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GCL Technology Holdings Limited
協鑫科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3800)

VOLUNTARY ANNOUNCEMENT

MEMORANDUM OF UNDERSTANDING
IN RELATION TO THE POSSIBLE ACQUISITION OF THE TARGET
COMPANY IN THE LITHIUM BATTERY INDUSTRY

The Board would like to announce that on 19 October 2026, the Company entered into the non-legally binding MOU with the Vendor in relation to the intended Possible Acquisition of the Target Equity Interests in Sichuan GCL Lithium Battery Technology Co., Ltd.* (四川協鑫鋰電科技有限公司). The Company and the Vendor shall use reasonable commercial endeavours to negotiate with a view to enter into the Formal Agreement on or before the expiry date of the Exclusivity Period. Details of the Possible Transaction, including, among other things, the Consideration, the method of settlement and the payment schedule of the Consideration, are subject to further negotiation between the parties to the MOU and, if agreed, will be set out in the Formal Agreement.

In the event the Possible Acquisition materialises, the Possible Acquisition will constitute a connected transaction of the Company under Chapter 14A of the Listing Rules and may also constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. Further announcement(s) will be made in respect of the Formal Agreement and/or the development of the Possible Acquisition as and when appropriate in compliance with the Listing Rules.

The Company wishes to emphasise that no definitive agreement in relation to the Possible Acquisition has been entered into by the Group as at the date of this announcement. As the Possible Acquisition is subject to, among other things, the entering into of the Formal Agreement and the fulfilment of the conditions precedent set out therein, the Possible Acquisition may or may not materialise. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

The Board would like to announce that on 19 October 2026, the Company entered into the non-legally binding MOU with the Vendor in relation to the intended Possible Acquisition.

THE MEMORANDUM OF UNDERSTANDING

Date: 19 October 2026

Parties: (i) The Company; and
(ii) The Vendor

Target Equity Interests proposed to be acquired

The Group intends to acquire and the Vendor intends to procure the relevant affiliates (the “**Vendor Group**”) to sell, the Target Equity Interests and, if agreed, will be set out in the Formal Agreement.

To the best knowledge, information and belief of the Company after making all reasonable enquires, as at the date of this announcement, the Vendor Group is interested in the Target Equity Interests, which represent approximately 81.91% of the equity interests of Sichuan GCL Lithium Battery Technology Co., Ltd.* (四川協鑫鋰電科技有限公司) (the “**Target Company**”). Upon completion of the Possible Acquisition, the Target Company will become a non wholly owned subsidiary of the Company and its financial results will be consolidated into the financial statements of the Group.

Transaction structure

The Possible Acquisition is expected to be implemented by way of equity transfer and/or capital injection, the specific structure of which shall be determined by the parties to the MOU after due diligence and tax and legal structuring analysis by the Company, provided that such structure shall enable the Company to obtain control over, and consolidate the financial results of, the Target Company into the financial statements of the Group.

Consideration

The Consideration is intended to be determined based on the valuation to be conducted by an independent valuer on the Target Equity Interests, subject to further negotiation between the parties to the MOU and to be determined in the Formal Agreement. The preliminary estimate of the Consideration is approximately RMB2,500 million (equivalent to approximately HK\$2,936.25 million).

The Consideration is intended to be settled by the Company by a combination of cash and the allotment and issue of the Consideration Shares by the Company to the Vendor and/or its designated entity(ies) of which the portion intended to be settled in cash is approximately RMB650 million (equivalent to approximately HK\$763.425 million), and the portion intended to be settled by the allotment and issue of Consideration Shares is approximately RMB1,850

million (equivalent to approximately HK\$2,172.825 million). The issue price of the Consideration Shares shall be not less than the net asset value per Share of the Company as at 30 June 2026, being approximately HK\$1.3 (the “**Minimum Issue Price**”), as calculated based on the consolidated net assets of the Company as set out in the interim report of the Company for the six months ended 30 June 2026 and the total issued Shares as at 30 June 2026. Based on the Minimum Issue Price, the total number of Consideration Shares is expected to be not more than approximately 1,671 million Shares.

