INTERIM REPORT
2015

Bringing Green Power to Life

GCL New Energy Holdings Limited
協鑫新能源控股有限公司

(Incorporated in Bermuda with limited liability)
(Stock Code: 451)

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Contents

Forward-looking statements contained in this interim report relating to the forecast business plans, prospects, financial forecasting, and growth strategies of the Group. These forward-looking statements are based on current beliefs, expectations, assumptions and premises regarding the industry and market in which it operates, some of which are subjective or beyond our control. Underlying these forward-looking statements is a large number of risks and uncertainties and may not be realised in future. In light of the risks and uncertainties, the inclusion of forward-looking statements in this interim report should not be regarded as representations by the Board or the Company that the plans and objectives will be achieved, and investors should not place undue reliance on such forward-looking statements.

Corporate Information

BOARD OF DIRECTORS

Executive Directors
Mr. ZHU Gongshan *(Honorary Chairman)*
Mr. TANG Cheng *(Chairman)*
Mr. SUN Xingping *(President)*
Ms. HU Xiaoyan
Mr. YIP Sum Yin

Non-executive Directors
Mr. ZHU Yufeng *(Vice Chairman)*
Ms. SUN Wei
Mr. SHA Hongqiu

Independent Non-executive Directors
Mr. WANG Bohua
Mr. XU Songda
Mr. LEE Conway Kong Wai
Mr. WANG Yanguo
Dr. CHEN Ying

BOARD COMMITTEES

Audit Committee
Mr. LEE Conway Kong Wai *(Chairman)*
Mr. WANG Bohua
Mr. XU Songda

Remuneration Committee
Mr. LEE Conway Kong Wai *(Chairman)*
Mr. ZHU Yufeng
Ms. SUN Wei
Mr. WANG Bohua
Mr. WANG Yanguo

Nomination Committee
Mr. TANG Cheng *(Chairman)*
Mr. ZHU Yufeng
Mr. WANG Bohua
Mr. XU Songda
Mr. WANG Yanguo

Strategic Planning Committee
Mr. ZHU Gongshan *(Chairman)*
Mr. TANG Cheng
Mr. SUN Xingping
Ms. HU Xiaoyan
Mr. ZHU Yufeng
Ms. SUN Wei
Mr. WANG Bohua
Mr. XU Songda

Risk Management Committee
Ms. HU Xiaoyan *(Chairman)*
Mr. TANG Cheng
Mr. SUN Xingping
Ms. SUN Wei
Mr. SHA Hongqiu

COMPANY SECRETARY
Mr. CHENG Man Wah

AUTHORISED REPRESENTATIVES
Mr. TANG Cheng
Mr. CHENG Man Wah

REGISTERED OFFICE
Clarendon House, 2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG
Unit 1707A, Level 17
International Commerce Centre
1 Austin Road West
Kowloon, Hong Kong

AUDITOR
PricewaterhouseCoopers
Certified Public Accountants
22/F Prince's Building
Central, Hong Kong

PRINCIPAL BANKERS
Bank of China Limited
China Development Bank
Industrial and Commercial Bank of China Limited
Standard Chartered Bank
The Hongkong and Shanghai Banking Corporation Limited

SHARE REGISTRARS AND TRANSFER OFFICES

Principal Share Registrar and Transfer Agent
Codan Services Limited
Clarendon House, 2 Church Street
Hamilton HM 11
Bermuda

Hong Kong Branch Share Registrar and Transfer Office
Tricor Abacus Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

LEGAL ADVISERS TO THE COMPANY

As to Hong Kong law
Freshfields Bruckhaus Deringer
11th Floor,
Two Exchange Square
Hong Kong

As to PRC law
Grandall Legal Group (Beijing)
9th Floor, Taikang Financial Tower
No. 38 North Road East Third Ring
Chaoyang District
Beijing, 100026
PRC

SHARE INFORMATION

Stock Code:	451
Board Lot Size:	2,000
Issued Shares as at 30 June 2015:	13,871,793,048 Shares

WEBSITE
www.gclnewenergy.com

Bringing Green Power

THE LEADER OF GLOBAL NEW ENERGY INDUSTRY

The new energy industry is booming and 2014 marks the dawn of China's "distributed energy" future. With the power of technology and an innovative business model, GCL New Energy will take on the responsibility of leading China's energy reform.

Bringing Green Power to Life

Solar Generation Installed Capacity in China is Expected to Grow at a Faster CAGR Compared to Globally

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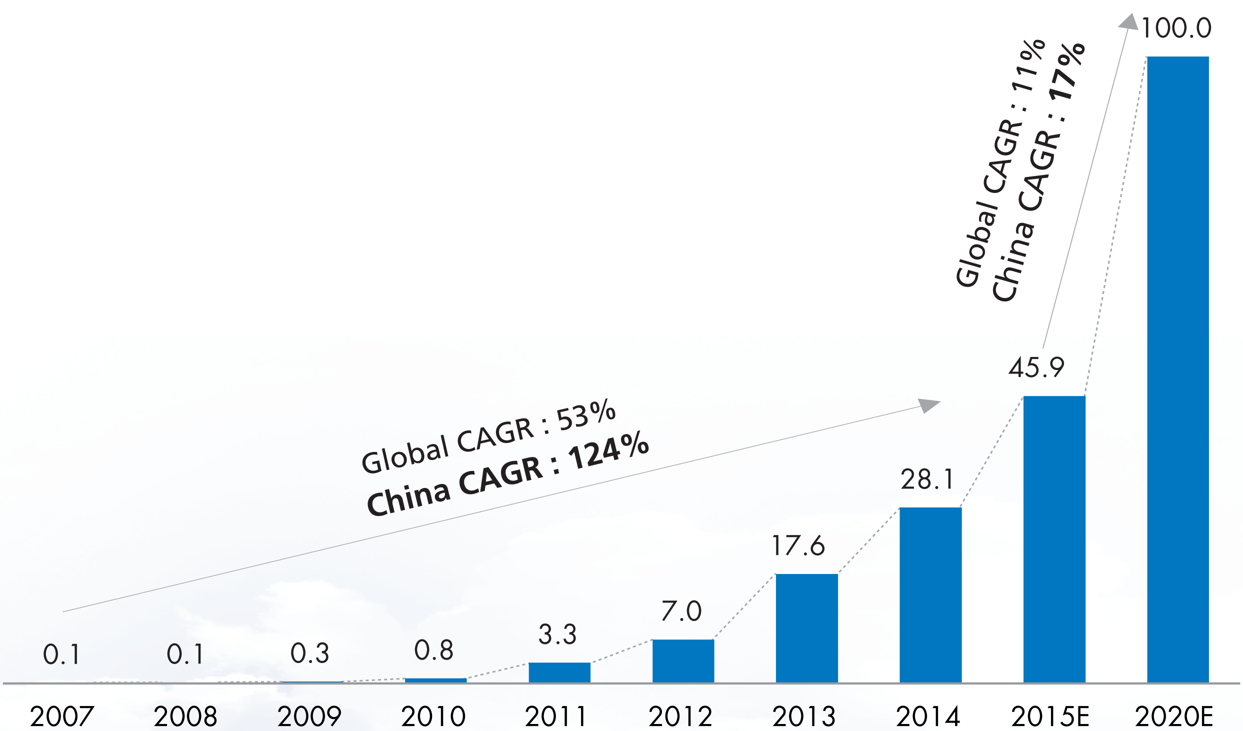
Cumulative installed photovoltaic power capacity in China (GW)



