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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-Poly Energy Holdings Limited (保利協鑫能源控股有限公司), 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.

**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)

**(1) MAJOR TRANSACTION
DISPOSAL OF SUBSIDIARIES
TO THREE GORGES ASSET MANAGEMENT CO., LTD*
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

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 8 to 25 of this circular.

A notice convening the EGM of the Company to be held at Strategy IV, Level 8, W Hong Kong, 1 Austin Road West, Kowloon Station, Kowloon, Hong Kong on Friday, 18 June 2021 at 8:30 a.m. is set out on pages EGM-1 to EGM-3 of this circular.

Irrespective of whether you are able to attend the EGM, please complete the accompanying proxy form in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. The address of Tricor Investor Services Limited is Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish and in such event, the proxy form shall be deemed to be revoked.

28 May 2021

PRECAUTIONARY MEASURES FOR THE EGM

Please see pages 1 to 2 of this circular for precautionary measures being taken to prevent and control the spread of COVID-19 at the EGM, including without limitation:

- compulsory body temperature checks;
- compulsory wearing of surgical face masks (please bring your own mask);
- no refreshment will be served; and
- no souvenirs will be distributed.

Any person who does not comply with the above precautionary measures may be denied entry into the EGM venue. The Company will require all attendees to wear surgical face masks before they are permitted to attend, and during their attendance of the EGM at all times, and reminds the Shareholders that they may appoint the chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person.

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PRECAUTIONARY MEASURES FOR THE EGM

In view of the ongoing COVID-19 epidemic and recent guidelines for prevention and control of its spread, the Company will implement the following precautionary measures at the EGM to protect the Shareholders, staff and other stakeholders who attend the EGM from the risk of infection:

- (i) compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee. Any person with a body temperature of 37 degrees Celsius or higher may be denied entry into the EGM venue or be required to leave the EGM venue;
- (ii) the Company will require all attendees to wear surgical face masks before they are permitted to attend, and during their attendance of the EGM at all times, and to maintain a safe distance between seats (please bring your own mask);
- (iii) no refreshment will be served at the EGM;
- (iv) no souvenirs will be distributed at the EGM; and
- (v) no guest will be allowed to enter the EGM venue if he/she is wearing quarantine wristband issued by the Government of Hong Kong.

Any person who does not comply with above requirements may be denied entry into the EGM venue or be required to leave the EGM venue. To the extent permitted under law, the Company reserves the right to deny entry into the EGM venue or require any person to leave the EGM venue in order to ensure the safety of other attendees at the EGM. In our case, denied entry to the EGM venue also means that person will not be allowed to attend the EGM.

In the interest of all stakeholders' health and safety and in accordance with recent guidelines for prevention and control of the spread of COVID-19, the Company reminds all Shareholders that physical attendance in person at the EGM is not necessary for the purpose of exercising voting rights. As an alternative, the Shareholders may complete the proxy forms and appoint the chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM instead of attending the EGM in person.

The proxy forms were despatched to the Shareholders together with this circular, and can otherwise be downloaded from the websites of the Company at <http://www.gcl-poly.com.hk> or the Stock Exchange at www.hkexnews.hk. If you are not a registered Shareholder (i.e. if your Shares are held via banks, brokers, custodians or Hong Kong Securities Clearing Company Limited), you should consult directly with your banks, brokers or custodians (as the case may be) to assist you in the appointment of proxy.

If you have any questions relating to the EGM, please contact the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, via the following:

Address	:	Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong
Email	:	is-enquiries@hk.tricorglobal.com
Telephone	:	+852 2980 1333
Fax	:	+852 2810 8185

PRECAUTIONARY MEASURES FOR THE EGM

Subject to the development of COVID-19, the Company may implement further precautionary measures and may issue further announcements on such measures as appropriate.

DEFINITIONS

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

“Amount Payable”	the amount payable (if any) by each of the Target Companies to the Sellers and its affiliates (if applicable, including other subsidiaries of the Company and GNE) as at the Reference Date as set out in the respective Second Phase Share Purchase Agreements
“Amount Receivable”	the amount receivable (if any) by each of the Target Companies from the Sellers and its affiliates (if applicable, including other subsidiaries of the Company and GNE) as at the Reference Date as set out in the respective Second Phase Share Purchase Agreements
“Announcement”	the joint announcement of the Company and GNE dated 1 April 2021 (after trading hours) in relation to the Second Phase Share Purchase Agreements
“Board”	the board of Directors;
“Business Day”	a day on which banks in China are open for general commercial business, other than a Saturday, Sunday or public holiday in the PRC
“Business Registration Procedures”	the registration procedures in respect of the change of directors, supervisors, senior management and shareholders of each of the Target Companies and other relevant filing procedures in respect of the Transactions with the relevant administration for industry and commerce in the PRC
“Closing”	the closing of the Transactions in accordance with the Second Phase Share Purchase Agreements
“Closing Audit Report”	closing audit report prepared by an auditing agency appointed by the respective Seller and the Purchaser to audit the financials of the Target Companies from the Reference Date to the Closing Date in accordance with the Second Phase Share Purchase Agreements
“Closing Date”	the date of issuance as stated on the new business certificate of the Target Company(ies) upon the completion of the Registration Procedures
“Company”	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 ordinary shares of which are listed on the Main Board of the Stock Exchange, with stock code 3800

DEFINITIONS

“Conditions Precedent”	the conditions under the section “Conditions Precedent” in this circular
“connected persons”	has the same meaning ascribed to it under the Listing Rules
“Consideration”	the consideration for the transactions contemplated under the Second Phase Share Purchase Agreements
“Director(s)”	the director(s) of the Company
“Disposals”	the First Phase Disposals and the Second Phase Disposals
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among others, the Transactions, the entering into and performance of obligations under the Second Phase Share Purchase Agreements
“First Phase Disposals”	the proposed disposals of the (i) 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 Zhuiri 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 (ii) 50% equity interest in each of Nanzhao Xin Li Photovoltaic Electric Power Co., Ltd.* (南召鑫力光伏電力有限公司) and Taiqian GCL Photovoltaic Electric Power Company Limited* (台前協鑫光伏電力有限公司) by Henan GCL New Energy Investment Co., Ltd.* (河南協鑫新能源投資有限公司) (“Henan GCL New Energy”) and Suzhou GCL New Energy to the Purchaser as contemplated under the First Phase Share Purchase Agreements
“First Phase Share Purchase Agreements”	the series of six share purchase agreements dated 31 March 2021 entered into between Henan GCL New Energy, Suzhou GCL New Energy and the Purchaser, as detailed in the joint announcement of the Company and GNE dated 31 March 2021 in relation to the First Phase Disposals
“GNE”	GCL New Energy Holdings Limited (協鑫新能源控股有限公司), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange, with stock code 451. As at the Latest Practicable Date, GNE is a subsidiary of the Company
“GNE Board”	the board of GNE Directors
“GNE Directors”	the directors of GNE

DEFINITIONS

“GNE Group”	GNE and its subsidiaries
“GNE Shareholders”	the shareholders of GNE
“Group”	the Company and its subsidiaries
“Hengshan Jinghe”	Hengshan Jinghe Solar Energy Co., Ltd.* (橫山晶合太陽能發電有限公司), a company established in the PRC with limited liability, which is owned as to 96.35% by Suzhou GCL New Energy and 3.65% by Huanghe Solar, an independent third party to the Company and GNE, respectively and an indirect subsidiary of the Company and GNE as at the Latest Practicable Date
“Hengshan Jinghe Share Purchase Agreement”	an equity transfer agreement dated 1 April 2021 entered into between Suzhou GCL New Energy and the Purchaser in relation to the sale of 80.35% equity interest in Hengshan Jinghe
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Jingbian GCL”	Jingbian GCL Photovoltaic Energy Co., Ltd.* (靖邊協鑫光伏電力有限公司), a company established in the PRC with limited liability, which is owned as to 99.9% by Xian GCL New Energy and 0.1% by Mr Luo Jianqiang* (羅建強), an independent third party to the Company and GNE, respectively and an indirect subsidiary of the Company and GNE as at the Latest Practicable Date
“Jingbian GCL Share Purchase Agreement”	an equity transfer agreement dated 1 April 2021 entered into between Xian GCL New Energy and the Purchaser in relation to the sale of 98.4% equity interest in Jingbian GCL
“Latest Practicable Date”	21 May 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“MW”	megawatt(s)
“Nanjing GCL New Energy”	Nanjing GCL New Energy Development Co., Ltd.* (南京協鑫新能源發展有限公司), a company established in the PRC with limited liability and an indirect subsidiary of the Company and GNE as at the Latest Practicable Date
“PRC”	the People’s Republic of China, and for the purpose of this circular, excluding Hong Kong, Macao Special Administrative Region of the People’s Republic of China and Taiwan

DEFINITIONS

“Purchaser”	Three Gorges Asset Management Co., Ltd*(三峽資產管理有限公司), a company established in the PRC with limited liability and an independent third party to the Company
“Reference Date”	31 December 2020
“Registration Procedures”	the registration procedures in respect of the change of shareholder of each of the Target Companies and other relevant filing procedures in respect of the Transactions in the PRC
“Remaining Group”	the Group after completion of the 2020 Disposals (as defined below), the Wula Tehouqi Yuanhai Disposal (as defined below), the First Phase Disposals and the Second Phase Disposals
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	the (i) entire equity interest in each of Yulin Longyuan and Yushen Dongtou, (ii) 98.4% equity interest in Jingbian GCL and (iii) 80.35% equity interest in Hengshan Jinghe held by the respective Seller as at the Latest Practicable Date
“Second Phase Disposals”	the proposed disposals of the Sale Shares by the Sellers to the Purchaser as contemplated under the Second Phase Share Purchase Agreements
“Second Phase Share Purchase Agreements”	Hengshan Jinghe Share Purchase Agreement, Jingbian GCL Share Purchase Agreement, Yulin Longyuan Share Purchase Agreement and Yushen Dongtou Share Purchase Agreement
“Seller(s)”	Xian GCL New Energy and Suzhou GCL New Energy
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiaries”	has the same meaning ascribed to it under the Listing Rules
“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 and GNE as at the Latest Practicable Date