Details of the Possible Transaction, including, among other things, the Consideration, the method of settlement and the payment schedule of the Consideration, are subject to further negotiation between the parties to the MOU and, if agreed, will be set out in the Formal Agreement.

Compensation mechanism

The Vendor represents and warrants the below matters (the “**Performance Commitments**”):

- (1) The aggregate adjusted net profit of the Target Company for the financial years ending 31 December 2027 and 31 December 2028 (the “**Commitment Period**”) shall be no less than RMB620 million. The adjusted net profit of the Target Company refers to the net profit based on the Target Company’s existing production capacity (including technical upgrades), after deducting non-recurring gains and losses, one-off subsidies, changes in fair value, and the impact of abnormal related-party transactions, etc. The specific metrics and calculation methodologies shall be subject to the provisions of the Formal Agreement; and
- (2) The Target Company shall develop the sixth generation LFP cathode material products with a compacted density of above 2.8 g/cm³ prior to 31 December 2028.

If the Target Company fails to achieve the Performance Commitments, the Vendor or an entity designated by the Vendor shall, upon the expiration of the Commitment Period, pay compensation to the Group out of the Consideration received from the Possible Transaction. The specific forms of the compensation, calculation methods, payment schedules, and other arrangements shall be separately agreed upon by both parties in the Formal Agreement.

Conditions precedent

Completion of the Possible Acquisition is expected to be conditional upon the fulfillment or waiver (if applicable) of the following conditions precedent:

- (a) the Company having completed its legal, financial, business and tax due diligence on the Target Company, and being reasonably satisfied with the results thereof;

- (b) the issuance of valuation report on the Target Equity Interests by an independent valuer in form and content reasonably satisfactory to the Company;
- (c) the Vendor having procured written waivers from the other shareholders of the Target Company of their rights of first refusal and/or pre-emptive rights in respect of the Possible Acquisition;
- (d) the Company having obtained the approval of the Board and/or the independent Shareholders (as applicable) in respect of the Possible Acquisition (including the grant of the specific mandate for the allotment and issue of the Consideration Shares) in compliance with the requirements of the Listing Rules;
- (e) the Vendor having obtained all necessary internal authorisations and approvals;
- (f) there having been no material adverse change in the Target Company from the date of the Formal Agreement up to the date of completion of the Formal Agreement;
- (g) all necessary governmental, regulatory or third-party consents, approvals, filings or registrations in respect of the Possible Acquisition having been obtained or being obtainable;
- (h) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Consideration Shares; and
- (i) any other conditions to be agreed upon by the Company and the Vendor under the Formal Agreement.

Formal Agreement

The Company and the Vendor shall use reasonable commercial endeavours to negotiate with a view to entering into the Formal Agreement on or before the expiry date of the Exclusivity Period.

Due diligence

The Vendor shall procure the Target Company to provide the Company and its advisers with sufficient, true and complete due diligence materials and to cooperate with site visits. The Company shall complete its due diligence within thirty (30) days from the date of the MOU, which period shall be extended accordingly if any delay is caused by the Vendor or the Target Company.

Exclusivity

For a period of three months from the date of the MOU (the “**Exclusivity Period**”), the Vendor shall not, and shall procure that its affiliates, the Target Company and their respective representatives shall not, conduct any form of negotiation or discussion with, or provide any non-public information to, any third party in respect of the Target Equity. The Exclusivity Period may be extended by the Company and the Vendor by mutual agreement in writing.

If, during the Exclusivity Period, any third party proactively makes a binding offer to the Vendor on terms which are clearly more favourable than those offered by the Company, the Vendor may notify the Company in writing and shall give the Company not less than ten (10) business days to match such superior terms.

Legal effect

Save for the provisions relating to the Exclusivity Period, confidentiality, announcements and disclosure of information, costs and expenses, legal effect, and governing law and dispute resolution, the MOU does not constitute a legal binding effect on either party, nor do they constitute an obligation to execute the Formal Agreement. The final terms of the Possible Transaction shall be subject to the Formal Agreement.