Source: BP Statistical Review of World Energy 2014, China National Energy Administration and National Development and Reform Commission of China.

Chairman's Statement

Dear all shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of GCL New Energy Holdings Limited (the "Company" or "GCL New Energy"), I am pleased to announce that the operating results of the Company and its subsidiaries (together, the "Group") for the first half of 2015 were in line with the management's expectations. For the six months period ended 30 June 2015, the Group recorded a total revenue of approximately HK$1,135.2 million, whilst the total revenue for the period between 1 April 2014 and 30 September 2014 ("Prior Interim Period") was approximately HK$800.4 million. Gross profit for this interim report period was approximately HK$327.8 million and gross profit margin was 28.9% whilst the gross profit for Prior Interim Period was approximately HK$57.3 million and 7.2%. Profit attributable to owners of the Company for this interim report period amounted to approximately HK$90.2 million, which increased significantly by 126.1% from the Prior Interim Period of approximately HK$39.9 million, which was mainly attributable to the growth in earnings from the photovoltaic power station business, with the revenue of this segment for the six full months period was incorporated into the financial results of the Group for the six months ended 30 June 2015, while this segment did not generate revenue for the Prior Interim Period.

While 2014 was a transitional year for the photovoltaic industry, 2015 is believed to be a transcendent one with an expected annual growth rate of approximately 31%. In November 2014, China and the United States (the "U.S.") announced the "U.S.-China Joint Announcement on Climate Change", which indicated that China intends to achieve the peaking of CO_2 emissions around 2030 and to increase the share of non-fossil fuels in primary energy consumption to around 20% by 2030, of which, the photovoltaic industry will provide significant contribution for achieving these targets . The contributions will be mainly derived from markets such as China, Japan and the U.S. that have relatively stronger demand for solar energy, as well as markets such as the United Kingdom, India and Chile that have recently put more effort in promoting the development of their photovoltaic industry. The new feed-in tariff program and ambitious solar energy development targets under the five-year plans has consolidated the position of China as the world's largest solar photovoltaic market. According to the data released by the National Energy Bureau of China ("National Energy Bureau") on 28 July 2015, the demand for photovoltaic generation in China is flourished, and the total installed capacity of photovoltaic generation in China reached approximately 7.73GW, representing a year on year growth of nearly 30%, of which the newly installed capacity of photovoltaic power plants was approximately 6.69GW and installed capacity of distributed power plants was approximately 1.04GW. The installed photovoltaic capacity for the second half of this year is expected to increase considerably as compared to the first half of the year. According to the National Energy Bureau, the installed capacity of photovoltaic generation in China will reach approximately 17.8GW in 2015. Driven by the the promotion of the "Front-Runner" plan ("領跑者計劃"), it was forecasted by leading research institutions that the total newly installed capacity of photovoltaic generation in China may exceed 20GW this year.

PROPRIETARY DEVELOPMENT OF POWER STATIONS WITH FRUITFUL RESULTS

Through closely adhering to its vision, GCL New Energy has paved its way for achieving its development progress during the first half of 2015 by way of investment, and sought further expansion through organic growth, joint venture development as well as merger and acquisition projects. Meanwhile, the recent promotion of province regional management model and strengthening of research, training and development team, have further enhanced the investment and development abilities of the Company in various provinces and regions, allowing it to extend its coverage and lay a concrete foundation for developing projects throughout the nation. As to the development of international businesses, GCL New Energy will continue to invest in infrastructure construction and spare efforts to build up talent bank in order to lay a solid foundation for expansion of the international businesses in future.

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STABLE OPERATION OF POWER STATION INFRASTRUCTURES WITH GROWING OUTPUT

To date, GCL New Energy has invested and put 17 photovoltaic power stations into operation. Installed capacity that has been approved and integrated to the grid reached approximately 772.5MW, an increase of approximately 157.5MW from that as at 31 December 2014. On-grid electricity sales amounted to approximately 352.13GWh, of which the ground-mounted projects accounted for approximately 81%, whilst the dispersed projects involving agriculture such as agriculture-photovoltaic power projects and fishing-photovoltaic power projects accounted for approximately 19%. We also managed photovoltaic power stations with 353MW capacity on behalf of GCL-Poly Energy Holdings Limited. At present, the projects ready for and under construction reached almost 1GW. We also have a project reserve with capacity of approximately 900MW that will commence construction during the year.

In 2015, GCL New Energy commenced the construction of "Mega Data Platform" in Nanjing, which applied the photovoltaic power station management system developed by the Company. In addition, automatic cleaning robot system has been used to replace manual cleaning in the fishery-photovoltaic project for achieving de-hydro and artificial intelligence cleaning, which can increase power generation capacity and save costs. In addition, GCL New Energy also applied level uniaxial, low-fold condenser, adjustable bracket and other technologies under the premise of ensuring high reliability to improve profitability through research and development.