DEFINITIONS

“Target Company(ies)”	the four target companies being the subject of the Second Phase Disposals, details of which can be found in the section headed “Information on the Target Companies” of this circular
“Total Amount Payable”	the Amount Payable of all of the Target Companies
“Total Amount Receivable”	the Amount Receivable of all of the Target Companies
“Transactions”	the transactions contemplated under the Second Phase Share Purchase Agreements
“Transition Period”	the period between the Reference Date and the Closing Date
“Xian GCL New Energy”	Xian GCL New Energy Management Co., Ltd.* (西安協鑫新能源管理有限公司), a company established in the PRC with limited liability and an indirect subsidiary of the Company and GNE as at the Latest Practicable Date
“Yulin Longyuan”	Yulin Longyuan Solar Power Company Limited* (榆林隆源光伏電力有限公司), a company established in the PRC with limited liability, which is wholly-owned by Suzhou GCL New Energy and an indirect subsidiary of the Company and GNE as at the Latest Practicable Date
“Yulin Longyuan Share Purchase Agreement”	an equity transfer agreement dated 1 April 2021 entered into between Suzhou GCL New Energy and the Purchaser in relation to the sale of the entire equity interest in Yulin Longyuan
“Yushen Dongtou”	Yulin City Yushen Industrial Zone Dongtou Energy Co., Ltd.* (榆林市榆神工業區東投能源有限公司), a company established in the PRC with limited liability, which is wholly-owned by Xian GCL New Energy and an indirect subsidiary of the Company and GNE as at the Latest Practicable Date
“Yushen Dongtou Share Purchase Agreement”	an equity transfer agreement dated 1 April 2021 entered into between Xian GCL New Energy and the Purchaser in relation to the sale of the entire equity interest in Yushen Dongtou
“%”	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.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Zhu Gongshan
Mr. Zhu Zhanjun
Mr. Zhu Yufeng
Ms. Sun Wei
Mr. Yeung Man Chung, Charles
Mr. Jiang Wenwu
Mr. Zheng Xiongjiu

Registered office:

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Independent non-executive Directors:

Ir. Ho Chung Tai, Raymond
Mr. Yip Tai Him
Dr. Shen Wenzhong
Mr. Wong Man Chung, Francis

Principal place of business in Hong Kong:

Unit 1703B-1706, Level 17
International Commerce Centre
1 Austin Road West
Kowloon
Hong Kong

28 May 2021

To the Shareholders

Dear Sir or Madam,

**(1) MAJOR TRANSACTION
DISPOSAL OF SUBSIDIARIES
TO THREE GORGES ASSET MANAGEMENT CO., LTD*
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

1. INTRODUCTION

We refer to the Announcement published on 1 April 2021. As disclosed in the Announcement, on 1 April 2021 (after trading hours), Xian GCL New Energy and Suzhou GCL New Energy, being indirect subsidiaries of the Company and GNE (as the sellers) and Three Gorges Asset Management Co., Ltd* (三峽資產管理有限公司) (as the purchaser) entered into the Second Phase Share Purchase Agreements. Pursuant

LETTER FROM THE BOARD

to the Second Phase Share Purchase Agreements, the respective Seller agreed to, among other things, sell the (i) entire equity interest in each of Yulin Longyuan and Yushen Dongtou, (ii) 98.4% equity interest in Jingbian GCL and (iii) 80.35% equity interest in Hengshan Jinghe to the Purchaser.

As at the Latest Practicable Date, (i) Yulin Longyuan and Yushen Dongtou are wholly-owned by the respective Seller, (ii) Jingbian GCL is owned as to 99.9% by Xian GCL New Energy and (iii) Hengshan Jinghe is owned as to 96.35% by Suzhou GCL New Energy. Upon the completion of the Second Phase Disposals, (i) Yulin Longyuan and Yushen Dongtou will be owned as to 100% by the Purchaser, (ii) Jingbian GCL will be owned as to 98.4% by the Purchaser, 1.5% by Xian GCL New Energy and 0.1% by Mr. Luo Jianqiang* (羅建強), an independent third party to the Company and GNE, respectively, (iii) Hengshan Jinghe will be owned as to 80.35% by the Purchaser, 16% by Suzhou GCL New Energy and 3.65% by Xian Huanghe Photovoltaic Technology Co., Ltd.* (西安黃河光伏科技股份有限公司) ("Huanghe Solar"), an independent third party to the Company and GNE, respectively and (iv) all of the Target Companies will cease to be subsidiaries of the Group and the GNE Group.

2. THE SECOND PHASE SHARE PURCHASE AGREEMENTS

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

Date

1 April 2021 (after trading hours)

Parties

- | | |
|---------------------|---|
| (i) The Sellers: | (a) Xian GCL New Energy Management Co., Ltd.* (西安協鑫新能源管理有限公司) |
| | (b) Suzhou GCL New Energy Investment Co., Ltd.* (蘇州協鑫新能源投資有限公司) |
| (ii) The Purchaser: | Three Gorges Asset Management Co., Ltd* (三峽資產管理有限公司) |

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

Assets to be sold

The Sale Shares will be sold by the respective Seller to the Purchaser, being the (i) entire equity interest in each of Yulin Longyuan and Yushen Dongtou, (ii) 98.4% equity interest in Jingbian GCL and (iii) 80.35% equity interest in Hengshan Jinghe.

The Target Companies own 5 operational solar power plants in the PRC with an aggregate grid-connected capacity of approximately 469 MW.

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

Second Phase Share Purchase Agreements	Target Companies
I	Jingbian GCL Photovoltaic Energy Co., Ltd.* (靖邊協鑫光伏電力有限公司)
II	Yulin Longyuan Solar Power Company Limited* (榆林隆源光伏電力有限公司)
III	Yulin City Yushen Industrial Zone Dongtou Energy Co., Ltd.* (榆林市榆神工業區東投能源有限公司)
IV	Hengshan Jinghe Solar Energy Co., Ltd.* (橫山晶合太陽能發電有限公司)

For further information relating to the Target Companies, please refer to the section headed “Information on the Target Companies” below.

Consideration

The aggregate Consideration under the Second Phase Share Purchase Agreements is approximately RMB1,250,207,400.

The table below sets out the Consideration of each of the Target Companies:

Second Phase Share Purchase Agreements	Target Companies	Consideration <i>RMB</i>
I	Jingbian GCL	79,704,000
II	Yulin Longyuan	658,900,000
III	Yushen Dongtou	209,000,000
IV	Hengshan Jinghe	302,603,400
Total		<u>1,250,207,400</u>

LETTER FROM THE BOARD

Basis of the Consideration

The Consideration was determined after arm's length negotiations as an overall packaged deal between the Sellers and the Purchaser, taking into account, among other things:

- (i) the net asset value of each of the Target Companies as at the Reference Date (i.e. 31 December 2020);
- (ii) the profitability of the Target Companies for the financial years ended 31 December 2020 and 31 December 2019, details of which can be found in the section headed "Information on the Target Companies" of this circular;
- (iii) the reasons for the Second Phase Disposals as discussed in the paragraph headed "Reasons and Benefits of the Transactions" below; and
- (iv) the cash flow position of each of the Target Companies as at the Reference Date. The aggregate net cash inflow of the Target Companies for the year ended 31 December 2020 amounted to approximately RMB5,988,000.

Payment arrangements of the Consideration

The aggregate Consideration under the Second Phase Share Purchase Agreements shall be paid by the Purchaser to the respective Seller in cash according to the manner set out below:

Second Phase Share Purchase Agreements	Target Companies	First Instalment RMB	Second Instalment RMB
I	Jingbian GCL	39,852,000	39,852,000
II	Yulin Longyuan	329,450,000	329,450,000
III	Yushen Dongtou	104,500,000	104,500,000
IV	Hengshan Jinghe	151,301,700	151,301,700
Total		625,103,700	625,103,700

First instalment:

The Purchaser shall pay 50% of the Consideration (the "**First Instalment**") amounted to RMB625,103,700 to the respective Seller within five days after the fulfilment of the following conditions:

- (i) the signing and execution of the Second Phase Share Purchase Agreements;

LETTER FROM THE BOARD

- (ii) obtaining the written consent from the existing shareholders of the Target Companies other than the Sellers in relation to the approval of the Second Phase Disposals and the waiver of their respective right of first refusal;
- (iii) the Company and GNE have obtained board approval in respect of the Transactions; and
- (iv) the provision of a pledge of approximately 14.8% equity interest in Suzhou GCL New Energy by Nanjing GCL New Energy to the Purchaser to guarantee the performance of the Sellers under the Second Phase Share Purchase Agreements.

Second instalment: The Purchaser shall pay 50% of the Consideration (the “**Second Instalment**”) amounted to RMB625,103,700 to the respective Seller within five days after the fulfilment of the following conditions:

- (i) the handover of the corporate documents, information and assets in accordance with the terms of the Second Phase Share Purchase Agreements and the execution of a handover confirmation; and
- (ii) the completion of the Business Registration Procedures.

Payment arrangement of the Amount Payable and Amount Receivable

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

Second Phase Share Purchase Agreements	Target Companies	Amount Payable <i>RMB</i>	Amount Receivable <i>RMB</i>
I	Jingbian GCL	86,812,981	–
II	Yulin Longyuan	–	421,221,791
III	Yushen Dongtou	331,790,184	–
IV	Hengshan Jinghe	137,729,162	–
Total		556,332,327	421,221,791

LETTER FROM THE BOARD

The Purchaser shall procure the Target Companies to gradually repay the Total Amount Payable to the respective Seller from the Closing Date onwards and in any event repay in full within 10 days from the issuance of the Closing Audit Report. As at the Latest Practicable Date, the Directors are not aware of any adjustment or material change on the carrying amount of the Amount Payable and Amount Receivable of the Target Companies after the Reference Date and up to the Closing Date.

Suzhou GCL New Energy shall pay the Total Amount Receivable to the Purchaser within 10 days from the issuance of the Closing Audit Report.

Transition Period Arrangement

If the Closing takes place within 120 days from the Reference Date (the “**Cut-off Date**”), the profit and loss incurred by the Target Companies shall be accrued for the benefit of or borne by the Purchaser and the remaining shareholder of the Target Companies after the Closing (if applicable) based on their respective equity interest held in the Target Companies after the Closing. As such, the parties agreed that the Target Companies shall not further declare any dividend to the Sellers or adjust the Consideration in respect of the profit and loss incurred by the Target Companies during the Transition Period and such profit and loss incurred will remain in the Target Companies. In the event that the Closing fails to take place within the Cut-off Date, the Sellers and the Purchaser agreed to separately negotiate the attribution of profit and loss of the Target Companies after the Cut-off Date as determined by the number of days for which the Closing was delayed. The parties shall complete the closing audit within 10 Business Days upon the Closing Date and the actual profit and loss incurred by the Target Companies which shall be accrued for the benefit of or borne by the Purchaser and the remaining shareholder of the Target Companies (if applicable) during the Transition Period shall be determined by the Closing Audit Report.

For the avoidance of doubt, the financial information of the Target Companies shall remain consolidated in the consolidated financial statements of the Company and GNE during the Transition Period despite the abovementioned transition period arrangement.

