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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)**

### **DISCLOSEABLE TRANSACTION**

## **SECOND SUPPLEMENTAL AGREEMENT TO CAPITAL INCREASE IN INNER MONGOLIA ZHONGHUAN GCL**

We refer to the announcements of GCL-Poly Energy Holdings Limited's (the "**Company**") dated 30 May 2019, 6 June 2019 and 26 July 2019 (the "**Announcements**") in relation to:

- (1) the capital increase agreement dated 30 May 2019 entered into between (a) Suzhou GCL Technology (an indirect subsidiary of the Company), Tianjin Zhonghuan and Inner Mongolia Zhonghuan (together the "**Original Shareholders**") and (b) Hohhot Lingchuang Investment Fund and Hohhot City Chengchi Phase II Fund (the "**Capital Increase Agreement**"), under which Suzhou GCL Technology agreed to make a capital contribution of RMB800,000,000 into Inner Mongolia Zhonghuan GCL (the "**GCL Capital Contribution**"); and
- (2) the supplemental agreement dated 26 July 2019 (the "**Supplemental Agreement**") to transfer the rights and obligations attaching to part of Suzhou GCL Technology's capital contribution from Suzhou GCL Technology to Tianjin Zhonghuan, reducing the GCL Capital Contribution from RMB800,000,000 to RMB480,000,000.

Unless stated otherwise, capitalized terms used herein shall have the same meaning as defined in the Announcements.

On 12 October 2019, as part of an internal reorganization, Suzhou GCL Technology transferred 18% and 12% of the equity interest in Inner Mongolia Zhonghuan GCL to Jiangsu Zhongneng Polysilicon Technology Development Co., Ltd. ("**Jiangsu Zhongneng**") and Konca Solar Cell Co., Ltd. ("**Konca Solar Cell**") (both subsidiaries of the Company), respectively. As part of such transfers, Suzhou GCL Technology's rights and obligations attached to the GCL Capital Contribution under the Capital Increase Agreement and the Supplemental Agreement have been transferred pro rata to Jiangsu Zhongneng and Konca Solar Cell such their capital contribution obligation to Inner Mongolia Zhonghuan GCL is RMB288,000,000 and RMB192,000,000, respectively.

## **THE SECOND SUPPLEMENTAL AGREEMENT**

On 17 March 2020, Jiangsu Zhongneng, Konca Solar Cell and Tianjin Zhonghuan entered into a further supplemental agreement in relation to the Capital Increase Agreement (the “**Second Supplemental Agreement**”).

The principal terms of the Second Supplemental Agreement are as follows:

- (1) Jiangsu Zhongneng and Konca Solar Cell have agreed to transfer their respective rights and obligations attached to the remaining GCL Capital Contribution (i.e. capital contributions in the amount of RMB288,000,000 and RMB192,000,000, respectively) to Tianjin Zhonghuan (the “**Transfer**”), and Tianjin Zhonghuan has agreed to accept the Transfer;
- (2) Upon the completion of the Transfer and the payment of the GCL Capital Contribution by Tianjin Zhonghuan, Tianjin Zhonghuan will increase its interest in the registered capital of Inner Mongolia Zhonghuan GCL by the amount of the GCL Capital Contribution; and
- (3) As Jiangsu Zhongneng and Konca Solar Cell have not made any payment for the remaining GCL Capital Contribution under the Capital Increase Agreement and the Supplemental Agreement, no consideration is required to be made by Tianjin Zhonghuan to Jiangsu Zhongneng and Konca Solar Cell for the Transfer under the Second Supplemental Agreement.

As at the date of this announcement, Jiangsu Zhongneng and Konca Solar Cell hold 18% and 12% of the equity interest in Inner Mongolia Zhonghuan GCL respectively.

## **REASONS FOR ENTERING INTO THE SECOND SUPPLEMENTAL AGREEMENT**

The entering into the Second Supplemental Agreement is in accordance with the Group’s strategic investment plan, and will achieve the Company’s goal of further consolidating its product structure by investing the GCL Capital Contribution on more competitive products and therefore achieving cash flow efficiency.

By order of the Board  
**GCL-Poly Energy Holdings Limited**  
**Zhu Gongshan**  
*Chairman*

Hong Kong, 17 March 2020

*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, Mr. Jiang Wenwu 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.*