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GCL Technology Holdings Limited

協鑫科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3800)

INSIDE INFORMATION IN RELATION TO 1Q2024 RESULTS AND BUSINESS UPDATE IN RELATION TO SOLAR MATERIAL BUSINESS SEGMENT

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

INSIDE INFORMATION IN RELATION TO 1Q2024 RESULTS

The board of directors (the “**Directors**”) of the Company (the “**Board**”) would like to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on a preliminary assessment of the Group’s latest management accounts, for the quarter ended 31 March 2024 (“**1Q2024**”):

1. the unaudited profit attributable to the owners of the Company was approximately RMB33 million; and
2. the unaudited revenue of the Group was approximately RMB5.47 billion.

The Board believes that the decrease in the unaudited profit attributable to the owners of the Company for 1Q2024 as compared to that for the quarter ended 31 March 2023 (“1Q2023”) was mainly due to (1) the significant decrease in the market average selling price of polysilicon and wafer products for 1Q2024 as compared to that for 1Q2023; (2) the Company’s new production capacity in Hohhot, Inner Mongolia is in the ramp-up phase. It is expected to achieve full production in the second half of 2024. After that, the overall average cost of granular silicon of the Company will be further reduced, leading to a significant increase in profitability; (3) the continuous research and development investment in core areas such as perovskite single-junction and tandem, CCz, silane, silica carbon anode material and clean material improvement in granular silicon production, with research and development expenses exceeding RMB400 million for 1Q2024; and (4) the losses in the wafer business, which were attributable to the rapid decline in the wafer market for 1Q2024, resulting in a year-on-year decrease in sales revenue.

BUSINESS UPDATE IN RELATION TO THE SOLAR MATERIAL BUSINESS SEGMENT

With the increasingly fierce competition in the photovoltaic industry chain, the market price has been greatly impacted and squeezed. Against this background, although the Group’s profitability and profit margin have been negatively affected to a certain extent, the quality of the Group’s granular silicon has steadily increased. The unaudited key operating information of the solar material business segment for 1Q2024 is as follows:

1. During the period of 1Q2024, the production volume of granular silicon of the Group was approximately 65,494 metric tonnes and the shipment volume was approximately 65,189 metric tonnes (of which includes internal sales of approximately 3,300 metric tonnes) and the average external sales price (tax inclusive) was approximately RMB55/kg;
2. During the period of March 2024, the turbidity of the Group’s granular silicon was basically reduced to within 120NTU. More importantly, the product proportion of granular silicon with less than 100NTU turbidity reached to 75%, and such turbidity will be further reduced in the future; and

3. The Group's granular silicon is at the top level of the industry in terms of metal impurity control, and ranks among the top in the downstream N-type market in terms of application effect. During the period of March 2024, the product proportion of total metal impurity of granular silicon 5 elements ≤ 0.5 ppbw exceeded 90%, and the product proportion of total metal impurity of 18 elements ≤ 1 ppbw exceeded 60%. The control level of metal impurity may be further enhanced.

	Period of January 2024	Period of February 2024	Period of March 2024
Product proportion of metal 5 elements ≤ 0.5	79.3%	84.7%	90.1%
Product proportion of metal 18 elements ≤ 1	52.0%	54.8%	60.5%

The information contained in this announcement should not be used as a basis for forecasting the financial performance of the Group for the interim period of 2024 or the financial performance for the full year of 2024. The information contained in this announcement regarding 1Q2024 is based only on the preliminary management accounts of the Group, which has neither been reviewed by the audit committee of the Company nor reviewed or audited by an independent auditor.

Shareholders and potential investors of the Company should be careful not to place undue reliance on the above information and should 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, 10 May 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.