovoltaic, a closely allied group of Shareholders, approving the Finance Lease Arrangement. As at the Latest Practicable Date, Elite Time Global is holding 10,376,602,000 Shares, representing approximately 49.24% of the issued Shares, and Dongsheng Photovoltaic is holding 1,905,978,301 Shares, representing approximately 9.04% of the issued Shares, i.e. together holding 12,282,580,301 Shares which represent approximately 58.28% of the voting rights at a general meeting of the Company.

Elite Time Global and Dongsheng Photovoltaic constitute “closely allied group of shareholders” under Rule 14.45 of the Listing Rules due to the following reasons:

- (a) as at the Latest Practicable Date, Mr. Zhu Gongshan and his family (the “**Zhu’s Family**”) indirectly hold (i) approximately 23.51% interest in GCL Technology, which in turn directly wholly-owns Elite Time Global and (ii) approximately 30.74% interest in GCL System Integration, which in turn indirectly wholly-owns Dongsheng Photovoltaic. Zhu’s Family constitutes the single largest shareholder of GCL Technology and GCL System Integration;
- (b) as Zhu’s Family indirectly holds more than 20% in each of Elite Time Global and Dongsheng Photovoltaic as at the Latest Practicable Date, Elite Time Global and Dongsheng Photovoltaic are regarded as “associated companies” of Zhu’s Family for the purposes of the Takeovers Code. As such, Elite Time Global and Dongsheng Photovoltaic are persons “acting in concert” with Zhu’s Family for the purpose of the Takeovers Code;
- (c) Mr. Zhu Gongshan is the chairman of both GCL Technology and GCL System Integration and a majority of the board of directors in each of GCL Technology and GCL System Integration are employees of companies controlled by Zhu’s Family. As such, Zhu’s Family can exert influence over the decision making process of the board of directors of each of Elite Time Global (through GCL Technology) and Dongsheng Photovoltaic (through GCL System Integration); and
- (d) Dongsheng Photovoltaic has become a shareholder of the Company since the end of 2017 and it has voted for all resolutions in the general meetings held by the Company and its voting direction has been in line with Elite Time Global since mid-2018.

Accordingly, no Shareholders’ meeting will be convened by the Company to approve the Finance Lease Arrangement.

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## LETTER FROM THE BOARD

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### 9. RECOMMENDATION

The Directors are of the view that the terms of the Finance Lease Agreements are fair and reasonable, and are on normal commercial terms and that the entering into of the Finance Lease Agreements is in the interest of the Company and the Shareholders as a whole.

Accordingly, if the Company were to convene a general meeting for the approval of the Finance Lease Arrangement, the Directors would recommend the Shareholders to vote in favour of the ordinary resolution to approve the Finance Lease Arrangement, the entering into and the performance of the obligations under the Finance Lease Agreements at such general meeting.

### 10. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

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

## 1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for the years ended 31 December 2019, 31 December 2020 and 31 December 2021 together with the relevant notes thereto are disclosed in the following documents, which were published on both the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.gclnewenergy.com](http://www.gclnewenergy.com)):

- the annual report of the Company for the year ended 31 December 2019 published on 29 April 2020 (pages 72-205);
- the annual report of the Company for the year ended 31 December 2020 published on 21 April 2021 (pages 69-205); and
- the annual report of the Company for the year ended 31 December 2021 published on 26 April 2022 (pages 70-213).

## 2. STATEMENT OF INDEBTEDNESS AND CONTINGENT LIABILITIES OF THE GROUP

At the close of business on 31 March 2022, being the latest practicable date for the purpose of this indebtedness statement, the Group had the following outstanding borrowings:

	<b>Secured</b>	<b>The Group Unsecured</b>	<b>Total</b>
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Carrying amount of bank and other borrowings	3,056,851	268,658	3,325,509
Principal amount of senior notes	2,363,238	–	2,363,238
Carrying amount of loans from related companies	–	27,811	27,811
Lease liabilities	9,905	380,576	390,481
	<b><u>5,429,994</u></b>	<b><u>677,045</u></b>	<b><u>6,107,039</u></b>

The Group's secured bank and other borrowings were secured, individually or in combination, by (i) certain property, plant and equipment of the Group; (ii) certain pledged bank and other deposits of the Group; (iii) certain subsidiaries' trade receivables, contract assets and fee collection rights in relation to the sales of electricity; (iv) certain right-of-use assets of the Group; and (v) certain equity interests in some project companies of the Group.

As at 31 March 2022, certain bank and other borrowings and senior notes of the Group amounting to approximately RMB2,798,754,000 and RMB2,363,238,000, respectively, are guaranteed individually or in combination by (i) fellow subsidiaries; (ii) the ultimate holding company; and (iii) entities within the Group. The remaining indebtedness amounting to approximately RMB945,047,000 are not guaranteed.



As at 31 March 2022, the Group provided a total guarantee of approximately RMB1,541 million and RMB477 million to banks and financial institutions in respect of banking facilities and financing arrangements of in proportional to the Group's interest in those associates and certain disposed subsidiaries during transitional period respectively. The associates and certain disposed subsidiaries during transitional period had utilised approximately RMB1,107 million and RMB392 million in total of such facilities as at 31 March 2022, respectively.