Other Undertakings

The Sellers and the Purchaser agreed to be subject to the following undertakings:

- (i) within 30 days after the Closing or the date of the Second Phase Share Purchase Agreements (as the case may be), the Purchaser undertake to provide guarantee substitution or procure the Target Companies’ early repayment of their liabilities owed to the financial institutions in order to release the existing guarantees provided by the Sellers or its affiliates in respect of such liabilities;
- (ii) the Sellers undertake to procure all third party debtors of the Target Companies (i.e. debtors of Target Companies other than the Sellers and their respective affiliates) to repay the debts owed by them to the respective Target Company (other than national subsidy) in accordance with the terms and conditions of the Second Phase Share Purchase Agreements;

LETTER FROM THE BOARD

- (iii) the Purchaser is entitled to allow the Target Companies to deduct a total amount of RMB855,000 from the Total Amount Payable in order to fully release the Sellers from their respective obligations to rectify certain quality matters of the engineering and equipment of the solar power plants of the Target Companies;
- (iv) the Purchaser is entitled to allow the Target Companies to withhold a total amount of RMB10,388,000 from the Total Amount Payable or the Second Instalment (as the case may be) in order to secure the performance of the Sellers in rectifying certain compliance deficiencies of the Target Companies. Within five days upon the rectification of each compliance deficiency by the respective Seller, the Purchaser shall pay the corresponding amount withheld from the Total Amount Payable to the respective Seller;
- (v) the Purchaser is entitled to deduct any abnormal impairment loss or expenses in relation to the Target Companies during the Transition Period from the Total Amount Payable;
- (vi) in the event of any other circumstance specified in the Second Phase Share Purchase Agreements that may cause the Sellers to be liable for any damages or compensation to the Purchaser or the Target Companies, the Purchaser is entitled to (i) withhold an expected amount of such damages or compensation from the Total Amount Payable (which any surplus amount should subsequently be repaid to the Sellers by the Purchaser or the Target Companies and any deficit amount should subsequently be paid by the Sellers to the Purchaser or the Target Companies) and/or (ii) request the Sellers to pay the actual amount of such damages or compensation to the Purchaser or the Target Companies; and
- (vii) (Applicable to Yulin Longyuan only) the Purchaser undertakes to procure Yulin Longyuan to fulfill its payment obligations under a settlement agreement entered into between Yulin Longyuan and an independent engineering, procurement, and construction (“EPC”) contractor in respect of a dispute of the construction fees payable by Yulin Longyuan after the Closing Date.

Conditions Precedent

The Second Phase Share Purchase Agreements shall become effective after the Purchaser has completed the relevant examination and filing procedures of the assets appraisal of the Target Companies with the relevant State-owned Assets Supervision and Administration Commission.

The completion of the Business Registration Procedures pursuant to each of the Second Phase Share Purchase Agreements is subject to the fulfilment of the following Conditions Precedent:

- (i) the Purchaser has paid the First Instalment to the respective Sellers;
- (ii) all pledges over the Sale Shares have been released and the relevant Business Registration Procedures to discharge such pledges have been completed; and

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- (iii) the Company and GNE have obtained their respective board approval and shareholders' approval (if applicable) in respect of the Transactions.

As at the Latest Practicable Date, condition (i) above has been fulfilled.

Closing

Within three days before the Closing Date, (i) the respective Sellers shall pass resolutions approving the changes of the directors, supervisors and senior management of the Target Companies appointed by the Purchaser, (ii) the Target Companies shall enter into operation and management agreements with the designated party(ies) of the respective Sellers in relation to the operation and management of the solar power plants of the Target Companies and (iii) the Purchaser shall provide all documents required for the completion of the Business Registration Procedures. Within three days upon the fulfillment of all of the Conditions Precedent, the Target Companies shall provide the relevant filings to the competent government authorities in the PRC in order to complete the Business Registration Procedures.

The date of issuance as stated on the new business certificate of each of the Target Companies upon the completion of the Business Registration Procedures shall be the Closing Date for each of the transaction contemplated under each of the Second Phase Share Purchase Agreements.

Guarantee arrangement under the Second Phase Share Purchase Agreements

The Company shall provide a guarantee to the Purchaser to secure, among others, the performance obligations of the Sellers under the Second Phase Share Purchase Agreements and rectification of each agreed compliance deficiency by the respective Seller. Such guarantee shall be released by the Purchaser (i) within one year from the Closing Date or (ii) the date on which all agreed compliance deficiency has been rectified (whichever is later).

Security arrangement under the Second Phase Share Purchase Agreements

Nanjing GCL New Energy shall pledge its approximately 14.8% equity interest in Suzhou GCL New Energy to the Purchaser to secure the closing obligations of the Sellers under the Second Phase Share Purchase Agreements. Such pledge shall be completed before the payment of the First Instalment by the Purchaser and be released by the Purchaser on the Closing Date.

3. INFORMATION ON THE PARTIES TO THE SECOND PHASE SHARE PURCHASE AGREEMENTS

The Group

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 wafers products, and developing, owning and operation of solar farms. As disclosed in the announcement of the Company dated 21 May 2021, GNE is a subsidiary of the Company as at the Latest Practicable Date.

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The GNE Group

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

The GNE Group is principally engaged in the sale of electricity, development, construction, operation and management of solar power plants. As disclosed in the announcement of the Company dated 21 May 2021, GNE is a subsidiary of the Company as at the Latest Practicable Date.

Xian GCL New Energy

Xian GCL New Energy is a company established in the PRC with limited liability and an indirect subsidiary of the Company and GNE. Xian GCL New Energy is wholly owned by Suzhou GCL New Energy, which is in turn owned as to approximately 92.82% by the Company and GNE. Xian GCL New Energy is principally engaged in the development, operation and management of solar power plants in the PRC.

Suzhou GCL New Energy

Suzhou GCL New Energy is a company established in the PRC with limited liability and an indirect subsidiary of the Company and GNE. Suzhou GCL New Energy is indirectly owned as to approximately 92.82% by the Company and GNE. Suzhou GCL New Energy indirectly owns a majority of solar power plants of the Company in the PRC.

4. INFORMATION ON THE PURCHASER

The Purchaser is a company established in the PRC with limited liability. The Purchaser is principally engaged in, among others, asset management.

The Purchaser is wholly-owned by China Three Gorges Group Co., Ltd.* (中國長江三峽集團有限公司) (“**China Three Gorges Group**”), which is a state-owned corporation wholly-owned by the State-owned Assets Supervision and Administration Commission of the State Council of the PRC. China Three Gorges Group has a focus in renewable energy and is principally engaged in, among others, electric engineering construction and development, investment and operation of hydropower.

To the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and GNE and their respective connected persons.

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5. INFORMATION ON THE TARGET COMPANIES

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

Second Phase Share Purchase Agreements	Target Companies	Information on the Target Companies
I	Jingbian GCL	Jingbian GCL is a company established in the PRC with limited liability and is principally engaged in the operation of solar power plant in the PRC. Jingbian GCL is owned as to 99.9% by Xian GCL New Energy and 0.1% by Mr Luo, an independent third party to the Company and GNE respectively and an indirect subsidiary of the Company and GNE.
II	Yulin Longyuan	Yulin Longyuan is a company established in the PRC with limited liability and is principally engaged in the operation of solar power plant in the PRC. Yulin Longyuan is wholly-owned by Suzhou GCL New Energy and an indirect subsidiary of the Company and GNE.
III	Yushen Dongtou	Yushen Dongtou is a company established in the PRC with limited liability and is principally engaged in the operation of solar power plant in the PRC. Yushen Dongtou is wholly-owned by Xian GCL New Energy and an indirect subsidiary of the Company and GNE.
IV	Hengshan Jinghe	Hengshan Jinghe is a company established in the PRC with limited liability and is principally engaged in the operation of solar power plant in the PRC. Hengshan Jinghe is owned as to 96.35% by Suzhou GCL New Energy and 3.65% by Huanghe Solar, an independent third party to the Company and GNE respectively and an indirect subsidiary of the Company and GNE.

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

		Year ended 31 December 2020		Year ended 31 December 2019	
Second Phase Share Purchase Agreements	Target Companies	Profit before taxation <i>RMB'000</i>	Profit after taxation <i>RMB'000</i>	Profit before taxation <i>RMB'000</i>	Profit after taxation <i>RMB'000</i>
I	Jingbian GCL	14,898	13,781	16,277	16,277
II	Yulin Longyuan	94,072	87,005	71,662	66,146
III	Yushen Dongtou	37,580	34,734	28,027	28,027
IV	Hengshan Jinghe	54,345	50,271	46,028	42,538

The table below sets out the net asset value of each of the Target Companies extracted from the audited accounts for the year ended 31 December 2019 and unaudited management accounts for the year ended 31 December 2020 of the Target Companies prepared in accordance with China Accounting Standards:

		Net asset value	
Second Phase Share Purchase Agreements	Target Companies	As at 31 December 2020 <i>RMB'000</i>	As at 31 December 2019 <i>RMB'000</i>
I	Jingbian GCL	85,922	85,216
II	Yulin Longyuan	497,466	489,685
III	Yushen Dongtou	179,339	174,140
IV	Hengshan Jinghe	247,247	242,368

6. FINANCIAL IMPACT OF THE TRANSACTIONS

After the Closing Date, the Target Companies will cease to be subsidiaries of the Group and the GNE Group, and the profit and loss, as well as the assets and liabilities of the Target Companies will no longer be consolidated into the consolidated financial statements of the Group and the GNE Group.

As at Latest Practicable Date, it is estimated that the Group and the GNE Group will realise a net gain on the Second Phase Disposals of approximately RMB249,340,699 and such gain is calculated with reference to the difference between the aggregate Consideration of approximately RMB1,250,207,400 and the net asset value attributed to the disposed Sale Shares based on the unaudited financial statements of the Target Companies as at 31 December 2020 of approximately RMB1,000,866,701. The actual gain as a result of the Second Phase Disposals to be recorded by the Group and the GNE Group is subject to audit and will be reassessed after completion of the Second Phase Disposals.

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7. USE OF PROCEEDS FROM THE TRANSACTIONS

The table below sets out the debt profile of the GNE Group for the upcoming 12 months as at 31 December 2020:

Indebtedness repayable within one year

	<i>RMB million</i>
Bank loans and other loans from independent third parties	12,392
Bonds and senior notes	3,261
Loans from related companies	789
Lease liabilities	89
Loans directly associated with assets held for sale	333
	<hr/>
Total	16,864

The cash proceeds from the Transactions (being the sum of (i) the aggregate Consideration amounting to approximately RMB1,250,207,400 and (ii) the Total Amount Payable amounting to approximately RMB556,332,327, minus Total Amount Receivable amounting to approximately RMB421,221,791) is expected to be approximately RMB1,385,317,936, which GNE intends to use for repayment of its bank loans and other loans from independent third parties which are repayable on or before 31 December 2021 amounting to RMB12,392,000,000 as set out above.