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100MW-fishery-photovoltaic power project at Jinhu, Jiangsu

GCL New Energy's total installed capacity by location, total capacity of projects under construction by location and China's regional solar feed-in tariff zones

- Total installed capacity as at 30 June 2015 (MW)
- Total capacity under construction as at 31 August 2015 (MW)

▲ Qinghai's Haixi; Xinjiang's Hami, Tacheng, Altay and Karamay; Gansu's Jiayuguan, Wuwei, Zhangye, Jiuquan, Dunhuang and Jinchang are included in feed-in tariff zone 1

* Inner Mongolia's Chifeng, Tongliao, Hinggan League and Hulunbeier; Hebei's Chengde, Zhangjiakou, Tangshan and Qinhuangdao; Shanxi's Datong, Shuozhou and Xinzhou; Shannxi's Yulin and Yan'an are included in feed-in tariff zone 2

▼ A separate feed-in tariff scheme is proposed

Feed-in tariff zone 1 (0.90 Rmb/kWh)

Feed-in tariff zone 2 (0.95 Rmb/kWh)

Feed-in tariff zone 3 (1.00 Rmb/kWh)


20
180
Inner Mongolia
Heilongjiang
Jilin
Liaoning
Beijing
Tianjin
110
50
Hebei
20
50
35
Shanxi
Shandong
30
Ningxia
50
100
Qinghai
Gansu
350
50
Shaanxi
220
Henan
25
150
Jiangsu
60
Anhui
Shanghai
Hubei
18
Zhejiang
Sichuan
Chongqing
Hunan
Jiangxi
Guizhou
Fujian
100
Yunnan
Taiwan
Guangxi
Guangdong
Hong Kong
Macau
25
25
Hainan

INNOVATIVE FINANCING MODEL WITH DIVERSIFIED CHANNELS

During the first half of 2015, GCL New Energy further reinforced the close communications and cooperation with banks and various financial institutions. We proactively sought a series of fund raising and financing activities, and adopted a variety of financial instruments with reasonable use of credit period, allowing the utilization of capital to be sufficiently enhanced. GCL New Energy further pursued the innovation of its financing model. It was announced by the Company in 2014 that it had entered into a cooperation agreement with China Development Bank and a revolving loan agreement with BOCI Leveraged & Structured Finance Limited regarding a revolving loan of US$80 million. On 2 April 2015, it was announced by the Company that it had entered into a strategic cooperation framework agreement for tentative financing services with Nanjing Branch, China Merchant Bank Co., Ltd. ("CMB Nanjing"), pursuant to which CMB Nanjing will provide tentative financing services, including investment banking, financial leasing services and bank loan services, with an aggregate amount of not more than RMB8 billion to the Group in future. On 26 April 2015, GCL Yield Holding Company Limited, an indirect subsidiary of the Company, entered into a subscription agreement with Goldman Sachs Investment Holdings (Asia) Limited in relation to the issuance of zero coupon convertible bonds in an aggregate principal amount of US$100 million for a period term of three years. On 29 April 2015, GCL New Energy issued HK$775.1 million and HK$200 million of convertible bonds to Talent Legend Holdings Ltd. under China Orient Asset Management (International) Holding Limited and Ivyrock China Focus Master Fund, respectively. The Group anticipated that the net proceeds from the issue of convertible bonds amounted to approximately HK$948 million. In addition, on 29 May 2015, the Company jointly promoted the establishment of an investment fund of RMB1,250 million with JIC Capital Management (Tianjin) Ltd.* (中建投資本管理(天津)有限公司) and Galaxy Capital Asset Management Company Ltd.* (銀河資本資產管理有限公司) Meanwhile, on 4 June 2015, the Company announced to issue bonds in the principal amount of RMB360 million on Jiangsu Equity Exchange Center.

PROSPECTS

With 2015 being a significant year to the development of GCL New Energy, the Company will focus on accomplishing the annual strategies and missions in the second half of 2015 through mapping out its prudent plans, while accelerating growth of its "Development", "Construction", "Operation", and "Financing" businesses, and strengthening the infrastructure development of its management system. GCL New Energy will persistently optimize the allocation of available resources, which allows the Company to focus on developing quality projects and further fortify its capabilities in proprietary development so as to keep continuous development and further facilitate the development of international business. Moreover, the Company will continue to promote corporate team building, culture and brand building, technological innovation and application in order to successfully achieve the strategic objective of GCL New Energy.

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ACKNOWLEDGEMENTS

On behalf of the Board, I express my sincere appreciation for the hard work and ongoing contribution of the management and staff of GCL New Energy as well as the support of business partners and the shareholders (the "Shareholders") of the Company.

Tang Cheng
Chairman

Hong Kong, 27 August 2015

* *For identification purpose only*

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HALF YEAR RESULTS OF THE GROUP

For the six months ended 30 June 2015, the revenue of the Group amounted to HK$1,135.2 million, representing an increase of 41.8% as compared to HK$800.4 million for the six months ended 30 September 2014. Profit attributable to owners of the Company amounted to HK$90.2 million as compared to HK$39.9 million for Prior Interim Period.

USE OF PROCEEDS

The Company raised approximately HK$1,635 million in net proceeds by subscription and placement of new shares on 9 May 2014. As at 30 June 2015, the above amount was utilised as follows:

1. Approximately HK$195 million for the diversification of the Group's business into renewable energy sector and/or for future development of the Group; and

2. Approximately HK$1,440 million for the development, acquisition or investment into greenfield or existing solar farms, solar projects, solar energy assets or through other similar opportunities.