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables in the ordinary course of business, as at the close of business on 31 March 2022, the Group did not have any debt securities authorised or otherwise created but unissued, or any term loans, other borrowings or indebtedness in the nature of borrowing including bank overdrafts, loans, liabilities under acceptances (other than normal trade bills), acceptance credits, hire purchase commitments, lease liabilities, mortgages or charges, other material contingent liabilities or guarantees outstanding.

To the best of the knowledge of the Directors, having made all reasonable enquiries, there has been no material change in the level of indebtedness of the Group since 31 March 2022.

### **3. WORKING CAPITAL STATEMENT**

The Directors, after due and careful consideration, taking into account the proceeds from the Finance Lease Arrangement, present internal resources and banking and other facilities and assuming the timely settlement of the proceeds from the various disposals of the Group in 2021 and 2022 (up to the date of the annual report of the Company) as disclosed in the 2021 annual report of the Company and receipt of the Group's certain renewable energy subsidy receivables from the State Grid Companies as expected, are of the opinion that the Group would have sufficient working capital for at least 12 months from the date of this circular. The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

### **4. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Company since 31 December 2021, being the date to which the latest published audited financial results of the Group were made up.

### **5. FINANCIAL AND TRADING PROSPECTS**

For the year ended 31 December 2021, the Group recorded a total revenue of approximately RMB2,845 million, whilst the total revenue for the year ended 31 December 2020 was approximately RMB5,024 million. Gross profit and gross profit margin for the year ended 31 December 2021 were approximately RMB1,779 million and approximately 62.5% respectively, whilst the gross profit and gross profit margin for the year ended 31 December 2020 were approximately RMB3,220 million and approximately 64.1% respectively. Loss attributable to owners of the Company for the year ended 31 December 2021 amounted to approximately RMB790 million as compared to the loss attributable to owners of the Company for the year ended 31 December 2020 amounted to approximately RMB1,368 million.

As at 31 December 2021, the Group operated 47 solar power plants, as compared to 159 plants as at 31 December 2020, spanning across different provinces in China and overseas. Total installed capacity of the Group's subsidiary power plants reached approximately 1,051MW (31 December 2020: approximately 4,964MW) and grid-connected capacity reached approximately 996MW (31 December 2020: approximately 4,785MW). Total sales of electricity was approximately 3,868 million kWh in 2021, a decrease of approximately 44.3% as compared to 2020.

The Group will continuously strengthen its strategic cooperation with large enterprises to form strong alliances. As domestic centralised management enterprises (the “**Central Enterprises**”) and local state-owned enterprises have competitive advantages in different aspects such as financing, the Group will extend its strategic cooperation with the Central Enterprises and the state-owned enterprises at the level of domestic holding companies, and at the project level of provincial companies to introduce strategic cooperation partners and leverage on competitive advantages of each other to accelerate the introduction of capital, optimise the shareholding structure and fasten the development of co-developed solar projects, thereby enhancing profitability of projects.

Meanwhile, the Group will further accelerate the asset-light transformation model of “Development-Construction-Cooperation-O&M” with the provision of management services while creating strategic cooperation to complement competitive advantages of each other. It is expected that, by transferring the controlling interests of solar power plant projects, the Group will be able to recycle capital, reduce its debts and mitigate the pressure on project financing, while further improve the return on capital and receive stable fees annually by providing project management services.

In addition, the Group will proactively extend its financing resources, apply diversified and innovative financing models and issue medium-term notes when appropriate to optimise its financing structure and increase the long-term facilities replacement. The Group expects that through introducing strategic investors, firmly promoting its asset-light transformation, expanding its financing channels and adopting a series of measures to reduce debt, the gearing ratio of the Group will be lowered.

Despite the outbreak of Coronavirus disease (“**COVID-19**”) in the PRC in early 2020, the subsequent quarantine measures imposed by the PRC government and the latest COVID-19 development in 2022, the solar power plants of the Group continuously operate as usual without any suspension or interruption to the operation. The Group has been paying close attention to the development of the COVID-19 outbreak, and implemented a series of precautionary and control measures, as well as evaluates the impact of the COVID-19 outbreak on the financial position and operating results of the Group. Given the dynamic nature of these circumstances, the Directors will continue to assess the financial effects on the Group but as of the date of this circular, the Group is not aware of any material adverse effects on its consolidated financial statements as a result of the COVID-19 outbreak.

## 1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

### (i) Interests of Directors and chief executives of the Company

As at the Latest Practicable Date, the interests and short positions of each Director and chief executive of the Company in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning in Part XV of the SFO) which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of SFO); (ii) required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

#### (a) Long position in the Shares of the Company

Name of Director	Beneficiary of a trust	Number of Shares		Approximate percentage of issued Shares
		Number of underlying Shares (Note 1)	Total	
Mr. ZHU Yufeng	–	17,500,000	17,500,000	0.08%
	1,905,978,301 (Note 3)	–	1,905,978,301	9.04%
Ms. HU Xiaoyan	–	15,000,000	15,000,000	0.07%
Ms. SUN Wei	–	10,000,000	10,000,000	0.05%
Mr. YEUNG Man Chung, Charles	–	5,000,000	5,000,000	0.02%
Mr. FANG Jiancai	–	5,000,000	5,000,000	0.02%
Mr. XU Songda	–	2,000,000	2,000,000	0.01%
Mr. LEE Conway Kong Wai	–	2,000,000	2,000,000	0.01%
Mr. WANG Yanguo	–	2,000,000	2,000,000	0.01%
Dr. CHEN Ying	–	2,000,000	2,000,000	0.01%

*Notes:*

1. These are share options granted by the Company to the Directors pursuant to the share option scheme of the Company on 3 November 2021. For further details, please refer to the Company's announcement dated 3 November 2021.
2. The percentage was calculated based on 21,073,715,441 Shares in issue as at the Latest Practicable Date.
3. Those Shares were beneficially owned by Dongsheng Photovoltaic Technology (Hong Kong) Limited ("**Dongsheng Photovoltaic**"). For further information of the shareholding structure of Dongsheng Photovoltaic, please refer to note 3 under section (ii) "Interests of substantial shareholders" below.