8. REASONS AND BENEFITS OF THE TRANSACTIONS

Upon completion of the Transactions, the Target Companies will no longer be subsidiaries of the Group and the GNE Group, and the profit and loss as well as the assets and liabilities of the Target Companies will no longer be consolidated into the consolidated financial statements of the Group and the GNE Group. The liabilities of the Group and the GNE Group will decrease by approximately RMB4,253,344,000. Meanwhile, the cash derived from the Transactions amounted to approximately RMB1,385,317,936, which will be used for further repayment of debts, and the gearing ratio of the Group and the GNE Group will decrease from approximately 81.0% to approximately 78.3% by approximately 2.7%, calculated with reference to the audited financial statements of the Group and the GNE Group as at 31 December 2020, effectively reducing the financial risks.

The Second Phase Disposals is one of the important steps taken by the Company to achieve its “transformation and upgrade” development objective and transformation to an asset-light model.

Solar power generating business is the principal business engaged by GNE, and one of the business segments (being the new energy business segment) operated by the Company through GNE and other subsidiaries. Solar power generating business is also a capital intensive industry, which highly relies on external financing in order to fund for the construction of solar power plants while the recovery of capital investment takes a long period of time. Given the Company, though GNE, highly relies on external financing in order to obtain investment capital for new solar power plant project development, any interest

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rate changes will have an impact on the capital expenditure and finance expenses of the Company, though GNE, hence, affecting its operating results. Therefore, transformation into an asset-light model, being the business model adopted by the Company, though GNE, is an effective way to reduce its debts and interest rate exposure.

The Company though GNE, intends to reinforce the strategic cooperation with domestic centralised management enterprises and local state-owned enterprises, including the Purchaser to achieve an asset-light model. After the completion of the Second Phase Disposals, the Group, though the GNE Group, and the Purchaser will further explore other possible co-operation opportunities, including but not limited to, disposals of the Group's existing solar power plants in the PRC.

As disclosed in the circular of the Company dated 22 January 2021, the Group and the GNE Group had entered into a series of share purchase agreements in the year of 2020 to dispose its equity interest in certain subsidiaries (the **"2020 Disposals"**).

On 29 January 2021, the GNE Group and Beijing United Rongbang New Energy Technology Co., Ltd.* (北京聯合榮邦新能源科技有限公司) (**"Beijing United Rongbang"**) entered into a share purchase agreement, pursuant to which the Group agreed to, among other things, to sell the entire equity interest in Wula Tehouqi Yuanhai New Energy Co., Ltd.* (烏拉特後旗源海新能源有限責任公司) (**"Wula Tehouqi Yuanhai Disposal"**). Please refer to the announcement of the Company dated 29 January 2021 in relation to the Wula Tehouqi Yuanhai Disposal for further details.

On 31 March 2021 and 1 April 2021, the Group and the Purchaser entered into the First Phase Share Purchase Agreements and the Second Phase Share Purchase Agreements, respectively.

On 26 April 2021, Guizhou Zhongxinneng New Energy Development Co., Ltd.* (貴州中新能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 the sellers) and Guangdong Jinyuan New Energy Co., Ltd.* (廣東金元新能源有限公司) (**"Guangdong Jinyuan"**) 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 the purchasers) entered into a series of four share purchase agreements (the **"Weining Second Phase Share Purchase Agreements"**), pursuant to which the Group agreed to, among other things, sell (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 Guangdong Jinyuan and Weining Energy (the **"Weining Second Phase Disposals"**). Please refer to the joint announcement of the Company and GNE dated 26 April 2021 in relation to the Weining Second Phase Disposals for further details.

On 30 April 2021, Guizhou GCL New Energy Co., Ltd.* (貴州協鑫新能源有限公司) and Suzhou GCL New Energy (as the sellers) and Guangdong Jinyuan and Weining Energy (as the purchasers) entered into a series of four share purchase agreements (the **"Weining Third Phase Share Purchase Agreements"**), pursuant to which the Group agreed to, among other things, sell (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

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Power Co., Ltd.* (六枝協鑫光伏電力有限公司) to Guangdong Jinyuan and Weining Energy (the “**Weining Third Phase Disposals**”). Please refer to the joint announcement of the Company and GNE dated 30 April 2021 in relation to the Weining Third Phase Disposals for further details.

On 7 May 2021, Henan GCL New Energy Investment Co., Ltd.* (河南協鑫新能源投資有限公司) and State Power Investment Corporation Chongqing Electric Power Co., Ltd.* (國家電投集團重慶電力有限公司)(“**SPIC Chongqing**”) entered into a share purchase agreement (the “**Yongcheng Xin Neng Share Purchase Agreement**”), pursuant to which the Group agreed to, among other things, sell 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) to SPIC Chongqing (the “**Yongcheng Xin Neng Disposal**”). Please refer to the joint announcement of the Company and GNE dated 7 May 2021 in relation to the Yongcheng Xin Neng Disposal for further details.

In addition, the Group and the GNE Group are currently under negotiation with certain new energy companies in the PRC (including domestic centralised management enterprises, local state-owned enterprises and listed companies) for further potential disposals of its subsidiaries and will make further announcement as and when appropriate in compliance with the Listing Rules. Save as disclosed above, as at the Latest Practicable Date, the Group and the GNE Group have not entered into any memorandum of understanding or agreement regarding further disposal or downsize of its existing businesses.

For the purpose of this section, the Remaining Group shall mean the Group after completion of the 2020 Disposals, the Wula Tehouqi Yuanhai Disposal, the First Phase Disposals and the Second Phase Disposals.

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The table below sets out the respective number of solar power plants operated by the Remaining Group and their respective locations after the completion of the 2020 Disposals, the Wula Tehouqi Yuanhai Disposal, the First Phase Disposals and the Second Phase Disposals:

Geographic location	Number of solar power plant(s)	Grid-connected Capacity (MW)
Jiangsu	33	409
Inner Mongolia	4	189
Henan	4	95
Shaanxi	11	511
Shandong	3	79
Hebei	1	21
Qinghai	4	98
Ningxia	2	60
Jiangxi	3	101
Hubei	3	49
Hunan	5	101
Jilin	4	51
Guizhou	5	234
Yunnan	8	279
Hainan	2	55
Sichuan	1	50
Liaoning	3	47
Gansu	2	39
Zhejiang	1	21
Guangdong	9	147
Shanghai	1	7
Fujian	3	56
United States	2	133
Sub-total	114	2,832
The Group (excluding the GNE Group)		
Jiangsu	2	23
Shaanxi	2	100
Xizang	1	10
United States	14	18
Sub-Total	19	151
Total	133	2,983

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Through the divestiture of the operational solar power plant projects, the asset-light model allows the Remaining Group to optimise the finance structure by lowering gearing ratio as well as reducing debt and interest rate exposure.

In addition to optimising the finance structure under the asset-light model, the Remaining Group sought to explore opportunities to expand its business by providing more operation, management and maintenance services, in particular to other solar power plant operators in the PRC (including purchasers of certain solar power plant projects disposed by the Group and the GNE Group), thereby generating an additional and stable source of income. Furthermore, the Group and the GNE Group will continue to explore new mode of collaboration between central enterprises and state-owned enterprises and private enterprises using a “development-build-transfer” and “joint development with external parties” under the asset-light model. As such, the Remaining Group could leverage on its established development strength, scientific research capabilities and extensive experience in intelligent operation in the solar energy development and power operation sector while continue to reduce its finance cost and the size of debts.

Apart from promoting the asset-light model for its solar farm business and new energy business (operated by the Company through GNE and other subsidiaries), the Remaining Group will continue to leverage on its existing strength and focus on its solar material business as its principal operating segment. The Group’s solar material business mainly focuses on the manufacture and sales of polysilicon and wafer to companies operating in the solar industry. As of 31 December 2020, the annual production capacity of rod silicon, granular silicon and wafer are 36,000 MT, 10,000 MT and 40 GW, respectively.

Based on the reasons above and having considered the scale of the Remaining Group’s solar power plants business with an aggregate approximately 3.0 GW of grid-connected capacity and its continued focus on solar material business as its principal operating segment, the Directors believe that the business model and the asset-light strategy of the Remaining Group (after completion of the 2020 Disposals, the Wula Tehouqi Yuanhai Disposal, the First Phase Disposals and the Second Phase Disposals) could ensure its sufficient level of operations, viability and sustainability. As at the Latest Practicable Date, the Company and GNE do not have any intention to acquire new business in the future.

Although the Target Companies are profit-making, they have experienced a net cash outflow due to substantial delay in receiving the national subsidy from the relevant PRC governmental entities. The capital and operating expenses of the Target Companies have been substantially funded by shareholders’ loans from the Group and the GNE Group from time to time. The Second Phase Disposals represent an opportunity for the Group and the GNE Group to recoup its capital investments in the Target Companies and to relieve the Group and the GNE Group from its funding commitment to the Target Companies in the form of shareholders’ loans, which are costly to maintain.

Based on the above reasons and having considered all relevant factors, the GNE Directors believe and consider that the terms of the Transactions are on normal commercial terms, are fair and reasonable and that the entering into of the Second Phase Share Purchase Agreements is in the interests of GNE and the GNE Shareholders as a whole.

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Based on the views of the GNE Directors and having considered all relevant factors, the Directors believe and consider that the terms of the Transactions are on normal commercial terms, are fair and reasonable and that the entering into of the Second Phase Share Purchase Agreements is in the interests of the Company and the Shareholders as a whole.

9. LISTING RULES IMPLICATIONS

As the Sellers, being indirect subsidiaries of the Company, entered into the First Phase Disposals and the Second Phase Disposals with the Purchaser within a 12-month period, the Disposals contemplated in the First Phase Share Purchase Agreements and the Second Phase Share Purchase Agreements shall be aggregated as a series of transactions for the Company pursuant to Rule 14.22 of the Listing Rules.

Since the highest of the applicable percentage ratios in respect of the First Phase Disposals and the Second Phase Disposals is over 25% but less than 75%, the entering into of the Second Phase Disposals constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

10. EGM

Set out on pages EGM-1 to EGM-3 of this circular is a notice convening the EGM to be held at Strategy IV, Level 8, W Hong Kong, 1 Austin Road West, Kowloon Station, Kowloon, Hong Kong on Friday, 18 June 2021 at 8:30 a.m..

At the EGM, ordinary resolution(s) for approving the Transactions and the entering into and performance of obligations under the Second Phase Share Purchase Agreements will be proposed for the Shareholder's approval.

The resolution(s) will be voted by way of poll at the EGM. As at the Latest Practicable Date, no Shareholder has material interest in the Transactions (other than being a Shareholder) and therefore no Shareholder is required to abstain from voting on the relevant resolutions at the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, please complete the form of proxy in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, as soon as possible and in any event by not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. The address of Tricor Investor Services Limited is Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM should you so wish and in such event, the proxy form shall be deemed to be revoked.

Record date (being the last date of registration of any share transfer given there will be no book closure) for determining the entitlement of the Shareholders to attend and vote at the EGM will be on 11 June 2021. In order to be entitled to attend and vote at the EGM, all transfers of shares accompanied by the

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relevant share certificates and properly completed transfer forms must be lodged for registration with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on 11 June 2021.