The Company also raised approximately HK$735 million in net proceeds by top-up placement and top-up subscription of new shares which completed on 13 October 2014 and 16 October 2014, respectively. As at 30 June 2015, the above amount was utilised as follows:

1. Approximately HK$579 million for the investment, construction and development of solar farms; and

2. Approximately HK$156 million for the general working capital.

On 27 May 2015, the Company completed the issue of convertible bonds to Talent Legend Holdings Limited and raised approximately HK$753.7 million in net proceeds. As at 30 June 2015, an aggregate amount of HK$231 million was utilised as follows:

1. Approximately HK$225 million for project developments; and

2. Approximately HK$6 million for general operations.

BUSINESS REVIEW

Solar Energy Business

During the six months ended 30 June 2015, the Group continued to expand our business mainly through joint developments in order to reduce development costs compared with acquisition of well-established solar farms. As at 30 June 2015, the Group has a pipeline of more than 776.0MW of solar farms under development or construction, and 17 solar farms have completed construction and connected to the grid for revenue generation. A breakdown of the revenue contributed from the 645.3MW grid-connected capacity is as follows:

Location	Number of solar farms	Aggregate Installed Capacity (MW)	Grid-connected Capacity (MW)	Electricity Sales (MWh)	Average Tariff (Net of Tax) (HK$/kWh)	Revenue (HK$'Million)
Subsidiary solar farms						
Inner Mongolia	2	180	136.3	64,569	0.97	62.9
Jiangsu	4	150	108.5	60,447	1.09	65.8
Qinghai	1	70	70.0	67,802	1.17	79.2
Shanxi	3	110	95.0	63,429	1.08	68.6
Xinjiang	1	60	60.0	32,195	0.97	31.3
Shannxi	1	50	49.0	14,986	1.03	15.4
Hebei	1	50	50.0	5,638	1.33	7.5
Hainan	1	25	24.8	11,394	1.06	12.1
Zhejiang	1	17.5	16.3	8,004	1.26	10.1
Sub-total	15	712.5	609.9	328,464		352.9
Joint venture solar farms						
Xinjiang	1	30	5.4	—	—	—[1]
Qinghai	1	30	30.0	23,667	1.15	—[2]
Total	17	772.5	645.3	352,131		352.9
Representing:						
Electricity sales						127.6
Tariff adjustment						225.3
						352.9

(1) The Xinjiang solar farm was connected to the grid near the end of June, so no electricity was generated for the six months ended 30 June 2015.

(2) Revenue from joint venture solar farm was accounted for under "Share of Profit of Joint Ventures" in the condensed consolidated income statement.

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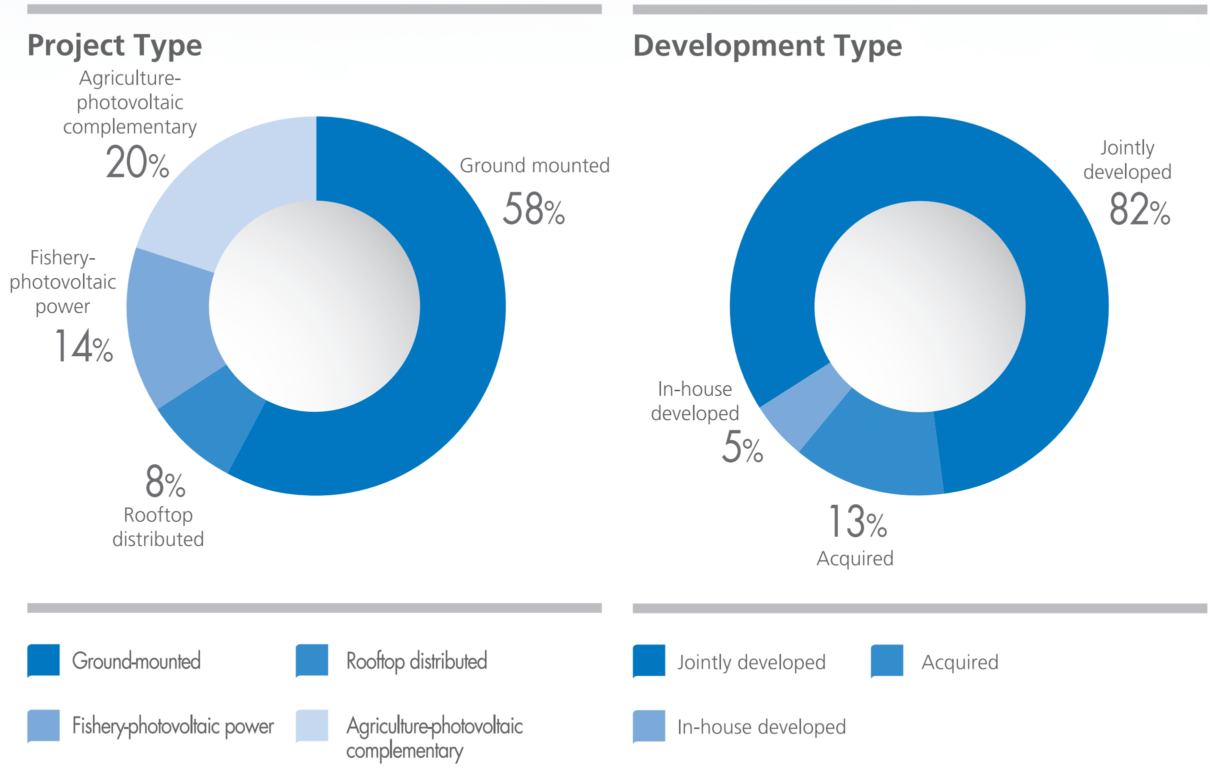

For the six months ended 30 June 2015, revenue contributed by the Solar Energy Business segment amounted to HK$352.9 million (Prior Interim Period: nil). The Group just started this business during Prior Interim Period so no solar farm achieved on-grid connection and hence it contributed no revenue for the six months ended 30 September 2014.

As at 30 December 2014, the Group entered into equity purchase agreement with 中利騰暉光伏科技有限公司 ("Zhongli Solar Technology*") and 常熟中利騰暉光伏材料有限公司 ("Changshu Zhongli Solar*") to acquire 100% equity interest in 常州新天新能源有限公司 ("Changzhou Xintian New Energy*"). Changzhou Xintian New Energy owns a 50MW solar farm project under construction in Qinghai Province, the PRC. On the same day, Zhongli Solar Technology also entered into a services agreement with Changzhou Xintian New Energy to provide the engineering, procurement and construction services. The aggregate amount of the transaction was approximately HK$668.9 million (equivalent to RMB527.5 million), including the consideration for acquisition of shares and the amount of EPC contract. The transaction was completed on 31 March 2015 and a bargain purchase on business combination of HK$27.4 million was generated from this transaction.