**(b) Long or short position in Shares of associated corporations**

Name of Director	Long position/ short position	Number of ordinary shares in GCL Technology			Total	Approximate percentage of issued shares <i>(Note 1)</i>
		Beneficiary of a trust	Personal interests	Number of underlying shares		
Mr. ZHU Yufeng	Long position	6,370,388,156 <i>(Note 2)</i>	-	1,510,755 <i>(Note 3)</i>	6,371,898,911	23.51%
	Short position	240,000,000 <i>(Note 4)</i>	-	-	-	0.89%
Ms. SUN Wei	Long position	-	5,723,000	1,712,189 <i>(Note 3)</i>	7,435,189	0.03%
Mr. YEUNG Man Chung, Charles	Long position	-	-	1,700,000 <i>(Note 3)</i>	1,700,000	0.01%

*Notes:*

1. The percentage was calculated based on 27,099,010,448 shares of GCL Technology in issue as at the Latest Practicable Date.
2. Mr. Zhu Yufeng is beneficially interested in a trust as to 6,370,388,156 shares in GCL Technology. An aggregate of 6,370,388,156 shares in GCL Technology are collectively held by Highexcel Investments Limited, Happy Genius Holdings Limited and Get Famous Investments Limited, which are wholly-owned by Golden Concord Group Limited, which in turn is wholly-owned by Asia Pacific Energy Holdings Limited. Asia Pacific Energy Holdings Limited 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 for Mr. Zhu Gongshan (an executive director and the chairman of GCL Technology) and his family (including Mr. Zhu Yufeng, a director of the Company and GCL Technology respectively, and the son of Mr. Zhu Gongshan) as beneficiaries.
3. These are share options granted by GCL Technology to the eligible persons, pursuant to the share option scheme of GCL Technology, adopted by the shareholders of GCL Technology on 22 October 2007. Such granted share options can be exercised by Mr. Zhu Yufeng and Mr. Yeung Man Chung, Charles during the period from 18 April 2016 to 28 March 2026 at an

exercise price of HK\$1.324 per share of GCL Technology and Ms. Sun Wei during the period from 15 March 2016 to 18 February 2026 at an exercise price of HK\$1.160 per share of GCL Technology.

4. The short position was held as a result of an equity derivative agreement entered by Happy Genius Holdings Limited.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning in Part XV of the SFO) which were (i) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of SFO); (ii) required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix 10 to the Listing Rules to be notified to the Company and the Stock Exchange.

**(ii) Interests of substantial shareholders**

As at the Latest Practicable Date, so far as is known to the Directors, the following persons (other than a Director or chief executive of the Company) had interests in the Shares of the Company as recorded in the register required to be kept by the Company under section 336 of the Part XV of the SFO:

Name	Nature of interest	Number of Shares	Approximate percentage in issued Shares (Note 1)
Elite Time Global Limited (Note 2)	Beneficial owner	10,376,602,000	49.24%
GCL Technology (Note 2)	Interest in controlled corporation	10,376,602,000	49.24%
Asia Pacific Energy Fund Limited (Note 3)	Interest in controlled corporation	1,905,978,301	9.04%
Asia Pacific Energy Holdings Limited (Note 3)	Interest in controlled corporation	1,905,978,301	9.04%
Credit Suisse Trust Limited (Note 3)	Trustee	1,905,978,301	9.04%
Dongsheng Photovoltaic (Note 3)	Beneficial owner	1,905,978,301	9.04%
Golden Concord Group Limited (Note 3)	Interest in controlled corporation	1,905,978,301	9.04%
Golden Concord Group Management Limited (Note 3)	Interest in controlled corporation	1,905,978,301	9.04%

Name	Nature of interest	Number of Shares	Approximate percentage in issued Shares (Note 1)
Zhu Gongshan (Note 3)	Founder of trust	1,905,978,301	9.04%
營口其印投資管理有限公司 (Note 3)	Interest in parties acting in concert pursuant to an agreement under Section 317 of SFO	1,905,978,301	9.04%
協鑫新能科技(深圳)有限公司 (Note 3)	Interest in controlled corporation	1,905,978,301	9.04%
協鑫集團有限公司 (Note 3)	Interest in controlled corporation	1,905,978,301	9.04%
GCL System Integration (Note 3)	Interest in controlled corporation	1,905,978,301	9.04%
句容協鑫集成科技有限公司 (Note 3)	Interest in controlled corporation	1,905,978,301	9.04%
江蘇協鑫建設管理有限公司 (Note 3)	Interest in controlled corporation	1,905,978,301	9.04%
協鑫(遼寧)實業有限公司 (Note 3)	Interest in controlled corporation	1,905,978,301	9.04%