INFORMATION ON THE VENDOR AND THE TARGET COMPANY

THE VENDOR

The Vendor is Golden Concord Group Limited* (協鑫集團有限公司) which is an investment holding company incorporated under the laws of Hong Kong with limited liability and is an indirect wholly-owned subsidiary of Asia Pacific Energy Fund Limited, which in turn is ultimately held under a discretionary trust with Butterfield Trust (Asia) Limited as trustee and Mr. Zhu Gongshan and his family, including Mr. Zhu Yufeng as beneficiaries. Therefore, the Vendor is an associate of Mr. Zhu Gongshan and Mr. Zhu Yufeng and a connected person of the Company under Chapter 14A of the Listing Rules.

THE TARGET COMPANY

The Target Company is a company established in the PRC with limited liability. To the best knowledge, information and belief of the Company after making all reasonable enquires, as at the date of this announcement, the Vendor Group is interested in approximately 81.91% equity interests in the Target Company.

The Target Company is principally engaged in the research and development, production, and sale and service of LFP cathode materials for new energy batteries in the PRC. Situated within the Renshou County Economic Development Zone in Meishan City, Sichuan Province, the Target Company was founded in alignment with the national “Dual Carbon” strategic mandates to expand into the LFP cathode materials sector, enhance the clean energy supply chain, and drive cost-efficiencies across the energy storage ecosystem.

As at the date of this announcement, the Target Company’s Phase I production facility spans an area of approximately 355 mu with a gross floor area of approximately 156,000 square meters, out of a total planned site area of 1,000 mu. Its key facilities feature a state-of-the-art production plant optimized for large-scale advanced material fabrication which has an annual production capacity of LFP of 120,000 tons.

REASONS FOR AND BENEFITS OF THE POSSIBLE ACQUISITION

The Company is an exempted company with limited liability incorporated in the Cayman Islands. The principal business of the Company is investment holding. The Group is principally engaged in the manufacturing and sale of polysilicon and wafer products, and the development, ownership and operation of solar farms.

Standing at the critical intersection of the global energy transition and the AI computing revolution, photovoltaics (“**PV**”) has transformed from a singular power generation unit into a scenario-defined, cross-domain integrated, and universally valuable energy carrier. The three major materials of silicon, lithium, and carbon are mutually reinforcing and coupling, converging PV power generation, electrochemical energy storage, electric power, and computing power onto the same technological evolutionary path. Centered on the strategic axis of “silicon-lithium-carbon isomorphism”, the Company continuously consolidated the core technological foundation of granular polysilicon and accelerated the incubation and capacity implementation of new businesses such as lithium iron phosphate (“**LFP**”) cathodes, perovskites, silicon-carbon anodes, and semiconductor materials, demonstrating robust operational resilience during this critical window of policy-driven industry reshaping.

The Group has officially established its new-stage development strategy in May 2026: transitioning from a “single-item champion in granular polysilicon” to a “globalized multi-product new energy material platform”. Therefore, as set out in the interim report of the Group for the six months ended 30 June 2026, the Company has expanded into the cathode material business during the six months ended 30 June 2026, primarily through its non-wholly owned subsidiary, Leshan Xinneng New Materials Technology Co., Ltd.* (樂山鑫能新材料科技有限責任公司), which manufactures and sells LFP cathode materials. The Group’s LFP cathode material business commenced shipments in June 2026 and has achieved profitability since the commencement of operation.

The market for LFP cathode materials in the PRC has demonstrated strong structural growth, underpinned in particular by the rapid expansion of energy storage, one of its key downstream applications. According to the China New-Type Energy Storage Development Report (2026)* (《中國新型儲能發展報告(2026)》) published by the National Energy Administration of the PRC (國家能源局) in July 2026, as at the end of 2025, the cumulative installed capacity of new-type energy storage in the PRC reached approximately 136 GW (351 GWh), representing an increase of approximately 84.3% year-on-year and more than 40 times the level as at the end of the 13th Five-Year Plan period, and accounting for approximately 50% of the global total. Lithium-ion battery energy storage accounted for approximately 96.1% of the installed capacity of new-type energy storage in 2025, with LFP batteries having become the mainstream technology route for energy storage batteries. Such growth momentum has continued into 2026, with the cumulative installed capacity of new-type energy storage in the PRC reaching approximately 153 GW (396 GWh) as at the end of June 2026, representing an increase of approximately 61% year-on-year.