Printed Circuit Board Business

For the six months ended 30 June 2015, revenue contributed by the printed circuit board business segment amounted to HK$782.3 million, a decrease of 2.3% as compared with HK$800.4 million for the six months ended 30 September 2014. Gross profit margin increased from 7.2% for the six months ended 30 September 2014 to 9.0% the six months ended 30 June 2015 as a result of the decrease in cost of raw materials. The Group will continue to implement stringent cost control measures to different production cycles of our printed circuit board business so as to reduce our production cost and improve the gross profit margin.

EMPLOYEES AND REMUNERATION POLICIES

We consider our employees to be our most important resource. As at 30 June 2015, the Group had 4,637 employees in Hong Kong, the PRC and overseas. Employees are remunerated with reference to individual performance, working experience, qualification and the prevailing industry practice. Apart from basic remuneration and the statutory retirement benefit scheme, employee benefits include discretionary bonuses, with share options granted to eligible employees.

FINANCIAL REVIEW

Segment Information

The Group reported its financial information in two segments — the Solar Energy Business and Printed Circuit Board Business — during the interim period. The following table sets forth the Group's profit from operations by business segment:

	Solar Energy Business HK$ million	Printed Circuit Board Business HK$ million	Unallocated HK$ million	Total HK$ million
Revenue from external customers	352.9	782.3	—	1,135.2
Gross profit	257.4	70.4	—	327.8
EBITDA	324.4	113.4	(64.3)	373.5
Segment profit	144.8	11.1	(65.7)	90.2

Revenue

Revenue for the six months ended 30 June 2015 amounted to HK$1,135.2 million, representing an increase of 41.8% from HK$800.4 million for the six months ended 30 September 2014. Increased revenue was mainly contributed by the rapid development of the Solar Energy Business. As the solar farms from the Solar Energy Business achieved the on-grid connection starting from December 2014, the Solar Energy Business started to contribute revenue to the Company in the first half of 2015.

Gross Profit Margin

The Group's gross profit margin for the six months ended 30 June 2015 was 28.9%, as compared with 7.2% for the six months ended 30 September 2014. Increase in gross profit margin was mainly due to the increase in profit contributed by the Solar Energy Business. For the six months ended 30 June 2015, gross profit margin for the Solar Energy Business was 72.9%.

Other Income

Other income included sales of manufacturing by-products by the Printed Circuit Board Business amounting to HK$22.7 million (Six months ended 30 September 2014: HK$23.6 million), and management services income amounting to HK$21.1 million (Six months ended 30 September 2014: HK$10.2 million). Management services income represent income for management and operation of solar farms from GCL-Poly Energy Holdings Limited with aggregated capacity of 353MW.

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Distribution and Marketing Costs

Distribution and marketing costs amounted to HK$10.8 million for the six months ended 30 June 2015, which was similar to HK$11.0 million for the six months ended 30 September 2014. Distribution and marketing costs were mainly incurred by the Printed Circuit Board Business.

Administrative Expenses

Administrative expenses increased by 132.1% to HK$189.4 million for the six months ended 30 June 2015 from HK$81.6 million for the six months ended 30 September 2014. The increase was due to the rise in salary, rental expense and other operating expenses as a result of the increase in the number of headcount and operating scale for the expansion into our new Solar Energy Business and an one-off professional fee of HK$22.9 million in relation to the issue of convertible bond.

EBITDA and EBITDA margin

EBITDA and EBITDA margin for the six months ended 30 June 2015 were HK$373.5 million and 32.9%, respectively, as compared to HK$136.7 million and 17.1% for the six months ended 30 September 2014. The increase in EBITDA and EBITDA margin was due to the Company's expansion into the Solar Energy Business, which contributed EBITDA amounted to HK$324.4 million and EBITDA margin of 91.9%, after including a bargain purchase on business combination amounting to HK$27.4 million.

Share-based Payment Expenses

Share-based payment expenses amounting to HK$61.7 million for the six months ended 30 June 2015 (Six months ended 30 September 2014: nil). The amount represented the share option expenses arising from the Company's employee share option scheme which was recognised in the current period.

Bargain Purchase on Business Combination

For the six months ended 30 June 2015, the Group recorded a bargain purchase as a result of business combination. During the period, the Group acquired a solar farm business from an independent third party. As the fair value of the business acquired, which is assessed by an independent professional valuer using the estimated discounted cash flows for 25 years for the solar farm, exceeded the total consideration paid, a bargain purchase arose and was credited to the condensed consolidated income statement.

Change in fair value gain relating to the Convertible Bond

For the six months ended 30 June 2015, the Company recognised a fair value gain on the convertible bond that was issued on 27 May 2015. The fair value gain, which amounted to HK$58.3 million, is primarily as a result of the changes of certain parameters during the period used to determine the fair value of the convertible bond including but not limited to the Company's share price and its volatility, interest rates and the likelihood of the exercise of the conversion right and redemption rights of the convertible bond by the bondholders and the Company, respectively.

Realised gain relating to the Redeemable Convertible Bond

For the six months ended 30 September 2014, the Group recognised a realised gain on redeemable convertible bond amounting to HK$57.3 million upon conversion of redeemable convertible bond into 33,542,857 ordinary shares of the Company at the price of HK$1.75 per share on 9 May 2014.

Finance costs

	Six months ended	
	30 June 2015 HK$ million	30 September 2014 HK$ million
Total borrowing costs	**159.1**	12.6
Less: interest capitalised	**(62.1)**	—
	97.0	12.6

Finance costs amounting to HK$97.0 million for the six months ended 30 June 2015 (Six months ended 30 September 2014: HK$12.6 million) represented an increase of 6.7 times compared with Prior Interim Period. The increase was mainly due to the significant increase in average bank borrowing balance as a result of the capital expenditure incurred by the Solar Energy Business, which is capital intensive and high gearing in nature.

Share of Profit of Joint Ventures

The amount mainly represented the Group's share of result from one of our joint ventures, Hainanzhou Shineng Photovoltaic Power Co., Ltd. The company operates a 30MW solar farm which is located in Qinghai, China.

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Income Tax Expense

Income tax expense for the six months ended 30 June 2015 was HK$27.5 million, as compared with HK$16.4 million for the six months ended 30 September 2014. The increase in income tax expense was attributable to increase in profits generated from the Printed Circuit Board Business in the PRC.