11. RECOMMENDATION

The Directors are of the view that the terms of the Transactions are fair and reasonable, and are on normal commercial terms and that the entering into of the Second Phase Share Purchase Agreements is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution to approve the Transactions, the entering into and performance of obligations under the Second Phase Share Purchase Agreements as set out in resolution 1 of the notice of the EGM.

12. CONTINUED SUSPENSION OF TRADING

Trading in Shares was suspended from 9:00 a.m. on 1 April 2021 and will remain suspended until further notice.

13. ADDITIONAL INFORMATION

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

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

1. FINANCIAL INFORMATION OF THE GROUP

The audited consolidated financial statements of the Group for the years ended 31 December 2018 and 31 December 2019 and the unaudited management accounts of the Group for the year ended 31 December 2020 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) and the Company's website (www.gcl-poly.com.hk):

- the annual report of the Company for the year ended 31 December 2018 published on 26 April 2019 (pages 118-351);
- the annual report of the Company for the year ended 31 December 2019 published on 29 April 2020 (pages 162-376); and
- the announcement of the Company in respect of publication of unaudited management accounts for the year ended 31 December 2020 (pages 3-7).

2. STATEMENT OF INDEBTEDNESS AND CONTINGENT LIABILITIES OF THE GROUP

At the close of business on 31 March 2021, being the latest practicable date for the purpose of this indebtedness statement, the Group had the following outstanding borrowings:

	Secured <i>RMB'000</i>	The Group Unsecured <i>RMB'000</i>	Total <i>RMB'000</i>
Carrying amount of bank and other borrowings	27,744,075	3,727,540	31,471,615
Principal amount of notes and bonds payables	–	3,285,650	3,285,650
Carrying amount of loans from related companies	–	525,214	525,214
Lease liabilities	<u>847,621</u>	<u>869,953</u>	<u>1,717,574</u>
	<u><u>28,591,696</u></u>	<u><u>8,408,357</u></u>	<u><u>37,000,053</u></u>

The Group's secured borrowings were secured, individually or in combination, by (i) certain property, plant and equipment, investment properties and right-of-use assets 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) amount due from an associate; (v) certain equity interests in some project companies and an associate; and (vi) rental deposits of the Group.

At 31 March 2021, certain borrowings of the Group amounting to RMB27,463,818,000 are guaranteed individually or in combination by entities within the Group. The remaining indebtedness amounting to RMB9,536,235,000 are not guaranteed.

At 31 March 2021, the Group provided a total guarantee of RMB6,707,820,000, RMB900,000,000, RMB1,010,000,000 and RMB2,601,000,000 to banks and financial institutions in respect of banking facilities and financing arrangements of associates, a joint venture, third party and the Target Companies, 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 2021, 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 2021.

3. WORKING CAPITAL STATEMENT

As at 31 March 2021, the Group's total borrowings comprising bank and other borrowings, notes and bonds payables, loans from related companies and lease liabilities amounted to approximately RMB37,000,053,000.

The Directors have reviewed the Group's cash flow projections which cover a period of not less than twelve months from the date of this circular. The Directors after due and careful enquiry, are of the opinion that, after taking into account the net proceeds from the Disposals and the financial resources available to the Group, including cash and cash equivalents on hand, cash flows from operating activities and available credit facilities, and based on the assumptions that the financing plans and measures can be successfully executed, the Group will have sufficient working capital for its operating requirements and to pay its financial obligations as and when they fall due and for at least the next twelve months from the date of this circular, in the absence of unforeseeable circumstances. However, if the implementation of financial plans and measures of the Group and the GNE Group become unsuccessful, the Group will not have sufficient working capital for at least the next twelve months from the date of this circular.

In addition to the successful implementation of measures of the GNE Group, including but not limited to the successful transformation to a light-asset model, the completion of the disposals and divestments in relation to solar power plant assets, the sufficiency of the Group's working capital to satisfy its requirements for at least the next twelve months from the date of this circular is also dependent on the Group's ability to generate adequate financing and operating cash flows through successful renewal of its bank borrowings upon expiry, compliance with the covenants under the borrowing agreements or obtaining waiver from the relevant banks if the Group is not able to satisfy any of the covenant requirements, successful securing of the financing from banks with repayment terms beyond twelve months from the date of this circular, other short-term or long-term financing equity issuance.

Notwithstanding the above, significant uncertainties exist as to whether the Group can achieve the plans and measures to generate adequate cash inflow as scheduled, failing which the Group will strive to meet the working capital sufficiency by continuous negotiations with banks to renew existing loans, exploring funding channels through equity and debt markets, and obtaining waiver from the relevant banks if

the Group is not able to satisfy any of the covenant requirements. In particular, the Group has negotiated with certain banks and financial institutions for providing credit facilities in both on-shore and off-shore. The Group has also obtained direct confirmations from certain banks stating that they do not foresee any reason to withdraw the existing facilities in the near future. The Group will continue to negotiate with other banks to obtain credit facilities to ensure the Group's bank borrowings can be renewed on an on-going basis.

4. MATERIAL ADVERSE CHANGE

Trading in Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 1 April 2021 and will remain suspended until further notice as the publication of the annual results of the Group for the year ended 31 December 2020 (the **"2020 Annual Results"**) have been delayed until further notice.

On 9 April 2021, the audit committee of the Company (the **"Audit Committee"**) received a letter (the **"Auditor Letter"**) from Deloitte Touche Tohmatsu (the **"Previous Auditor"**), in which the Previous Auditor brought to the attention of the Audit Committee the details of an issue encountered by the Previous Auditor during the audit process and requested the Audit Committee's involvement in resolving the issue. The issue primarily concerns a prepayment in the amount of RMB510 million made by a subsidiary of the Company, Jiangsu Zhongneng Polysilicon Technology Development Co., Ltd.* (江蘇中能硅業科技發展有限公司) for the purposes of an engineering, procurement and construction contract entered into in September 2019 (the **"EPC Contract"**). The Audit Committee has been working with the Previous Auditor and the Company's management to finalise the 2020 Annual Results. In addition, the Company has been taking appropriate steps to assess this matter and provide additional information to the Previous Auditor in relation to the EPC Contract.

On 30 April 2021, the Company received a letter from the Stock Exchange setting out the resumption guidance for the resumption of trading in the Shares, including among others, conduct an appropriate independent investigation into the various concerns raised by the Previous Auditor in the Auditor Letter and publish all outstanding financial results required under the Listing Rules and address any audit modifications.

On 7 May 2021, the Company has engaged a forensic accountant to conduct a forensic investigation addressing various concerns raised by the Previous Auditor in the Auditor Letter. On 14 May 2021, the Board and the Audit Committee received a letter from the Previous Auditor tendering its resignation as the auditor of the Company with effect from 14 May 2021 (the **"Resignation Letter"**). As at the date of the Resignation Letter, the Previous Auditor and the Company are unable to reach a consensus on the scope of independent forensic investigation. The Previous Auditor has not issued any such confirmation under Rule 13.51(4) of the Listing Rules, and stated in its Resignation Letter that, with reference to the matter set out in the preceding paragraphs and the fact that it had not completed the audit of the consolidated financial statements of the Group for the year ended 31 December 2020, it is not in a position to confirm whether there are any other matters that need to be brought to the attention of holders of securities or creditors of the Company.

With the recommendation of the Audit Committee, the Board has resolved to appoint Crowe (HK) CPA Limited (**"Crowe"**) as the new auditor of the Company to fill the casual vacancy following the Resignation and to hold the office until the conclusion of the next annual general meeting of the Company subject to the completion of the audit engagement acceptance procedures. The Company uses its best

endeavors to assist Crowe to complete the audit procedures for the 2020 Annual Results and will publish further announcement(s) to inform the shareholders of the Company of any significant developments in respect of the publication of the 2020 Annual Results as and when appropriate in compliance with the requirements of the Listing Rules.

Please refer to the announcements of the Company dated 1 April 2021, 7 April 2021, 12 April 2021, 19 April 2021, 28 April 2021, 4 May 2021, 7 May 2021 and 17 May 2021 (collectively, the “**Announcements**”) for further details regarding the continued suspension of trading in shares of the Company.

As at the Latest Practicable Date, save as disclosed in the Announcements, the Directors are not aware of any other material adverse change in the financial or trading position of the Company since 31 December 2019, 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 2020, the Group recorded a total revenue of approximately RMB14,621 million, whilst the total revenue for the year ended 31 December 2019 was approximately RMB19,250 million. Gross profit and gross profit margin for the year ended 31 December 2020 were approximately RMB3,702 million and 25.3% respectively, whilst the gross profit and gross profit margin for the year ended 31 December 2019 were approximately RMB4,678 million and 24.3% respectively. Loss attributable to owners of the Company for the year ended 31 December 2020 amounted to approximately RMB5,722 million as compared to the loss attributable to owners of the Company of RMB197 million for the year ended 31 December 2019.

The Group’s solar material business belongs to the upstream of the solar supply chain, which supplies polysilicon and wafer to companies operating in the solar industry. Polysilicon is the primary raw material used in the solar wafer production. In addition, the Group also produces wafer by using polysilicon that are produced by the Group. In the solar industry supply chain, wafers are further processed by downstream manufacturers to produce solar cells and modules. As at 31 December 2020, part of the annual production capacity of rod silicon of the Group’s Xuzhou base switched to that of 30,000 MT of granular silicon, resulting in a decrease in production capacity of rod silicon from 70,000 MT to 36,000 MT for the year. As of 31 December 2020, production capacity of granular silicon was 10,000 MT.

The Group’s solar farm business manages and operates 151MW solar farms. As at 31 December 2020, the Group’s solar farm business includes 18MW of solar farms in the United States and 133MW of solar farms in the PRC.

The Group’s new energy business represents the business operations of GNE, which is principally engaged in the development, construction, operation and management of solar farms. As at 31 December 2020, the aggregated installed capacity of the grid-connected solar farms of GNE Group was 6,636MW.

The outbreak of coronavirus disease (“**COVID-19**”) in the PRC, which subsequently spread throughout other regions, has affected many businesses to different extent in early 2020. The respective governments in the PRC and other regions had implemented different types and levels of precautionary

measures in an attempt to curb the spread of the pandemic. Hence, the Group's ability to serve customers will largely depend on (i) the effectiveness of the government measures that have been implemented; (ii) continuous availability of workforce which may be affected by the temporary travel restrictions and home quarantine requirements; and (iii) customers' confidence and demand which may be influenced by the market sentiments and economic performances in different jurisdictions.

Based on available information up to the Latest Practicable Date, the management of the Group considers that COVID-19 has negative impacts to the global economy, business environment and directly and indirectly affect the operations of the Group. Given the dynamic nature of these circumstances, the related impact on our Group's operations and financial position could not be reasonably estimated at this stage.