In view of the surge in demand for LFP cathode materials in the market, the Directors believe that the Possible Acquisition will enable the Group to (i) expand its business in the LFP cathode materials sector, which is supported by national carbon-neutrality policies and growing demand from electric vehicles and energy storage systems; (ii) reduce its reliance on the pricing cycles of polysilicon and wafer products and enhance the stability of its earnings; and (iii) leverage the Target Company's research and development capabilities, production facilities and customer network to create a new growth driver for the Group. Accordingly, the Directors consider that the entering into of the MOU is in the interests of the Company and the Shareholders as a whole.

GENERAL

In the event the Possible Acquisition materialises, the Possible Acquisition will constitute a connected transaction of the Company under Chapter 14A of the Listing Rules and may also constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. Further announcement(s) will be made in respect of the Formal Agreement and/or the development of the Possible Acquisition as and when appropriate in compliance with the Listing Rules.

The Consideration Shares are expected to be allotted and issued under a specific mandate to be sought from the independent Shareholders at an extraordinary general meeting of the Company. The Company will comply with the applicable reporting, announcement, circular and/or independent Shareholders' approval requirements under the Listing Rules as and when appropriate. Further announcement(s) will be made by the Company as and when appropriate in compliance with the Listing Rules.

This announcement is made by the Board on a voluntary basis, to keep the Shareholders and potential investors informed of the latest business development of the Group.

The Company wishes to emphasise that no definitive agreement in relation to the Possible Acquisition has been entered into by the Group as at the date of this announcement. As the Possible Acquisition is subject to, among other things, the entering into of the Formal Agreement and the fulfilment of the conditions precedent set out therein, the Possible Acquisition may or may not materialise. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the meanings set out below:

“Board”	the board of Directors
“Company”	GCL Technology Holdings Limited (協鑫科技控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 3800)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Consideration”	the consideration for the Possible Acquisition
“Consideration Shares”	the new Share(s) to be allotted and issued by the Company to the Vendor and/or its designated entity(ies) as settlement of the whole or part of the Consideration
“Directors”	the directors of the Company
“Exclusivity Period”	has the meaning ascribed to it under the section headed “Exclusivity” in this announcement
“Formal Agreement”	the formal sale and purchase agreement to be entered into between the Company and/or its designated entity(ies) and the Vendor and/or its designated entity(ies) in relation to the Possible Acquisition
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“LFP”	Lithium Iron Phosphate
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“MOU”	the memorandum of understanding dated 19 October 2026 entered into between the Company and the Vendor in relation to the Possible Acquisition
“Mr. Zhu Gongshan”	the Chairman, an executive Director and the Joint Chief Executive Officer of the Company
“Mr. Zhu Yufeng”	son of Mr. Zhu Gongshan, the Vice Chairman and an executive Director of the Company
“Possible Acquisition”	the possible acquisition of the Target Equity by the Company and/or its designated entity(ies) from the Vendor and/or its designated entity(ies)
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Sichuan GCL Lithium Battery Technology Co., Ltd.* (四川協鑫鋰電科技有限公司), a company established in the PRC with limited liability
“Target Equity Interests”	Approximately 81.91% of the equity interest in the Target Company held by the Vendor Group
“Vendor”	Golden Concord Group Limited* (協鑫集團有限公司), an investment holding company incorporated under the laws of Hong Kong with limited liability and is an indirect wholly-owned subsidiary of Asia Pacific Energy Fund Limited, which in turn is ultimately held under a discretionary trust with Butterfield Trust (Asia) Limited as trustee and Mr. Zhu Gongshan and his family, including Mr. Zhu Yufeng as beneficiaries

“Vendor Group” the Vendor and its affiliates

“%” percent

For illustration purpose, amounts in RMB in this announcement have been translated into HK\$ at the rate of RMB1 = HK\$1.1745. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in RMB or HK\$ have been, could have been or may be converted at such or any other rate or at all.

** 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 Technology Holdings Limited
協鑫科技控股有限公司
Zhu Gongshan
Chairman

Hong Kong, 19 October 2026

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