Immaterial income tax expense was incurred by the Solar Energy Business during this interim period as most of our solar farms are exempted from PRC income tax for three years starting from their first profit making year and a 50% reduction for the next three years.

Profit Attributable to Owners of the Company

The Group recorded a profit attributable to owners of the Company of HK$90.2 million for the six months ended 30 June 2015 as compared with HK$39.9 million for the six months ended 30 September 2014. The increase was attributable to the profits generated from the Solar Energy Business as this segment started to generate revenue during this interim period.

Net Profit Margin

Net profit margin for the six months ended 30 June 2015 was 7.9%, as compared to 5.0% for the six months ended 30 September 2014. The increase in net profit margin was due to the Company's expansion into the Solar Energy Business which has a higher net profit margin of 41.0% for the six months ended 30 June 2015, after including a bargain purchase on business combination amounting to HK$27.4 million.

Dividends

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2015 (six months ended 30 September 2014: nil).

Property, Plant and Equipment

Property, plant and equipment increased significantly from HK$6,679.6 million as of 31 December 2014 to HK$10,052.8 million as of 30 June 2015. This is mainly attributable to the increase in solar farm assets contributed by the Solar Energy Business.

Non-current — deposits, prepayment and other non-current assets

Non-current portion for deposits, prepayments and other non-current assets increased from HK$1,079.6 million as of 31 December 2014 to HK$1,535.4 million as of 30 June 2015. The increase was mainly attributable to the prepaid deposits for EPC contracts and acquisitions of solar farm projects of HK$53.0 million and in refundable value-added tax arising from acquisition of materials for construction of solar farms of HK$197.4 million.

Trade and Other Receivables

Trade and other receivables increased from HK$572.2 million as of 31 December 2014 to HK$1,500.8 million as of 30 June 2015. The increase was mainly due to increase in tariff adjustment receivables of HK$230.4 million which arose from the sales of electricity, and non-trade bills receivable obtained from fellow subsidiaries and other third parties amounted to HK$469.7 million.

Trade and Other Payables

Trade and other payables increased from HK$3,643.2 million as of 31 December 2014 to HK$4,674.1 million as of 30 June 2015. The amount mainly comprised payables to EPC contractors and module suppliers for purchase of plant and machinery and construction of solar farms. As a result of a significant amount of solar farm projects developed during the period, other payables related to purchase of plant and machinery and construction of solar farms increased from HK$2,831.7 million as of 31 December 2014 to HK$3,616.4 million as of 30 June 2015.

Liquidity and Financial Resources

	For the six months ended 30 June 2015 HK$ million	For the six months ended 30 September 2014 HK$ million
Net cash (used in)/generated from operating activities	**(413.1)**	18.3
Net cash used in investing activities	**(2,701.8)**	(508.3)
Net cash generated from financing activities	**4,491.0**	1,644.0

For the six months ended 30 June 2015, the Group's main sources of funding were cash generated from financing activities, including newly raised bank borrowings of HK$4,834.7 million and issue of convertible bond of HK$775.1 million.

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The net cash used in operating activities during this interim period was HK$413.1 million. As the Company expanded into the Solar Energy Business and incurred more indebtedness, more operating expenses as well as interest expenses were incurred and paid during this interim period.

The net cash used in investing activities during this interim period primarily arose from payment and deposits paid for construction and acquisition of property, plant and equipment totalling HK$2,083.1 million, which were mainly incurred by the Solar Energy Business.

At 30 June 2015, the Group's banking facilities were summarised as follows:

	30 June 2015 HK$ million	31 December 2014 HK$ million
Total banking facilities granted	**6,722.5**	3,225.8
Facilities utilised	**(5,068.6)**	(2,250.6)
Available facilities	**1,653.9**	975.2

Indebtedness

The indebtedness of the Group mainly comprises bank borrowings, obligations under finance leases, other loan, loans from a fellow subsidiary, bonds payable, convertible bond and shareholder's loan.

	30 June 2015 HK$ million	31 December 2014 HK$ million
Non-current		
Bank loans	**2,834.3**	1,928.6
Other loan	**1,259.4**	—
Convertible bond	**716.8**	—
Obligations under finance leases	**38.4**	35.4
Shareholder's loan	**20.0**	—
	4,868.9	1,964.0
Current		
Bank loans due for repayment within one year	**2,234.3**	322.0
Loans from a fellow subsidiary	**724.8**	950.7
Bonds payable	**150.1**	—
Obligations under finance leases	**45.5**	37.9
Shareholder's loan	**—**	20.0
	3,154.7	1,330.6
Total	**8,023.6**	3,294.6

The loans from a fellow subsidiary of approximately HK$309.6 million was unsecured, interest bearing at fixed rate of 5.6% per annum with and a term of three months. The balance of approximately HK$415.2 million represents several loans borrowed from a fellow subsidiary in the form of bills receivables from relevant banks with maturities of four months. The loans were unsecured and interest-bearing at 5.1% per annum upon the maturity of bills.

The shareholder's loan is unsecured, interest-free and fully repayable in July 2016 (31 December 2014: July 2015).

The Group's borrowings are denominated in the following currencies:

	30 June 2015 HK$ million	31 December 2014 HK$ million
Reminbi ("RMB")	**7,977.1**	3,253.1
HK$	**23.2**	26.0
United States Dollars ("US$")	**23.3**	15.5
Total	**8,023.6**	3,294.6

At 30 June 2015, the maturities of the bank loans of the Group were as follows:

	30 June 2015 HK$ million	31 December 2014 HK$ million
Within one year	**2,234.3**	322.1
In the second year	**711.7**	1,175.6
In the third to fifth year	**828.7**	154.6
Over five years	**1,293.9**	598.3
Total	**5,068.6**	2,250.6

Net gearing ratio of the Group

	30 June 2015 HK$ million	31 December 2014 HK$ million
Total indebtedness	**8,023.6**	3,294.6
Minus: cash and cash equivalents	**(2,132.0)**	(758.4)
pledged bank deposits	**(877.6)**	(556.3)
Net debt	**5,014.0**	1,979.9
Total equity attributable to owners of the Company	**3,052.9**	2,900.7
Net debt to equity attributable to the owners of the Company	**164.2%**	68.3%

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Foreign Currency Risk

For the Solar Energy Business, most of the revenue, cost of sales and operating expenses are denominated in RMB, whereas assets and liabilities are also mainly denominated in RMB. As a result, a natural hedge was formed in RMB and the Group considered that the RMB devaluation risk for the Solar Energy Business is minimal.