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 the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) 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 has taken or deemed to have under such provisions of the SFO); or (ii) to be and were entered into in the register required to be kept by the Company pursuant to Section 352 of the SFO; or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, were as follows:

(a) Long or short position in the shares of the Company:

Name of Director/ chief executive	Long position/ short position	Number of ordinary shares held			Number of underlying shares	Total	Approximate percentage of issued shares capital (Note 3)
		Beneficiary of a trust	Corporate interests	Personal interests			
Zhu Gongshan	Long position	6,370,388,156 (Note 1)	-	-	-	6,370,388,156	25.42%
Zhu Zhanjun	Long position	-	-	3,400,000	2,719,359 (Note 2)	6,119,359	0.02%
Zhu Yufeng	Long position	6,370,388,156 (Note 1)	-	-	1,510,755 (Note 2)	6,371,898,911	25.42%
	Short position	240,000,000 (Note 3)	-	-	-		
Sun Wei	Long position	-	-	5,723,000	1,712,189 (Note 2)	7,435,189	0.03%
Yeung Man Chung, Charles	Long position	-	-	-	1,700,000 (Note 2)	1,700,000	0.01%
Jiang Wenwu	Long position	-	-	9,600,000	1,712,189 (Note 2)	11,312,189	0.05%

Name of Director/ chief executive	Long position/ short position	Number of ordinary shares held			Number of underlying shares	Total	Approximate percentage of issued shares capital (Note 3)
		Beneficiary of a trust	Corporate interests	Personal interests			
Zheng Xiongjiu	Long position	-	-	250,000	2,517,924 (Note 2)	2,767,924	0.01%
Ho Chung Tai, Raymond	Long position	-	-	-	1,007,170 (Note 2)	1,007,170	0.00%
Yip Tai Him	Long position	-	-	-	1,007,170 (Note 2)	1,007,170	0.00%

Notes:

1. An aggregate of 6,370,388,156 shares of the Company 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 and Mr. Zhu Gongshan and his family (including Mr. Zhu Yufeng, a Director and the son of Mr. Zhu Gongshan) as beneficiaries.
2. These are share options granted by the Company to the Directors, pursuant to the share option scheme adopted by the shareholders of the Company on 22 October 2007. Such granted share options can be exercised by the Directors at various intervals during the period from 15 March 2016 to 28 March 2026 at an exercise price of HK\$1.160 or HK\$1.324 per share.
3. The short position was held as a result of an equity derivative agreement entered by HappyGenius Holdings Limited.
4. The total number of ordinary shares of the Company in issue as at the Latest Practicable Date is 25,062,422,448.

(b) Long position in the shares of associated corporations

As at the Latest Practicable Date, GNE is a subsidiary of the Company.

Name of Director/ chief executive	Number of ordinary shares of GNE held			Number of underlying shares of GNE held	Total	Approximate percentage of issued share capital of GNE (Note 3)
	Beneficiary of a trust	Corporate interests	Personal interests			
Zhu Gongshan	1,905,978,301 (Note 1)	–	–	–	1,905,978,301	9.04%
Zhu Yufeng	1,905,978,301 (Note 1)	–	–	3,523,100 (Note 2)	1,909,501,401	9.06%
Sun Wei	–	–	–	27,178,200 (Note 2)	27,178,200	0.13%
Yeung Man Chung, Charles	–	–	–	15,099,000 (Note 2)	15,099,000	0.07%

Notes:

- 1,905,978,301 shares in GNE are beneficially owned by Dongsheng Photovoltaic Technology (Hong Kong) Limited (“**Dongsheng PV**”). Dongsheng PV is indirectly wholly-owned by GCL System Integration Technology Co., Ltd. (“**GCL System Integration**”) and an aggregate of over 30% of the issued shares in GCL System Integration, is indirectly held by the Zhu Family Trust and Mr. Zhu Yufeng, an executive director of the Company and GNE and son of Mr. Zhu Gongshan.
- These are share options granted by GNE. Such granted share options can be exercised by Mr. Zhu Yufeng at the interval between 24 July 2015 and 23 July 2025 at an exercise price of HK\$0.606 per share and by Ms. Sun Wei and Mr. Yeung Man Chung, Charles at the interval between 24 November 2014 and 23 July 2025 at an exercise price of HK\$1.1798 or HK\$0.606 per share.
- The total number of ordinary shares of GNE in issue as at the Latest Practicable Date is 21,073,715,441.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) 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 they are taken or deemed to have under such provisions of the SFO); or (ii) to be and were entered into in the register that was required to be kept under Section 352 of the SFO; or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

(ii) Interests of substantial shareholders

As at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had an interest or short position in the shares or underlying shares of the Company as recorded in the register kept pursuant to the Section 336 of the SFO:

Name	Capacity/ nature of interest	Number of shares/ underlying shares	Approximate percentage of issued share capital of the Company
Asia Pacific Energy Fund Limited	Interests in a controlled corporation (<i>Note 1</i>)	6,370,388,156	25.42% (<i>Note 2</i>)

Notes:

1. An aggregate of 6,370,388,156 shares 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 and his family (including Mr. Zhu Yufeng, a Director and the son of Mr. Zhu Gongshan) as beneficiaries.
2. The total number of ordinary shares of the Company in issue as at the Latest Practicable Date is 25,062,422,448.

Save as disclosed aforesaid, so far as is known to any Directors or chief executive of the Company, as at the Latest Practicable Date, no other persons (other than a Director or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register kept pursuant to Section 336 of the SFO.

3. DIRECTORS' SERVICE CONTRACTS

Each of the Independent non-executive Directors has entered into a service contract with the Company for a fixed term of three years and will be terminated by not less than three months' notice in writing served by either party on the other. Upon the expiry of the notice period, the appointment will be terminated.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Company or any member of the Group which is not determinable within one year without payment of compensation other than statutory compensation.

4. DIRECTORS' INTERESTS IN ASSETS OR CONTRACTS AND OTHER INTERESTS

Save for the entering into of the lease agreements with Suzhou GCL Energy Technology Co., Ltd.* (蘇州協鑫能源科技有限公司) ("GCL Energy Technology") and GCL (Jiangsu) Construction and Management Co., Ltd.* (江蘇協鑫建設管理有限公司) ("GCL Construction Management") respectively,

as disclosed in the announcements of the Company dated 27 September 2019 and 31 December 2019 as at the Latest Practicable Date, none of the Directors or proposed Directors had, or has had, any direct or indirect interest in any assets which have been acquired, disposed of by or leased to, or which are proposed to be acquired, disposed of by or leased to, any member of the Group since 31 December 2019, being the date to which the latest published and audited consolidated financial statements of the Company were made up. GCL System Integration and GCL Energy Engineering are both ultimately controlled by Mr. Zhu Yufeng and the Asia Pacific Energy Fund which Mr. Zhu Gongshan and his family (including Mr. Zhu Yufeng) are beneficiaries. GCL Energy Technology and GCL Construction Management are both ultimately held and controlled by the Asia Pacific Energy Fund. Mr. Zhu Gongshan and Mr. Zhu Yufeng are both the Directors.

Save for the transactions contemplated hereunder and transactions which were disclosed pursuant to the Listing Rules, there was no contract or arrangement entered into by any member of the Group subsisting as at the date of this circular of which any Director is materially interested and which is significant in relation to the business of the Group.

5. DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, save as disclosed below, so far as the Directors were aware, none of the Directors or their respective associates had interest in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group.

Name of Director	Name of company in which the relevant Director has interest	Principal activities of the competing company	Percentage interest in competing company
Mr. Zhu Yufeng	錫林郭勒中能硅業有限公司 Xilingol Zhongneng Silicon Co., Ltd.* (Dormant and inactive)	Intend to produce polysilicon ingot upon completion of construction	Mr. Zhu Yufeng, through companies controlled by him, holds 70% interest

6. 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 series of seven share purchase agreements dated 22 May 2019 entered into between Suzhou GCL New Energy as seller and Shanghai Rongyao New Energy Co., Ltd.* (上海榕耀新能源有限公司) as purchaser in relation to, among others, (i) the sale and purchases of 70% of the equity interests in Shanxi GCL New Energy Technologies Co., Ltd.* (山西協鑫新能源科技有限公司), Fenxi County GCL Photovoltaic Co., Ltd.* (汾西縣協鑫光伏電力有限公司), Ruicheng County GCL Photovoltaic Co., Ltd.* (芮城縣協鑫光伏電力有限公司), Yu County Jinyang New Energy Power Generation Co., Ltd.* (孟縣晉陽新能源發電有限公司), Yu County GCL Photovoltaic Co., Ltd.* (孟縣協鑫光伏電力有限公司), Hanneng Guangping County Photovoltaic Development Co., Ltd.* (邯能廣平縣光伏電力開發有限公司) and Hebei GCL New Energy Co., Ltd.* (河北協鑫新能源有限公司) (the “**Disposed Companies**”) together with 70% of the outstanding shareholder’s loan owed from the Disposed Companies

to Suzhou GCL New Energy at an aggregate consideration of RMB1,740,616,700; and (ii) the grant of put options by Suzhou GCL New Energy to Shanghai Rongyao New Energy Co., Ltd. and/or the Disposed Companies;

- (ii) the capital increase agreement and supplemental agreement dated 30 May 2019 entered into among Suzhou GCL Technology Development Co., Ltd.* (蘇州協鑫科技發展有限公司), Tianjin Zhonghuan Semiconductor Co., Ltd.* (天津中環半導體股份有限公司), Inner Mongolia Zhonghuan GCL Solar Material Co., Ltd.* (內蒙古中環協鑫光伏材料有限公司), Hohhot Investment Lingchuang Investment Fund (Limited Partnership)* (呼和浩特市領創投資基金(有限合夥)) and Hohhot City Chengchi Phase II Industrial Development Fund Investment Center (Limited Partnership)* (呼和浩特市城池二期產業發展基金投資中心(有限合夥)) in relation to the capital contribution with an aggregated total of RMB800,000,000 in the registered capital and capital reserve of Inner Mongolia Zhonghuan GCL Solar Material Co., Ltd.* (內蒙古中環協鑫光伏材料有限公司);
- (iii) the cooperation agreements dated 31 May 2019 entered into between Jiangsu Zhongneng Polysilicon Technology Development Co., Ltd.* (江蘇中能硅業科技發展有限公司) (“**Jiangsu Zhongneng**”) (an indirect subsidiary of the Company), and other parties: (a) Leshan Gaoxin Investment Development (Group) Limited* (樂山高新投資發展(集團)有限公司); (b) Suzhou Zeye Investment Co., Ltd.* (蘇州澤業投資有限公司); (c) Zeye New Energy Holdings Limited* (澤業新能源控股有限公司); and (d) Shanghai Zhongping Guohao Assets Management Co., Ltd.* (上海中平國瑀資產管理有限公司), in relation to the establishment of Leshan Polysilicon Photovoltaic Information Industry Investment Fund* (樂山多晶硅光電信息產業基金) with the total capital commitment intended to be between RMB4 billion and RMB4.5 billion, of which Jiangsu Zhongneng intends to contribute RMB500 million;
- (iv) the placing agreement dated 10 June 2019 entered into between the Company and UBS AG Hong Kong Branch, in relation to the placing of 1,511,000,000 new ordinary shares under the general mandate, with proceeds amounting to approximately HK\$680 million;
- (v) the share purchase agreement dated 26 June 2019 enter into between Jiangsu Zhongneng, an indirect non-wholly owned subsidiary of the Company, Xuzhou Zhongping GCL Industrial Upgrading Equity Investment Fund LLP* (徐州中平協鑫產業升級股權投資基金(有限合夥)) and Xinjiang GCL New Energy Materials Technology Co., Ltd.* (新疆協鑫新能源材料科技有限公司) (“**Xinjiang GCL**”) in relation to the sale of the 31.5% of the equity interests in Xinjiang GCL New Energy Materials Technology Co., Ltd. to Xuzhou Zhongping GCL Industrial Upgrading Equity Investment Fund LLP;
- (vi) the Nanzhao Finance Lease Agreements dated 9 August 2019 enter into between GNE Group and China Resources Leasing Co., Ltd.* (華潤租賃有限公司) (“**CR Leasing**”) pursuant to which (i) CR Leasing shall purchase the Nanzhao Leased Assets from Nanzhao Xinli Photovoltaic Power Co., Ltd.* (南召鑫力光伏電力有限公司) (“**Nanzhao Xinli**”) at an aggregate consideration of RMB332,000,000 payable in two instalments; and (ii) following the acquisition, CR Leasing, as the lessor, shall lease the Nanzhao Leased Assets to Nanzhao

