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GCL-POLY ENERGY HOLDINGS LIMITED

保利協鑫能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3800)

QUARTERLY UPDATE ON RESUMPTION PROGRESS

This announcement is made by the board (the “**Board**”) of directors of GCL-Poly Energy Holdings Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.51(4) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

We refer to:

- (a) the Company’s announcements dated 31 March 2021, 6 April 2021 and 11 April 2021 under which it was announced that:
 - (i) the publication of the 2020 Annual Results has been delayed until further notice;
 - (ii) the Board Meeting for considering and approving, among other matters, the 2020 Annual Results and its publication, and considering the payment of a final dividend, if any, has been further postponed until further notice; and
 - (iii) the suspension of trading in the shares of the Company on Stock Exchange with effect from 9:00 a.m. on 1 April 2021;
- (b) the Company’s announcement dated 19 April 2021 in relation to, among other things, the publication of the unaudited management accounts of the Company for the year ended 31 December 2020;

- (c) the Company's announcement dated 28 April 2021 in relation to certain updates on the delay in despatch of the 2020 Annual Results and the 2020 Annual Report;
 - (d) the Company's announcement dated 4 May 2021 in relation to the Resumption Guidance issued by the Stock Exchange;
 - (e) the Company's announcement dated 7 May 2021 in relation to the appointment of Forensic Accountant;
 - (f) the Company's announcement dated 17 May 2021 in relation the change of auditor;
 - (g) the Company's announcement dated 29 June 2021 in relation to the formal appointment of new auditor of the Company;
 - (h) the Company's announcement dated 30 June 2021 in relation to quarterly update on resumption progress;
 - (i) the Company's announcement dated 14 July 2021 in relation to the key findings of the Independent Forensic Investigation;
 - (j) the Company's announcement dated 29 July 2021 in relation to the additional Resumption Guidance; and
 - (k) the Company's announcement dated 31 August 2021 in relation to the delay in publication of the 2021 Interim Results and the 2021 Interim Report,
- (together, the "**Previous Announcements**").

Unless otherwise defined, capitalised terms in this announcement have the meaning as set out in the Previous Announcements.

UPDATES ON THE FULFILMENT OF RESUMPTION GUIDANCE

The Company has taken actions with a view to fulfilling the Resumption Guidance, a summary of which is set out below.

- 1. Resumption Guidance 1 — conduct an appropriate independent investigation into the various concerns raised by the Auditors in the Audit Letter, assess the impact on the Company’s business operation and financial position, disclose the findings and impact, and take appropriate remedial actions**

As disclosed in the Company’s announcement dated 7 May 2021, the Company has engaged Mazars Certified Public Accountants LLP* (the “**Forensic Accountant**”) as the forensic accountant to conduct a forensic investigation to address various concerns raised by Deloitte in the Audit Letter, which include, among others the commercial rationale of the EPC Contract, including but not limited to the validity of the prepayment made for the purposes of the EPC Contract; and the information disclosed by the Company’s management to the Auditors, including, but not limited to, whether the parties to the EPC Contract were related parties (the “**Forensic Investigation**”).

The key findings of the Forensic Investigation are set out in the Company’s announcement dated 14 July 2021.

The Company subsequently instructed the Forensic Accountant to take various follow-up investigative steps, and has submitted to the Stock Exchange a copy of the Forensic Accountant’s supplemental investigation report. The Company will publish a further announcement soon, which will provide details of the Forensic Accountant’s further findings from the Forensic Investigation.

- 2. Resumption Guidance 2 — publish all outstanding financial results required under the Listing Rules and address any audit modifications**

As disclosed in the Company’s announcement dated 29 June 2021, Crowe was officially appointed as the Company’s new auditor on 29 June 2021.

The Company had published its unaudited annual results for the year ended 31 December 2020 on 19 April 2020. The Company is working with Crowe to complete the audit procedures for the 2020 Annual Results and the 2020 Annual Report and, following discussions with Crowe, currently aims and expects to publish the 2020 Annual Results, the 2020 Annual Report, the 2021 Interim Results and the 2021 Interim Report in October 2021.

- 3. Resumption Guidance 3 — demonstrate compliance with Rule 13.24 of the Listing Rules (i.e. the Company shall carry out, directly or indirectly, a business with a sufficient level of operations and assets of sufficient value to support its operations to warrant the continued listing of the Company’s securities)**

The Group is principally engaged in the manufacturing and sale of polysilicon and wafers products, and developing, owning and operation of solar farms.

As at the date of this announcement, the business operations of the Group are continuing as usual in all material respects. The Board is confident that the various concerns raised by the Auditors in the Audit Letter have no material adverse impact on the normal business operations of the Group.

The Board believes that the Group has a viable and sustainable business as a whole and will be operating in full compliance with Rule 13.24 of the Listing Rules.

4. Resumption Guidance 4 — announce all material information for the Company’s shareholders and investors to appraise the Company’s position

As indicated above, the Company will soon publish a further announcement about the Forensic Accountant’s further findings. Once it has done that, published its outstanding financial results and reports and updated the market about its steps to address the Internal Controls Consultant’s recommendations (please see below), the Board believes that the Company will have announced all material information it considers necessary and appropriate for the Company’s shareholders and investors to appraise the Company’s position. Further announcement(s) will be published to inform the shareholders and investors of the Company of any significant developments as and when appropriate in compliance with the requirements of the Listing Rules.

5. Resumption Guidance 5 — demonstrate that the Company has in place adequate internal controls and procedures to comply with the Listing Rules

As disclosed in the Company’s announcement dated 14 July 2021, the Company was planning to engage appropriate external consultants to review and, if necessary, strengthen internal compliance with its internal systems and procedures.

On 26 July 2021, the Company appointed Crowe (HK) Risk Advisory Limited (the “**Internal Controls Consultant**”), an independent advisory services firm, to (a) conduct an appropriate review of the Company’s relevant internal controls and procedures; and (b) provide to the Company a written internal control report of its findings.

The Internal Controls Consultant’s scope of review comprises an assessment of the Company’s:

- (a) general corporate governance (including internal policies and policies for compliance with the Listing Rules);
- (b) payment and procurement procedures;
- (c) financial recording and reporting procedures; and
- (d) investment procedures.

The Company has provided to the Stock Exchange a copy of the Internal Controls Consultant's initial report. The Company accepts the Internal Controls Consultant's findings and recommendations and is in the process of taking steps to address those recommendations. The Company will further update the Stock Exchange and the market after those steps have been completed.

CONTINUED SUSPENSION OF TRADING

Trading in shares in the Company was suspended from 9:00 a.m. on 1 April 2021 and will remain suspended until further notice. The Company is working to address the Stock Exchange's Resumption Guidance with a view to being able to submit to the Stock Exchange an application to resume trading as soon as reasonably practicable.

By order of the Board
GCL-Poly Energy Holdings Limited
保利協鑫能源控股有限公司
Zhu Gongshan
Chairman

Hong Kong, 30 September 2021

As at the date of this announcement, the Board comprises Mr. Zhu Gongshan (Chairman), Mr. Zhu Zhanjun, Mr. Zhu Yufeng, Ms. Sun Wei, Mr. Yeung Man Chung, Charles and Mr. Zheng Xiongjiu as executive Directors; Ir. Dr. Ho Chung Tai, Raymond, Mr. Yip Tai Him, Dr. Shen Wenzhong and Mr. Wong Man Chung, Francis as independent non-executive Directors.

* *For identification purposes only*