## Notes:

- 1 The percentage was calculated based on 21,073,715,441 Shares of the Company in issue as at the Latest Practicable Date.
- 2 Elite Time Global Limited is wholly-owned by GCL Technology.
- 3 Dongsheng Photovoltaic is wholly-owned by 句容協鑫集成科技有限公司, which is in turn wholly-owned by GCL System Integration. 江蘇協鑫建設管理有限公司, 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 GCL System Integration. 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 44.61% owned by 協鑫(遼寧)實業有限公司, 46.68% owned by 江蘇協鑫建設管理有限公司 and 8.71% owned by GCL-Poly (Taicang Harbour) Limited. 協鑫(遼寧)實業有限公司 and GCL-Poly (Taicang Harbour) Limited are wholly-owned by Mr. Zhu Gongshan (an executive director and the chairman of GCL Technology and Mr. Zhu Yufeng's father). 江蘇協鑫建設管理有限公司 is 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 and his family, including Mr. Zhu Gongshan as beneficiaries.

Save as disclosed herein, as at the Latest Practicable Date, according to the register of interests required to be kept by the Company under section 336 of the SFO, the Company was not aware of any other persons who had any interest or short position in the Shares or underlying Shares.

### 3. DISCLOSURE OF OTHER INTERESTS OF THE DIRECTORS

#### (i) Interests in competing interests

Each of the companies in the Golden Concord Group (a general reference to the companies in which Mr. Zhu Yufeng and his family members have a direct or indirect interest) operates within its own legal, corporate and financial framework. As at the Latest Practicable Date, the Golden Concord Group might have had or developed interests in business similar to those of the Group and there was a chance that such businesses might have competed with the businesses of the Group.

The Directors are fully aware of, and have been discharging, their fiduciary duty to the Company. The Company and the Directors would comply with the relevant requirements of the Bye-laws and the Listing Rules whenever a Director has any conflict of interest in the transaction(s) with the Company. Therefore, the Directors believe that the Company is capable of carrying out its business independently of, and at arm's length from the Golden Concord Group.

Mr. Liu Genyu, an executive Director and Vice Chairman of the Company, is also the co-chief executive officer and an executive director of China Nuclear Energy Technology Corporation Limited (a company listed on the Main Board of the Stock Exchange, stock code: 611) ("**China Nuclear Energy Technology**"). The Group is principally engaged in the sale of electricity, development, construction, operation and management of solar power plants. China Nuclear Energy Technology, through its subsidiaries, is principally engaged in new energy operations, including but not limited to, (a) provision of engineering, procurement and construction and consulting and general construction services relating to construction of photovoltaic power plants and other general construction and engineering services; (b) power generation operations; (c) financing operations; and (d) inspection, maintenance, repair, construction, installation and provision of expertise in such works for nuclear power plants via its associated companies.

As such, the businesses of the Group and that of China Nuclear Energy Technology may be in competition and Mr. Liu Genyu may be deemed to have interests in competing businesses of the Group pursuant to Rule 8.10(2) of the Listing Rules. However, as at the Latest Practicable Date, as (i) Mr. Liu Genyu merely serves as executive directors of the Company and China Nuclear Energy Technology but is not interested in any equity interests of the Company and is not interested in 5% or above of equity interests in China Nuclear Energy Technology; and (ii) the Company and China Nuclear Energy Technology have separate and independent management teams, the Company and the Board are of the view that Mr. Liu Genyu's overlapping directorships in the Company and China Nuclear Energy Technology do not affect the Company's operation and independence and do not present any direct conflict of interests.

Save as disclosed herein, as at the Latest Practicable Date, none of the Directors was considered to have an interest in any business which competes or likely to compete, either directly or indirectly, with the businesses of the Group required to be disclosed under the Listing Rules.

(ii) **Interests in contracts or arrangements**

As at the date of this circular, none of the Directors was materially interested, directly or indirectly, in any subsisting contract or arrangement which was significant in relation to the business of the Group.

(iii) **Interests in assets**

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by, or leased to, or which were proposed to be acquired or disposed of by, or leased to, any member of the Group since 31 December 2021 (being the date to which the latest published audited consolidated financial statements of the Group were made up).

#### 4. **DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter into, any service contract with the Company or any other member of the Group which is not expiring or may not be terminable by the Group within one year without payment of compensation (other than statutory compensation).

#### 5. **MATERIAL CONTRACTS**

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within the two years immediately preceding the Latest Practicable Date which are or may be material:

- (i) the share purchase agreement dated 29 June 2020 entered into between Suzhou GCL New Energy as seller and CDB New Energy Technology Co., Ltd.\* (國開新能源科技有限公司) as purchaser in relation to the disposal of 75% equity interest in Jinhu Zhenghui Solar Power Co., Ltd.\* (金湖正輝太陽能電力有限公司) at a total consideration of RMB136,624,000, as detailed in the joint announcement of GCL Technology and the Company dated 29 June 2020;
- (ii) the series of six share purchase agreements dated 29 September 2020 entered into between Suzhou GCL New Energy, Changzhou Zhonghui Photovoltaic Technology Co., Ltd.\* (常州中暉光伏科技有限公司) and Ningxia GCL New Energy Investment Co., Ltd.\* (寧夏協鑫新能源投資有限公司) (“**Ningxia GCL New Energy**”) as sellers, GCL Group Limited\* (協鑫集團有限公司) as guarantor and Huaneng Gongrong No. 1 (Tianjin) Equity Investment Fund Partnership (Limited Partnership)\* (華能工融一號(天津)股權投資基金合夥企業(有限合夥)) (“**Huaneng No. 1 Fund**”) and Huaneng Gongrong No. 2 (Tianjin) Equity Investment Fund Partnership (Limited Partnership)\* (華能工融二號(天津)股權投資基金合夥企業(有限合夥)) (“**Huaneng No. 2 Fund**”) as purchasers in relation to, among others, (i) the disposal of the entire equity interest in each of Baotou Shi Zhong Li Photovoltaic Co., Ltd.\* (包頭市中利騰暉光伏發電有限公司), Qi County GCL New Energy Co., Ltd.\* (淇縣協鑫新能源有限公司), Ningxia Zhongwei GCL Photovoltaic Power Co., Ltd.\* (寧夏中衛協鑫光伏電力有限公司), Huixian Shi GCL Photovoltaic Power Co., Ltd.\* (輝縣市協鑫光伏電力有限公司), Ruyang



- GCL New Energy Co., Ltd.\* (汝陽協鑫新能源有限公司) and Hubei Macheng Jinfu Solar Energy Co., Ltd.\* (湖北省麻城市金伏太陽能電力有限公司) at a total consideration of RMB576,001,213; and (ii) the grant of put options to Huaneng No. 1 Fund and Huaneng No. 2 Fund, as detailed in the joint announcement of GCL Technology and the Company dated 29 September 2020;
- (iii) the share purchase agreements dated 16 November 2020 entered into between Suzhou GCL Energy and Anhui GCL New Energy Investment Co., Ltd.\* (安徽協鑫新能源投資有限公司) (“**Anhui GCL New Energy**”) as sellers and Xuzhou State Investment & Environmental Protection Energy Co., Ltd.\* (徐州國投環保能源有限公司) (“**Xuzhou State Investment**”) as purchaser in relation to the disposal of equity interest in five subsidiaries of GCL Technology and the Company at a total consideration of RMB276,436,993, as detailed in the joint announcement of GCL Technology and the Company dated 16 November 2020;
- (iv) the share purchase agreements dated 19 November 2020 entered into between five subsidiaries of the Company as sellers and Huaneng No. 1 Fund and Huaneng No. 2 Fund as purchasers in relation to (i) the disposal of the entire equity interest in twelve wholly-owned subsidiaries of the Company, 56.51% equity interest in Yili GCL Energy Limited\* (伊犁協鑫能源有限公司) and 51% equity interest in Yuncheng Xinhua Energy Development Co., Ltd.\* (鄆城鑫華能源開發有限公司) at a total consideration of RMB666,653,912; and (ii) the grant of put options to Huaneng No. 1 Fund and Huaneng No. 2 Fund, as detailed in the joint announcement of GCL Technology and the Company dated 19 November 2020;
- (v) the share purchase agreements dated 22 November 2020 entered into between Suzhou GCL Energy and Anhui GCL New Energy as sellers and Xuzhou State Investment as purchaser in relation to the disposal of equity interest in five subsidiaries of GCL Technology and the Company at a total consideration of RMB312,728,221, as detailed in the joint announcement of GCL Technology and the Company dated 22 November 2020;
- (vi) the share purchase agreement dated 4 December 2020 entered into between Suzhou GCL New Energy as seller and Beijing United Rongbang New Energy Technology Co., Ltd.\* (北京聯合榮邦新能源科技有限公司) as purchaser in relation to the disposal of 99.2% equity interest in Zhenglanqi State Power Photovoltaic Co., Ltd.\* (正藍旗國電光伏發電有限公司) at a total consideration of RMB211,100,000, as detailed in the joint announcement of GCL Technology and the Company dated 4 December 2020;
- (vii) the share purchase agreements dated 10 December 2020 entered into between Suzhou GCL New Energy and Guangxi GCL New Energy Investment Co., Ltd.\* (廣西協鑫新能源投資有限公司) as sellers and State Power Investment Corporation Guizhou Jinyuan Weining Energy Co., Ltd.\* (國家電投集團貴州金元威寧能源股份有限公司) (“**Weining Energy**”) as purchaser in relation to the disposal of 70.36% equity interest in Qinzhou Xin Jin Solar Power Co., Ltd.\* (欽州鑫金光伏電力有限公司), 67.95% equity interest in Shanglin GCL Solar Power Co., Ltd.\* (上林協鑫光伏電力有限公司), the entire equity interest in Nanning Jinfu Electric Power Co., Ltd.\* (南寧金伏電力有限公司) and the entire equity interest in