Xinli, as the lessee, for a term of 10 years at an aggregated estimated rent of RMB497,856,000. In addition, pursuant to the Nanzhao Finance Lease Agreements, Nanzhao Xinli shall pay CR Leasing a finance lease handling fee of RMB13,280,000;

- (vii) the cooperation framework agreement dated 18 November 2019 entered into between GNE and China Huaneng Group, regarding the Company's disposal of (i) certain solar power plants in the PRC; or (ii) certain project companies of the Group which operate those power plants to China Huaneng Group or its designated party;
- (viii) the series of six share purchase agreements dated 21 January 2020 entered into between Suzhou GCL New Energy and Ningxia GCL New Energy as sellers, GCL Group Limited* (協鑫集團有限公司) ("**GCL Group**") as guarantor and Huaneng No. 1 Fund and Huaneng No. 2 Fund as purchasers in relation to, among others, (i) the sale and purchase of the entire equity interest in Yuganxian GCL New Energy Co., Ltd.* (余干縣協鑫新能源有限責任公司), Ningxia Jinxin Photovoltaic Power Co., Ltd.* (寧夏金信光伏電力有限公司), Ningxia Lvhao Photovoltaic Power Generation Co., Ltd.* (寧夏綠昊光伏發電有限公司), Hami Orui Photovoltaic Power Generation Co., Ltd.* (哈密歐瑞光伏發電有限公司), Hami Yaohui Photovoltaic Power Co., Ltd.* (哈密耀輝光伏電力有限公司) and Ningxia Jinli Photovoltaic Power Co., Ltd.* (寧夏金禮光伏電力有限公司) (the "**Huaneng First Phase Target Companies**") at a total consideration of RMB850,500,000; and (ii) the grant of put options to Huaneng No. 1 Fund and Huaneng No. 2 Fund;
- (ix) the second supplemental agreement dated 17 March 2020 entered into between Jiangsu Zhongneng, Konca Solar Cell Co., Ltd.* (高佳太陽能股份有限公司) and Tianjin Zhonghuan Semiconductor Co., Ltd.* (天津中環半導體股份有限公司) in relation to the capital increase of Inner Mongolia Zhonghuan GCL Solar Material Co., Ltd. (內蒙古中環協鑫光伏材料有限公司);
- (x) the placing agreement dated 16 June 2020 entered into between the Company and CCB International Capital Limited ("**CCBI**"), in relation to the placing of 1,300,000,000 new Shares under the general mandate, with proceeds amounting to approximately HK\$260 million;
- (xi) the share purchase agreement dated 29 June 2020 entered into between Suzhou GCL New Energy as seller and CDB New Energy as purchaser in relation to disposal of 75% equity interest in one subsidiary of the Company at a total consideration of RMB136,624,000;
- (xii) the supplemental agreement dated 24 September 2020 entered into between Sino IC Leasing Co., Ltd.* (芯鑫融資租賃有限責任公司) ("**Sino IC Leasing**") as lessor and Jiangsu GCL Silicon Material Technology Development Co., Ltd.* (江蘇協鑫硅材料科技發展有限公司) as lessee in relation to the amendment and supplement of certain terms and conditions of the initial finance lease agreements;
- (xiii) 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 as sellers, GCL Group as guarantor and Huaneng No. 1 Fund and Huaneng No. 2 Fund as purchasers in relation to, among others, (i)

the sale and purchases of the entire equity interest in 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) (the **“Huaneng Second Phase Target Companies”**) 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;

- (xiv) 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 the 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 the purchaser) in relation to disposal of equity interest in five subsidiaries of the Company and GNE at a total consideration of RMB276,436,993, as detailed in the joint announcement of the Company and GNE dated 16 November 2020;
- (xv) the share purchase agreements dated 19 November 2020 entered into between five subsidiaries of the Company and GNE (as the sellers) and Huaneng No. 1 Fund and Huaneng No. 2 Fund (as purchasers) in relation to (i) 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) (the **“Huaneng Third Phase Target Companies”**) at a total consideration of RMB666,653,912; and (ii) grant of put options to Huaneng No. 1 Fund and Huaneng No. 2 Fund, as detailed in the joint announcement of the Company and GNE dated 19 November 2020;
- (xvi) the share purchase agreement dated 20 November 2020 entered into between Suzhou GCL-Poly Solar Energy Investment Ltd.* (蘇州保利協鑫光伏電力投資有限公司) (**“Suzhou GCL-Poly”**) and Zhenfa New Energy Technology Co., Ltd.* (振發新能源科技有限公司) (**“Zhenfa New Energy”**) (as the sellers), Hunan Xinhua Water Conservancy and Electric Power Co., Ltd.* (湖南新華水利電力有限公司) (**“Hunan Xinhua”**) and Jia Wei Shanghai (Shanghai) Photovoltaic Power Co., Ltd.* (珈偉(上海)光伏電力有限公司) (**“Jia Wei Shanghai”**) (as the purchasers) and Jiangsu Zhenfa Holding Group Co., Ltd.* (江蘇振發控股集團有限公司) (as the guarantor of Zhenfa New Energy) in relation to, among others, disposal of 51% equity interest in Ningxia Qingyang New Energy Co., Ltd.* (寧夏慶陽新能源有限公司) to Hunan Xinhua at a consideration of RMB178,500,000, as detailed in the announcement of the Company dated 20 November 2020;
- (xvii) the share purchase agreements dated 22 November 2020 entered into between Suzhou GCL Energy and Anhui GCL New Energy (as the sellers) and Xuzhou State Investment (as the purchaser) in relation to disposal of equity interest in five subsidiaries of the Company and GNE (**“Xuzhou Second Phase Target Companies”**) at a total consideration of RMB312,728,221, as detailed in the joint announcement of the Company and GNE dated 22 November 2020;

- (xviii) the share purchase agreement dated 2 December 2020 entered into between Jiangsu Zhongneng and Apex Investment Holdings Limited (傲峰投資控股有限公司) (as the sellers) and Zhejiang Qixin Technology Limited* (浙江齊芯科技有限責任公司) (as the purchaser) in relation to the disposal of approximately 2.8% and 3.2% equity interest in Sino IC Leasing at a total consideration of RMB727,878,881;
- (xix) the share purchase agreement dated 4 December 2020 entered into between Suzhou GCL New Energy as seller and Beijing United Rongbang as purchaser in relation to disposal of 99.2% equity interest in one subsidiary of the Company at a total consideration of RMB211,100,000;
- (xx) 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 the sellers) and Weining Energy as the purchaser in relation to 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;
- (xxi) the share purchase agreements dated 23 December 2020 entered into between Suzhou GCL-Poly (as the seller) and Hunan Xinhua (as the purchaser) in relation to, among others, disposal of 80% equity interest in each of Baoying Xingneng Renewable Energy Co., Ltd.* (寶應興能可再生能源有限公司), Ningxia Hengyang New Energy Co., Ltd.* (寧夏恒陽新能源有限公司) and Funing Xinneng Solar Energy Co., Ltd.* (阜寧新能光伏電力有限公司) to Hunan Xinhua at a consideration of RMB140,479,480, as detailed in the announcement of the Company dated 23 December 2020;
- (xxii) the placing agreement dated 29 December 2020 entered into between Elite Time Global Limited (傑泰環球有限公司) (“**Elite Time Global**”) (as the seller) and Shun Loong Securities Company Limited (順隆證券行有限公司) and Pinestone Securities Limited (鼎石證券有限公司) (as the joint placing agents) in relation to the placing of up to 638,298,000 placing shares at the placing price of HK\$0.235 per placing share on a best effort basis, with proceeds amounting to approximately HK\$145 million, as detailed in the joint announcement of the Company and GNE dated 29 December 2020;
- (xxiii) the share purchase agreement dated 30 December 2020 entered into between Suzhou GCL-Poly (as the seller) and Hunan Xinhua (as the purchaser) in relation to, among others, disposal of 51% equity interest in Huocheng Xian Tukai New Energy Technology Development Co., Ltd.* (霍城縣圖開新能源科技開發有限公司) to Hunan Xinhua at a consideration of RMB40,290,000, as detailed in the announcement of the Company dated 30 December 2020;
- (xxiv) the placing agreement dated 14 January 2021 entered into between the Company and UBS AG Hong Kong Branch, CCBI and Haitong International Securities Company Limited (as the placing agents) in relation to the placing of up to a total of 3,900,000,000 new Shares under general mandate, with maximum possible proceeds amounting to approximately HK\$4.148 billion;