For the Printed Circuit Board Business, most of the revenue is denominated in US$ and RMB, while most of the cost of sales and operating expenses are denominated in RMB. In addition, assets and liabilities are mainly denominated in RMB, so the Group considered that the RMB devaluation may benefits this business segment.

For the six months ended 30 June 2015, the Group did not purchase any material foreign currency or interest rate derivatives or related hedging instruments.

Pledge of Assets

At 30 June 2015, Group's property, plant and equipment, land use rights and bank deposits with net book amounts of HK$1,993.7 million, HK$7.9 million and HK$877.6 million, respectively, (31 December 2014: HK$1,743.8 million, HK$8.0 million and HK$556.3 million, respectively) were pledged as security for the bank facilities granted to the Group amounted to HK$2,468.0 million (31 December 2014: HK$2,478.5 million).

At 30 June 2015, Group's property, plant and equipment with a net book amount of HK$125.4 million (31 December 2014: HK$106.8 million) were pledged as security for obligations under finance leases of the Group amounted to HK$83.9 million (31 December 2014: HK$73.3 million).

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Capital Commitments

As at 30 June 2015, the Group's capital commitments in respect of construction commitments related to solar farms, purchase of machinery and leasehold improvements and share capital commitment to a joint venture contracted for but not provided in the consolidated financial statement amounted to approximately HK$3,412.1 million, HK$43.1 million and HK$45.7 million, respectively (31 December 2014: HK$4,120.9 million, HK$33.4 million and HK$66.0 million, respectively).

In addition, the Group has capital commitments in respect of construction commitments related to solar farm and share capital commitment to a joint venture authorised but not contracted for amounted to HK$2,082.8 million and nil respectively (31 December 2014: HK$2,088.5 million and HK$116.9 million).

Contingent Liabilities

The Group had no significant contingent liability as at 30 June 2015 and 31 December 2014.

Events After the End of the Interim Period

(a) *Completion of issue of convertible bonds*

On 20 July 2015, the Company completed the issue of a convertible bond amounting to HK$200.0 million. The bond will mature in three years from the date of issuance and redeemable at its nominal value of HK$200.0 million plus accrued interest or can be converted into ordinary shares of the Company at an original conversion price of HK$1.20 per share, subject to adjustments, after six months from the date of issuance to the date of maturity.

(b) *Completion of issue of bonds by a wholly-owned subsidiary*

On 8 July 2015, a wholly-owned subsidiary of the Company completed an issue of bonds of approximately HK$303.3 million (equivalent to RMB239.2 million). The bonds have a principal amount of RMB239.2 million with a repayment term of one year and an interest rate of 6.7% per annum.

(c) *Grant of share options*

On 24 July 2015, the Company granted 473,460,000 share options, subject to acceptance by the grantees, to subscribe for an aggregate of 473,460,000 Shares under the existing share option scheme adopted by the Company on 15 October 2014.

(d) *Agreements for engineering, procurement and construction service*

On 31 July 2015, the Group entered into agreements with two contractors which undertook to provide design, procurement and construction services of photovoltaic power plants with an aggregate capability of 140MW in Tianchang city in Anhui province, Menghai county in Xishuangbanna Dai Autonomous Prefecture and Yangquan city in Shanxi province, the PRC. The aggregate consideration for the services under these agreements is approximately HK$1,298.9 million (equivalent to RMB1,024.3 million).

(e) *Transaction in relation to loan agreements and future acquisition arrangement*

On 12 August 2015, the Group entered into a cooperation agreement (the "Cooperation Agreement") with Shanghai Lvjing Investment Management Company Limited* (上海綠璟投資管理有限公司) ("Lvjing Investment") and Shaanxi Province Shenmu County Guoxiang Lvhua Shengtai Company Limited* (陝西省神木縣國祥綠化生態有限責任公司) ("Shaanxi Lvhua") regarding certain solar farm projects with an aggregate capacity of 360MW in Shenmu County, Shaanxi Province, PRC (the "Projects").

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Pursuant to the Cooperation Agreement, on 12 August 2015, the Group as lender entered into loan agreements with an aggregate principal amount of RMB460 million with the four wholly-owned subsidiaries of Lvjing Investment and Shaanxi Lvhua.

Pursuant to the Cooperation Agreement, the Group shall have the right (but not the obligation) to acquire from Lvjing Investment and/or Shaanxi Lvhua any or all of the equity interests of the four subsidiaries mentioned above in the event of any default under the loan agreements (the "Call Option") at the exercise price and terms to be agreed among the relevant parties with reference to the then valuation of the relevant equity interests. The exercise of the Call Option shall be at the discretion of the Group and subject to the requirements of any applicable laws, rules and regulations.

(f) *New borrowings*

Subsequent to 30 June 2015, the Group successfully obtained new borrowings with an aggregate amount of approximately HK$61 million (equivalent to RMB48 million) from a bank in the PRC, of which approximately HK$56 million (equivalent to RMB44 million) were with repayment term of more than twelve months from the date of drawdown. The Group is required to comply with certain covenant requirements under the bank loan agreement.

* *For identification purpose only*

Our Directors

As at 30 June 2015, the composition of the Board was as follows:

Executive Directors	Non-executive Directors	Independent non-executive Directors
Mr. ZHU Gongshan *(Honorary Chairman)*	Mr. ZHU Yufeng *(Vice Chairman)*	Mr. WANG Bohua
Mr. TANG Cheng *(Chairman)*	Ms. SUN Wei	Mr. XU Songda
Mr. SUN Xingping *(President)*	Mr. SHA Hongqiu	Mr. WANG Yanguo
Ms. HU Xiaoyan		Mr. LEE Conway Kong Wai
Mr. YIP Sum Yin		Dr. CHEN Ying

CHANGES OF DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), the changes of information of the Directors since the date of the 2014 annual report of the Company until the date of this interim report were as follows:

1. Mr. SUN Xingping has been appointed as the executive Director and a member of the risk management committee and strategic planning committee of the Company on 22 April 2015 and as the president of the Company on 26 June 2015;

2. Dr. CHEN Ying has been appointed as the independent non-executive Director of the Company on 22 April 2015; and

3. Mr. ZHANG Guoxin has resigned as an executive Director, a member of the risk management committee and the president of the Company on 26 June 2015.