- Hainan Tianlike New Energy Project Investment Co., Ltd.\* (海南天利科新能源項目投資有限公司) at a total consideration of RMB291,300,000, as detailed in the joint announcement of GCL Technology and the Company dated 10 December 2020;
- (viii) the amended and restated restructuring support agreement dated 5 February 2021 entered into by the Company and certain subsidiaries of the Company which provide unconditional and irrevocable guarantees to secure the Company's obligations under certain notes issued by the Company, as detailed in the joint announcements of GCL Technology and the Company dated 23 December 2020, 12 January 2021, 26 January 2021, 1 February 2021, 5 February 2021, 7 February 2021 and 9 February 2021;
  - (ix) the placing agreement dated 10 February 2021 entered into between the Company, Elite Time Global, UBS AG Hong Kong Branch, CCB International Capital Limited and Haitong International Securities Company Limited (as placing agents) in relation to the placing of up to a total of 2,000,000,000 Shares held by Elite Time Global, with maximum possible proceeds amounting to approximately HK\$910 million, as detailed in the joint announcement of GCL Technology and the Company dated 10 February 2021;
  - (x) the subscription agreement dated 10 February 2021 entered into between the Company and Elite Time Global in relation to the subscription of a total of 2,000,000,000 new Shares by Elite Time Global, at a total consideration amounting to approximately HK\$910 million, as detailed in the joint announcement of GCL Technology and the Company dated 10 February 2021;
  - (xi) the series of six share purchase agreements dated 31 March 2021 entered into between the Group as seller and Three Gorges Asset Management Co., Ltd\* (三峽資產管理有限公司) (“**Three Gorges Asset Management**”) as purchaser in relation to the disposal of entire equity interest in each of Kaifeng Huaxin New Energy Development Company Limited\* (開封華鑫新能源開發有限公司), Sanmenxia GCL New Energy Co., Ltd\* (三門峽協立光伏電力有限公司), Queshan Zhui Ri New Energy Electric Power Co, Ltd.\* (確山追日新能源電力有限公司) and Shang Shui GCL Photovoltaic Electric Power Co, Ltd.\* (商水協鑫光伏電力有限公司) and 50% equity interest in each of Nanzhao Xin Li Photovoltaic Electric Farms Co., Ltd.\* (南召鑫力光伏電力有限公司) and Taiqian GCL New Energy Company Limited\* (台前協鑫光伏電力有限公司) at a total consideration of approximately RMB364,650,000, as detailed in the joint announcement of GCL Technology and the Company dated 31 March 2021;
  - (xii) the series of four share purchase agreements dated 1 April 2021 entered into between the Group as seller and Three Gorges Asset Management as purchaser in relation to the disposal of (i) entire equity interest in each of Yulin Longyuan Solar Power Company Limited\* (榆林隆源光伏電力有限公司) and Yulin City Yushen Industrial Zone Dongtuo Energy Co., Ltd.\* (榆林市榆神工業區東投能源有限公司), (ii) 98.4% equity interest in Jingbian GCL Photovoltaic Energy Co., Ltd.\* (靖邊協鑫光伏電力有限公司) and (iii) 80.35% equity interest in Hengshan Jinghe Solar Energy Co., Ltd.\* (橫山晶合太陽能發電有限公司) at a total consideration of approximately RMB1,250,207,400, as detailed in the joint announcement of GCL Technology and the Company dated 1 April 2021;

- (xiii) the series of four share purchase agreements dated 26 April 2021 entered into between Guizhou Zhongxinneng New Energy Development Co., Ltd.\* (貴州中新能源發展有限公司), Sanya GCL New Energy Co., Ltd.\* (三亞協鑫新能源有限公司) and Suzhou GCL New Energy as sellers and Guangdong Jinyuan New Energy Co., Ltd.\* (廣東金元新能源有限公司) (“**Guangdong Jinyuan**”) and Weining Energy as purchasers in relation to the disposal of (i) 99.0% equity interest in Ceheng Precision Photovoltaic Power Co., Ltd.\* (冊亨精準光伏電力有限公司) and (ii) the entire equity interest in each of Dingan GCL Photovoltaic Power Co., Ltd.\* (定安協鑫光伏電力有限公司), Luodian GCL Photovoltaic Power Co., Ltd.\* (羅甸協鑫光伏電力有限公司) and Suixi GCL Photovoltaic Power Co., Ltd.\* (遂溪協鑫光伏電力有限公司) to the Weining Group at a total consideration of RMB146,950,300, as detailed in the joint announcement of GCL Technology and the Company dated 26 April 2021;
- (xiv) the series of four share purchase agreements dated 30 April 2021 entered into between Guizhou GCL New Energy Co., Ltd.\* (貴州協鑫新能源有限公司) and Suzhou GCL New Energy as sellers and Guangdong Jinyuan and Weining Energy as purchasers in relation to the disposal of (i) 88.37% equity interest in Hainan Yicheng New Energy Co., Ltd.\* (海南意晟新能源有限公司), (ii) 90.10% equity interest in Yingde GCL Photovoltaic Power Co., Ltd.\* (英德協鑫光伏電力有限公司) and (iii) the entire equity interest in each of Ceheng GCL Photovoltaic Power Co., Ltd.\* (冊亨協鑫光伏電力有限公司) and Liuzhi GCL Photovoltaic Power Co., Ltd.\* (六枝協鑫光伏電力有限公司) at a total consideration of RMB310,210,800, as detailed in the joint announcement of GCL Technology and the Company dated 30 April 2021;
- (xv) the share purchase agreement dated 7 May 2021 entered into between Henan GCL New Energy Investment Co., Ltd.\* (河南協鑫新能源投資有限公司) as seller and State Power Investment Corporation Chongqing Electric Power Co., Ltd.\* (國家電投集團重慶電力有限公司) as purchase in relation to the disposal of the entire equity interest in Yongcheng Xin Neng Photovoltaic Electric Power Co., Ltd.\* (永城鑫能光伏電力有限公司) at a consideration of RMB193,000,000, as detailed in the joint announcement of GCL Technology and the Company dated 7 May 2021;
- (xvi) the series of six share purchase agreements dated 24 June 2021 entered into between Suzhou GCL New Energy, Hubei GCL New Energy Investment Co., Ltd.\* (湖北協鑫新能源投資有限公司) and Suzhou GCL New Energy Development Co., Ltd.\* (蘇州協鑫新能源開發有限公司) as sellers and Chongqing Lvxin Energy Development Co., Ltd.\* (重慶綠欣能源發展有限公司) as purchaser in relation to the disposal of (i) entire equity interest in each of Shiyan Yunneng Photovoltaic Energy Development Co., Ltd.\* (十堰鄖能光伏電力開發有限公司), Jingshan GCL Photovoltaic Energy Co., Ltd.\* (京山協鑫光伏電力有限公司), Jingshan Xinhui Photovoltaic Energy Co., Ltd.\* (京山鑫輝光伏電力有限責任公司) and Shanggao County Lifeng New Energy Co., Ltd.\* (上高縣利豐新能源有限公司), (ii) 70% equity interest in Shicheng GCL Photovoltaic Energy Co., Ltd.\* (石城協鑫光伏電力有限公司) and (iii) 51% equity interest in Anfu GCL New Energy Co., Ltd.\* (安福協鑫新能源有限公司) at a total consideration of RMB275,263,600, as detailed in the joint announcement of GCL Technology and the Company dated 24 June 2021;