- (xxv) the share purchase agreement dated 29 January 2021 entered into between Inner Mongolia Yuanhai New Energy Co., Ltd.* (內蒙古源海新能源有限責任公司) (as the seller) and Beijing United Rongbang (as the purchaser) in relation to disposal of the entire equity interest in Wula Tehouqi Yuanhai New Energy Co., Ltd.* (烏拉特後旗源海新能源有限責任公司) at a total consideration of RMB52,550,000;
- (xxvi) the amended and restated restructuring support agreement dated 5 February 2021 entered into by GNE and certain subsidiaries of the Company and GNE which provide unconditional and irrevocable guarantees to secure GNE's obligations under certain notes issued by GNE, as detailed in the joint announcements of the Company and GNE dated 23 December 2020, 12 January 2021, 26 January 2021, 1 February 2021, 5 February 2021, 7 February 2021 and 9 February 2021;
- (xxvii) the placing agreement dated 10 February 2021 entered into between the Company, Elite Time Global, UBS AG Hong Kong Branch, CCBI and Haitong International Securities Company Limited (as the placing agents) in relation to the placing of up to a total of 2,000,000,000 shares of GNE held by Elite Time Global, with maximum possible proceeds amounting to approximately HK\$910 million;
- (xxviii) the equity transfer agreement dated 26 February 2021 entered into between Jiangsu Zhongneng (as the seller) and the Leshan Zhongping Polysilicon Photovoltaic Information Industry Investment Fund Partnership (Limited Partnership)* (樂山市仲平多晶硅光電信息產業基金合夥企業(有限合夥)) ("**Leshan Fund**") (as the purchaser) in relation to (i) the disposal of 86.67% equity interest in Leshan Sumin New Energy Technology Co., Ltd.* (樂山蘇民新能源科技有限公司) at a nominal consideration of RMB1.00 and (ii) the grant of put option to the Leshan Fund;
- (xxix) the capital increase agreement dated 26 February 2021 entered into between Jiangsu Zhongneng, the Leshan Fund, Leshan Guangyang Technology Development Partnership (Limited Partnership)* (樂山光揚科技開發合夥企業(有限合夥)) ("**Leshan Guangyang**") and Leshan Sumin, pursuant to which the Leshan Fund and Jiangsu Zhongneng agreed to increase their subscribed contribution to the registered capital of Leshan Sumin from RMB1.3 billion to RMB1.9 billion and from RMB200 million to RMB1 billion respectively, and Leshan Guangyang agreed to commit to a contribution to the registered capital of Leshan Sumin of RMB245 million;
- (xxx) the shareholders' agreement dated 26 February 2021 entered into between Jiangsu Zhongneng, the Leshan Fund and Leshan Sumin in relation to, among others, the composition of the board of directors and supervisory board of Leshan Sumin and pre-emptive rights of Leshan Fund;
- (xxxi) the acting in concert agreement dated 26 February 2021 entered into between Jiangsu Zhongneng and the Leshan Fund to agree on acting in concert when dealing with affairs related to Leshan Sumin requiring consideration and approval by shareholders at general meetings;

- (xxxii) the First Phase Share Purchase Agreements dated 31 March 2021 at a consideration of RMB364,650,000;
- (xxxiii) the Second Phase Share Purchase Agreements dated 1 April 2021 at a consideration of RMB1,250,207,400;
- (xxxiv) the Weining Second Phase Share Purchase Agreements dated 26 April 2021 in relation the Weining Second Phase Disposals at a total consideration of RMB146,950,300;
- (xxxv) the Weining Third Phase Share Purchase Agreements dated 30 April 2021 in relation to the Weining Third Phase Disposals at a total consideration of RMB310,210,800 ; and
- (xxxvi) the Yongcheng Xin Neng Share Purchase Agreement in relation to the Yongcheng Xin Neng Disposal at a consideration of RMB193,000,000.

7. CLAIMS AND LITIGATION

Elite Time Global had been notified in May 2021 of the purported forfeiture and disposal of 865,100,000 shares in GNE held by Elite Time Global (the “**Pledged Shares**”) by an independent third party lender of the Company (the “**Lender**”). The Company is seeking legal advice on the Lender’s purported exercise of its security interests over the Pledged Shares, and considering all available legal remedies. For further details of the purported forfeiture and disposal of the Pledged Shares, please refer to the announcement of the Company dated 21 May 2021.

As at the Latest Practicable Date, save as disclosed above, no member of the Group was engaged 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.

8. GENERAL

- (i) The registered office of the Company is situated at Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.
- (ii) The principal place of business of the Company in Hong Kong is situated at Unit 1703B-1706, 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 Investor Services Limited situated at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong.
- (iv) The company secretary of the Company is Mr. Yeung Man Chung, Charles, who is a member of The Hong Kong Institute of Certified Public Accountants and The Australian Society of Certified Practising Accountants.
- (v) In case of inconsistencies, the English texts of this circular shall prevail over the Chinese texts thereof.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the principal place of business of the Company in Hong Kong at Unit 1703B-1706, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong from 9:00 a.m. to 5:30 p.m. on any business day for a period of 14 days from the date of this circular:

- (i) the memorandum of association and articles of associations of the Company;
- (ii) the interim report of the Company for the six months ended 30 June 2020 and the annual reports of the Company for each of the financial years ended 31 December 2018 and 2019;
- (iii) the material contracts referred to in the section headed “Material Contracts” in this appendix;
- (iv) the circular of the Company dated 29 April 2020 in relation to, among others, (i) the sale and purchases of the entire equity interest in the Huaneng First Phase Target Companies at a total consideration of RMB850,500,000; and (ii) the grant of put options to Huaneng No. 1 Fund and Huaneng No. 2 Fund;
- (v) the circular of the Company dated 4 December 2020 in relation to, among others, (i) the sale and purchases of the entire equity interest in the Huaneng Second Phase Target Companies 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;
- (vi) the circular of the Company dated 28 December 2020 in relation to, among others, the sale and purchases of certain equity interest in the Xuzhou Second Phase Target Companies at a total consideration of RMB312,728,221 to Xuzhou State Investment;
- (vii) the circular of the Company dated 22 January 2021 in relation to, among others, (i) the sale and purchases of certain equity interest in the Huaneng Third Phase Target Companies 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;
- (viii) the circular of the Company dated 28 May 2021 in relation to, among others, the Weining Third Phase Disposals; and
- (ix) this circular.

NOTICE OF EXTRAORDINARY GENERAL MEETING



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the “EGM”) of GCL-Poly Energy Holdings Limited (the “Company”) will be held at Strategy IV, Level 8, W Hong Kong, 1 Austin Road West, Kowloon Station, Kowloon, Hong Kong on Friday, 18 June 2021 at 8:30 a.m. for the purpose of considering and, if thought fit, approving the following resolutions as ordinary resolutions of the Company.

The following resolutions will be considered and, if thought fit, approved by the Shareholders, with or without amendments, at the EGM:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the series of four share purchase agreements dated 1 April 2021 entered into between Xian GCL New Energy Management Co., Ltd.* (西安協鑫新能源管理有限公司) and Suzhou GCL New Energy Investment Co., Ltd.* (蘇州協鑫新能源投資有限公司) (as the sellers) and Three Gorges Asset Management Co., Ltd.* (三峽資產管理有限公司) (as the purchaser) (the “**Three Gorges Second Phase Share Purchase Agreements**”) in relation to sale and purchase of:
 - (i) the 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) (collectively, the “**Three Gorges Second Phase Disposals**”), be and is hereby approved, ratified and confirmed; and
- (b) any director of the Company be and is hereby authorised for and on behalf of the Company to execute (including affixing the seal of the Company in accordance with the articles of association of the Company to) all such documents and do all such acts and things as he/she may in his/her absolute discretion consider to be necessary, desirable,

NOTICE OF EXTRAORDINARY GENERAL MEETING

appropriate or expedient to implement and/or to give effect to the Three Gorges Second Phase Disposals and the transactions contemplated under the Three Gorges Second Phase Share Purchase Agreements and all matters incidental or ancillary thereto.”

2. **“THAT:**

- (a) 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 Investment Co., Ltd.* (蘇州協鑫新能源投資有限公司) (as the 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) and Guangdong Jinyuan New Energy Co., Ltd.* (廣東金元新能源有限公司) (as the purchasers) (the **“Weining Third Phase Share Purchase Agreements”**) in relation to sale and purchase of:
 - (i) 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);
 - (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) 88.37% equity interest in Hainan Yicheng New Energy Co., Ltd.* (海南意晟新能源有限公司) (the **“Weining Third Phase Disposals”**), be and is hereby approved, ratified and confirmed; and
- (b) any director of the Company be and is hereby authorised for and on behalf of the Company to execute (including affixing the seal of the Company in accordance with the articles of association of the Company to) all such documents and do all such acts and things as he/she may in his/her absolute discretion consider to be necessary, desirable, appropriate or expedient to implement and/or to give effect to the Weining Third Phase Disposals and the transactions contemplated under the Weining Third Phase Share Purchase Agreements and all matters incidental or ancillary thereto.”

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, 28 May 2021

* *For identification purpose only*

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) Any shareholder of the Company entitled to attend and vote at the EGM is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A shareholder of the Company who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.
- (2) In order to be valid, a form of proxy and the power of attorney (if any) or other authority (if any) under which it is signed, or a certified copy of such power or authority, must be deposited with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not less than 48 hours before the time fixed for holding the EGM or any adjournment thereof.
- (3) Completion and delivery of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the EGM convened and in such event, the form of proxy shall be deemed to be revoked. It is advised that all Shareholders, particularly Shareholders who are subject to quarantine in relation to Coronavirus Disease 2019 (COVID-19), that they may appoint any person or the chairman of the EGM as a proxy to vote on the resolutions, instead of attending the EGM in person. The form of proxy can be downloaded from the website of the Company at <http://www.gcl-poly.com.hk> or HKEXnews at www.hkexnews.hk.
- (4) In the case of joint registered holders of any share, any one of such joint registered holders may vote at the EGM, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint registered holders be present at the EGM, the vote of the senior who tenders a vote either personally or by proxy shall be accepted to the exclusion of the votes of the other joint registered holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- (5) Record date (being the last date of registration of any share transfer given there will be no book closure) for determining the entitlement of the shareholders of the Company to attend and vote at the above meeting will be on 11 June 2021. In order to be eligible to attend and vote at the EGM, unregistered holders of the shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. (Hong Kong time) on 11 June 2021.
- (6) If Typhoon Signal No. 8 or above, or "extreme conditions" is caused by super typhoon announced by the Government of Hong Kong, or a "black" rainstorm warning is in effect any time after 8 a.m. on the date of the EGM, the EGM will be postponed. Shareholders may visit the website of the Company at www.gcl-poly.com.hk for details of the postponement and alternative meeting arrangement.
- (7) In view of the ongoing COVID-19 epidemic and recent guidelines for prevention and control of its spread, the Company will implement the following precautionary measures at the EGM to protect the Shareholders, staff and other stakeholders who attend the EGM from the risk of infection:
 - (i) compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee. Any person with a body temperature of 37 degrees Celsius or higher may be denied entry into the EGM venue or be required to leave the EGM venue;
 - (ii) the Company will require all attendees to wear surgical face masks before they are permitted to attend, and during their attendance of the EGM at all times, and to maintain a safe distance between seats (please bring your own mask);
 - (iii) no refreshment will be served at the EGM;
 - (iv) no souvenirs will be distributed at the EGM; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (v) no guest will be allowed to enter the EGM venue if he/she is wearing quarantine wristband issued by the Government of Hong Kong.