

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

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

INSIDE INFORMATION
PROFIT WARNING
AND
BUSINESS UPDATE

This announcement is made by GCL Technology Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and the Inside Information Provisions (as defined in the Hong Kong Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

PROFIT WARNING

Based on a preliminary assessment of the Group’s latest unaudited management accounts, the board of directors of the Company (the “**Board**”) wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, for the year ended 31 December 2023 (the “**Year 2023**”), the profit attributable to the owners of the Company is expected to be approximately RMB2.3 billion to RMB2.6 billion, representing a decrease of approximately 84% to 86% compared to the audited profit attributable to the owners of the Company of approximately RMB16.0 billion for the year ended 31 December 2022 (the “**Year 2022**”).

Based on currently available information, the Board believes that the decrease in the unaudited profit attributable to the owners of the Company for the Year 2023 was mainly attributable to:

- (1) despite the reduction in average production cost of the polysilicon products through leveraging on the Group’s granular silicon technology during the Year 2023, significant decrease in the average selling price of polysilicon and wafer products in the market for

the Year 2023 (compared that of the Year 2022) resulted in a significant decrease in the gross profit margin of solar material business of the Group; the significant decrease in average selling price of polysilicon and wafer products also resulted in a reduction in the profit contribution of the Group's associates;

- (2) as stated in the Company's announcement dated 29 December 2023 relating to, among other things, the proposed dividend distribution and capital reduction by Xinjiang Goens Energy Technology Co., Ltd.* (新疆戈恩斯能源科技有限公司), an associated company of the Group, a loss of approximately RMB3.9 billion attributable to owners of the Company for the Year 2023 (representing approximately 24% of the profit attributable to the owners of the Company in Year 2022) is expected to be recorded by the Group as a result of such transaction; and
- (3) impairment loss of property, plant and equipment of amount approximately RMB1.1 billion for the Year 2023.

The information contained in this announcement is based only on the management accounts of the Group for the Year 2023, which has neither been reviewed or audited by the independent auditor of the Company nor reviewed by the audit committee. Shareholders and potential investors of the Company are advised to refer to financial information in the annual results announcement of the Year 2023 which is expected to be published on 15 March 2024.

BUSINESS UPDATE

The quality of the Company's granular silicon has achieved significant development in the Year 2023. Subsequent to the improvement in control of metal impurities in granular silicon, the turbidity issues specifically mentioned in the interim report of the Company for the six months ended 30 June 2023 has been comprehensively improved and optimized. Currently, the turbidity of the Company's granular silicon has been fully controlled within 120 NTU, the proportion of granular silicon products below 100 NTU is as high as 70%, and the unit output concerns of downstream customers has been gradually and effectively improved. Meanwhile, the Company has realized the small volume output of granular silicon with a turbidity lower than 30 NTU through more advanced technology, which will further improve the unit output level of downstream customers in the future.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
GCL Technology Holdings Limited
協鑫科技控股有限公司
Zhu Gongshan
Chairman

Hong Kong, 6 March 2024

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

* For identification purpose only