- (xvii) the series of seven share purchase agreement dated 25 June 2021 entered into between Suzhou GCL New Energy and Yunnan GCL New Energy Co., Ltd.\* (雲南協鑫新能源有限公司) as sellers and Guizhou West Power Construction Co., Ltd.\* (貴州西能電力建設有限公司) (“**Guizhou West Power**”) as purchaser in relation to the disposal of (i) 80% equity interest in Yuanmou Green Power New Energy Development Limited\* (元謀綠電新能源開發有限公司) and (ii) the entire equity interest in each of Honghe Xian Ruixin Photovoltaic Power Generation Company Limited\* (紅河縣瑞欣光伏發電有限公司), Kunming Xufeng Photovoltaic Power Generation Company Limited\* (昆明旭峰光伏發電有限公司), Luquan GCL Photovoltaic Power Co., Ltd.\* (祿勸協鑫光伏發電有限公司), Heqing Xinhua Photovoltaic Power Co., Ltd. (鶴慶鑫華光伏發電有限公司), Menghai GCL Solar Agricultural Power Co., Ltd.\* (勐海協鑫光伏農業電力有限公司) and Yuxi Zhongtai New Energy Technology Co., Ltd.\* (玉溪市中天新能源科技有限公司) at a total consideration of RMB218,960,000, as detailed in the joint announcement of GCL Technology and the Company dated 25 June 2021;
- (xviii) the share purchase agreement dated 5 July 2021 entered into between Suzhou GCL New Energy as seller and Guizhou West Power as purchaser in relation to the disposal of the entire equity interest in Eshan GCL Solar Power Generation Company Limited\* (峨山永鑫光伏發電有限公司) at a consideration of RMB43,100,000, as detailed in the announcement of the Company dated 5 July 2021;
- (xix) the share purchase agreement dated 6 July 2021 entered into between Sumin Ruineng Wuxi Equity Investment Partnership (Limited Partnership)\* (蘇民睿能無錫股權投資合夥企業 (有限合夥)) as seller and Nanjing GCL New Energy Development Co., Ltd.\* (南京協鑫新能源發展有限公司) as purchaser in relation to the acquisition of approximately 5.835% equity interest in Suzhou GCL New Energy at a consideration of RMB1,219,000,000 as detailed in the announcement of the Company dated 6 July 2021;
- (xx) the series of sixteen share purchase agreements dated 21 July 2021 entered into between Jiangsu GCL New Energy Co., Ltd.\* (江蘇協鑫新能源有限公司) as seller and Yixing Hechuang New Energy Co., Ltd.\* (宜興和創新能源有限公司) as purchaser in relation to the disposal of the entire equity interest in each of Funing Xinyuan Photovoltaic Power Co., Ltd.\* (阜寧縣鑫源光伏電力有限公司), Guanyun GCL Photovoltaic Power Co., Ltd.\* (灌雲縣協鑫光伏電力有限公司), Donghai GCL Photovoltaic Power Co., Ltd.\* (東海縣協鑫光伏電力有限公司), Peixian Xinri Photovoltaic Power Co., Ltd.\* (沛縣鑫日光伏電力有限公司), Xuzhou Xinhui Photovoltaic Power Co., Ltd.\* (徐州鑫輝光伏電力有限公司), Huaian Xinyuan Photovoltaic Power Co., Ltd.\* (淮安鑫源光伏電力有限公司), Huaian Ronggao Photovoltaic Power Generation Co., Ltd.\* (淮安融高光伏發電有限公司), Zhenjiang Xinli Photovoltaic Power Co., Ltd.\* (鎮江鑫利光伏電力有限公司), Zhenjiang Xinlong Photovoltaic Power Co., Ltd.\* (鎮江鑫龍光伏電力有限公司), Zhangjiagang GCL Photovoltaic Power Co., Ltd.\* (張家港協鑫光伏電力有限公司), Nantong GCL New Energy Co., Ltd.\* (南通協鑫新能源有限公司), Lianyungang Xinzhong Photovoltaic Power Co., Ltd.\* (連雲港鑫眾光伏電力有限公司), Xinyi Xinri Photovoltaic Power Co., Ltd.\* (新沂鑫日光伏電力有限公司), Jurong Xinda Photovoltaic Power Generation Co., Ltd.\* (句容信達光伏發電有限公司), Nanjing Xinri

