



## **CCXAP announces no immediate impact on GCL Intelligent Energy Co., Ltd.'s rating from GCL New Energy's USD notes default**

---

Hong Kong, 8 February 2021 -- China Chengxin (Asia Pacific) Credit Ratings ("CCXAP") has announced that the default on GCL New Energy's offshore USD notes has no immediate impact on GCL Intelligent Energy Co., Ltd. ("GCL Intelligent Energy")'s BB<sub>g</sub>+ long-term credit rating and stable outlook.

On 1 February 2021, GCL New Energy Holdings Limited ("GCL New Energy") announced that it has defaulted on USD500 million 7.1% notes due on 30 January 2021, and has offered a second extension to the noteholders for participation in its proposed restructuring plan on the notes under the Bermuda Scheme.

GCL Intelligent Energy and GCL New Energy are the key subsidiaries of Golden Concord Group Limited ("Golden Concord"). The delayed subsidy payout in China's solar power sector and the slowing process on solar project disposals resulted in high liquidity pressure and restricted financing channels of Golden Concord and some of its subsidiaries. In addition, Golden Concord and some of its subsidiaries currently maintained a high level of asset and share pledge.

However, we see that GCL Intelligent Energy has maintained a relatively good business performance so far. On 25 January 2021, GCL Energy Technology Co., Ltd ("GCL Energy Technology") announced that the expected net profit attributable to equity holders was RMB776-888 million in 2020, representing an YoY increase of 40.15-60.37%. GCL Intelligent Energy is the core subsidiary of GCL Energy Technology, accounting for over 99% of GCL Energy Technology's total assets.

Established in 2009, GCL Intelligent Energy is a regional power generating company that focuses on cogeneration facilities operation in industrial parks in China, mainly in Jiangsu and Zhejiang. GCL Intelligent Energy was previously 80% directly owned by Golden Concord. After the completion of a backdoor listing via its parent, GCL Energy Technology Co., Ltd ("GCL Energy Technology") (stock code: 002015.SZ) in May 2019, the Company has become a subsidiary of the listed company and is 67.87% indirectly owned by Golden Concord as of 30 June 2020.

This press release does not represent a credit rating action. For any credit ratings referenced in this press release, please visit the rating results page on [www.ccxap.com](http://www.ccxap.com) for the most updated credit rating action information and rating history.

## Rating Methodology

The methodology used in this rating is the Rating Methodology for [Electric Utilities Industry \(April 2018\)](#).

## Regulatory Disclosures

CCXAP's Rating Symbols and Definitions are available on its website at:

[http://www.ccxap.com/en/rating\\_services/category/6/](http://www.ccxap.com/en/rating_services/category/6/)

This rating is solicited. Please refer to CCXAP's Policy for designating and assigning Solicited and Unsolicited Credit Ratings available on its website at:

[http://www.ccxap.com/en/rating\\_services/category/9/](http://www.ccxap.com/en/rating_services/category/9/)

The rating has been disclosed to the rated entity or its related party prior to publication, and issued with no amendment resulting from that disclosure.

CCXAP considers a rated entity or its related party to be participating when it maintains an overall relationship with CCXAP. Unless specifically noted in the Regulatory Disclosures as a non-participating entity, the rated entity or its related party is participating and the rated entity or its related party generally provides CCXAP with information for the purposes of its rating process.

Regulatory disclosures contained here apply to press release, rating report, and if applicable, the related rating outlook or rating review.

CCXAP's public ratings are available at [www.ccxap.com](http://www.ccxap.com) (Rating Results) and may be distributed through media and other means.

The first name below is the lead rating analyst for this rating and the last name below is the person primarily responsible for approving this rating.

Vincent Tong

Credit Analyst – Credit Ratings

[vincent\\_tong@ccxap.com](mailto:vincent_tong@ccxap.com)

Elle Hu

Director – Credit Ratings

[elle\\_hu@ccxap.com](mailto:elle_hu@ccxap.com)

Tel: +852-2860 7111

**Disclaimer**

Credit ratings assigned by China Chengxin (Asia Pacific) Credit Ratings Company Limited (“CCXAP”) are based on CCXAP’s rating principles of independence, fairness and objectivity. A credit rating reveals and ranks specific risks, but it does not cover all risks embedded in the rated entity or the rated debt issue.

Credit ratings are not recommendations for investors to buy, sell or hold debt securities, nor measurements of market value of the rated entities or the rated debt issues. While CCXAP has obtained information from sources it believes to be reliable, CCXAP does not perform an audit and undertakes no duty of due diligence or independent verification of information it receives from the rated entity.

All information published in this document belongs to CCXAP and is subject to change without prior notice by CCXAP. CCXAP considers the information contained in this document reliable. However, all information is provided on an "as is" and "as available" basis and CCXAP does not guarantee the accuracy, adequacy, completeness or timeliness of any information included in this document. None of the information may be used, including without limitation reproducing, amending, sending, distributing, transferring, lending, translating, or adapting the information, for subsequent use without CCXAP's prior written permission.

CCXAP is not liable for any in whole or part caused by, resulting from or relating to any error (neglect or otherwise) or other circumstance or contingency within or outside the control of CCXAP's or any of its directors, officers, employees or agents in connection with the procurement, collection, compilation, interpretation, analysis, editing, transcription, publication, communication or delivery of any such information, or any direct, indirect, special, consequential, compensatory or incidental damages whatsoever (including without limitation lost profits), even if CCXAP, or representatives thereof, are advised of the possibility of such damage, losses or expenses.

**China Chengxin (Asia Pacific) Credit Ratings Company Limited**

Address: Suites 1904-1909, 19/F, Jardine House,  
1 Connaught Place, Central, Hong Kong

Website: [www.ccxap.com](http://www.ccxap.com)

Email: [info@ccxap.com](mailto:info@ccxap.com)

Tel: +852-2860 7111

Fax: +852-2868 0656