- Photovoltaic Power Generation Co., Ltd.\* (南京鑫日光伏發電有限公司) and Baoying GCL Photovoltaic Power Co., Ltd.\* (寶應協鑫光伏電力有限公司) at a total consideration of RMB481,313,800, as detailed in the announcement of the Company dated 21 July 2021;
- (xxi) the series of eight equity transfer agreements dated 30 August 2021 entered into between Suzhou GCL New Energy and Xian GCL New Energy Management Co., Ltd.\* (西安協鑫新能源管理有限公司) (“**Xian GCL New Energy**”) as sellers and Ningxia Hanguang New Energy Co., Ltd.\* (寧夏含光新能源有限公司) (“**Ningxia Hanguang**”) as purchaser in relation to the disposal of the entire equity interest in each of Shenmu Pingyuan Power Co., Ltd.\* (神木市平元電力有限公司), Shenmu Pingxi Power Co., Ltd.\* (神木市平西電力有限公司), Shenmu County Jingdeng Power Co., Ltd.\* (神木縣晶登電力有限公司) and Xixian New District GCL Photovoltaic Power Co., Ltd.\* (西咸新區協鑫光伏電力有限公司) at a total consideration of RMB301,037,700, as detailed in the joint announcement of GCL Technology and the Company dated 30 August 2021;
- (xxii) the series of four share purchase agreements dated 13 September 2021 entered into between Xian GCL New Energy as seller and Ningxia Hanguang as purchaser in relation to the disposal of the entire equity interest in Shenmu Jingfu Power Co., Ltd.\* (神木市晶富電力有限公司) and Shenmu Jingpu Power Co., Ltd.\* (神木市晶普電力有限公司) at a total consideration of RMB239,528,900, as detailed in the announcement of the Company dated 13 September 2021;
- (xxiii) the equity transfer agreement dated 25 January 2022 entered into between Ningxia GCL New Energy as seller and Hunan Xinhua Water Conservancy and Electric Power Co., Ltd.\* (湖南新華水利電力有限公司) (“**Hunan Xinhua**”) as purchaser in relation to the disposal of the entire equity interest in Ningxia Xinken Jianquan Photovoltaic Power Company Limited\* (寧夏鑫壑簡泉光伏電力有限公司) at a consideration of RMB8,800,000, as detailed in the announcement of the Company dated 25 January 2022;
- (xxiv) the series of six share purchase agreements dated 16 March 2022 entered into between Suzhou GCL New Energy and Suzhou GCL New Energy Development Co., Ltd.\* (蘇州協鑫新能源開發有限公司) as sellers and Jiangsu Hesheng New Energy Co., Ltd.\* (江蘇和盛新能源有限公司) as purchaser in relation to the disposal of (i) the entire equity interest in Gaoyou GCL Photovoltaic Power Co., Ltd. (高郵協鑫光伏電力有限公司), Nantong Haide New Energy Co., Ltd.\* (南通海德新能源有限公司), Pizhou GCL Photovoltaic Power Co., Ltd.\* (邳州協鑫光伏電力有限公司), Suqian Green Energy Power Co., Ltd.\* (宿遷綠能電力有限公司) and 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) and (ii) 60% equity interest in 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) at a total consideration of RMB90,379,800, as detailed in the announcement of the Company dated 16 March 2022; and
- (xxv) the equity transfer agreement dated 21 March 2022 entered into between Suzhou GCL New Energy as seller and Hunan Xinhua as purchaser in relation to the disposal of the entire equity interest in Ningxia Shengjing Solar Power Technology Company Limited (寧夏盛景太陽能科技有限公司) at a consideration of RMB153,913,000, as detailed in the announcement of the Company dated 21 March 2022.

**6. CLAIMS AND LITIGATION**

As at the Latest Practicable Date, no member of the Group was involved in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

**7. GENERAL**

- (i) The registered office of the Company is situated at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (ii) The principal place of business of the Company in Hong Kong is situated at Unit 1707A, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong.
- (iii) The branch share registrar and transfer office of the Company is Tricor Abacus Limited situated at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (iv) The company secretary of the Company is Mr. Ho Yuk Hay, who is a certified public accountant of the Hong Kong Institute of Certified Public Accountants and an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.
- (v) In case of inconsistencies, the English texts of this circular shall prevail over the Chinese texts hereof.

**8. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be published on both the Stock Exchange's website ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.gclnewenergy.com](http://www.gclnewenergy.com)) for a period of 14 days from the date of this circular:

- (i) the Finance Lease Agreement I; and
- (ii) the Finance Lease Agreement II.