Save for the information disclosed above of the Company, the Company is not aware of any other change in the Directors' information which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE

As at 30 June 2015, so far as is known to the Directors, the interests of the Directors and chief executive in the Shares, underlying Shares or debentures of the Company or any of our associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules were as follows:

(A) LONG POSITION IN THE ORDINARY SHARES

	Number of Shares			
Name of Director	**Beneficiary of a trust**	**Number of underlying Shares**	**Total**	**Approximate percentage of issued shares**
Mr. TANG Cheng	—	26,000,000	26,000,000	0.19%
Ms. HU Xiaoyan	—	16,000,000	16,000,000	0.12%
Mr. YIP Sum Yin	708,963,376 *(Note)*	12,000,000	720,963,376	5.19%
Ms. SUN Wei	—	24,000,000	24,000,000	0.17%
Mr. WANG Bohua	—	2,000,000	2,000,000	0.01%
Mr. XU Songda	—	2,000,000	2,000,000	0.01%
Mr. LEE Conway Kong Wai	—	2,000,000	2,000,000	0.01%

Note: 708,663,400 Shares of HK$1/240 each (equivalent to HK0.0041\dot{6}$) of the Company were beneficially owned by Sum Tai Holdings Limited ("Sum Tai"), which is wholly owned by Aberdare Assets Limited ("Aberdare"). Aberdare is wholly owned by Mr. Yip How Yin, Maurice as trustee of a discretionary trust established for the benefit of Mr. Yip Sum Yin, Ms. Yu Hung Min and their family (including Mr. Yip Wing Fung). 299,976 Shares were beneficially owned by Maroc Ventures Inc. ("Maroc"), which is wholly-owned by Mr. Yip Sum Yin as trustee of a discretionary trust established for the benefit of Mr. Yip How Yin, Maurice and his family.

(B) ASSOCIATED CORPORATIONS

*GCL-Poly Energy Holdings Limited ("**GCL-Poly**")*

	Number of ordinary shares in GCL-Poly					
Name of Director	Beneficiary of a trust	Corporate interests	Personal interests	Number of underlying Shares	Total interests	Approximate percentage of issued shares
Mr. ZHU Gongshan	4,758,843,327 *(Note 1)*	—	—	260,000,000 *(Note 1)*	5,018,843,327	32.40%
Ms. SUN Wei	—	—	5,723,000	4,700,000 *(Note 2)*	10,423,000	0.07%
Mr. ZHU Yufeng	4,758,843,327 *(Note 1)*	—	—	262,500,000 *(Notes 1 & 3)*	5,021,343,327	32.42%
Mr. SHA Hongqiu	—	—	1,000,000	1,680,000 *(Note 2)*	2,680,000	0.02%

Notes:

(1) An aggregate of 4,758,843,327 shares of GCL-Poly are collectively held by Highexcel Investments Limited and Happy Genius Holdings 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 by 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). Happy Genius Holdings Limited had lent 260,000,000 shares of GCL-Poly to the convertible bond investor's associate on 29 November 2013, and therefore was also interested in a long position of 260,000,000 shares of GCL-Poly.

(2) These are share options granted by GCL-Poly to the Directors, pursuant to the pre-IPO share option scheme and the share option scheme of GCL-Poly, both adopted by the shareholders of GCL-Poly on 22 October 2007. Such granted share options can be exercised by the Directors at various intervals during the period from 1 April 2009 to 23 March 2024 at an exercise price of HK$4.10, HK$2.888 or HK$0.59.

(3) The 262,500,000 underlying shares comprise the long position of 260,000,000 shares of GCL-Poly held by Happy Genius Holdings Limited under Note (1) and 2,500,000 option shares mentioned under Note (2) above.

Save as disclosed above and the non-beneficial interest in certain subsidiaries of the Company of a director in his capacity of a nominee of the Group, as at 30 June 2015, none of the Directors or chief executive of the Company had an interest or short position in any Shares, underlying Shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Save for the Company's share option schemes as mentioned under the section headed "Share Option Schemes" in this interim report, at no time during the six months ended 30 June 2015 was the Company or its subsidiaries a party to any arrangement to enable the Directors or chief executive of the Company to acquire benefits by means of acquisition of Shares in, or debentures of the Company or any other body corporate.

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INTERESTS OF SUBSTANTIAL SHAREHOLDERS

As at 30 June 2015, so far as is known to the Directors, the following persons (other than a Director or chief executive of the Company) had interest in the share capital of the Company as recorded in the register required to be kept by the Company under section 336 of the Part XV of the SFO:

Long Position in the Shares

Name	Nature of interest	Number of Shares	Approximate percentage of issued shares
Sum Tai	Beneficial owner	708,663,400 *(Note 1)*	5.11%
Aberdare	Corporate interest	708,663,400 *(Note 1)*	5.11%
Mr. YIP How Yin, Maurice	Settlor and beneficiary of trust	708,963,376 *(Note 1)*	5.19%
Ms. YU Hung Min	Beneficiary of a trust	708,663,400 *(Note 1)*	5.11%
Mr. YIP Wing Fung	Beneficiary of a trust	708,663,400 *(Note 1)*	5.11%
Elite Time Global Limited	Beneficial owner	8,640,000,000 *(Note 2)*	62.28%
GCL-Poly	Corporate interest	8,640,000,000 *(Note 2)*	62.28%

Notes:

1. These Shares were beneficially owned by Sum Tai. Please refer to the Note of the section headed (A) Long Position in the Ordinary Shares. Ms. Yu Hung Min and Mr. Yip Wing Fung are the wife and the son of Mr. Yip Sum Yin respectively.

2. Elite Time Global Limited is wholly owned by GCL-Poly.

INTERESTS OF ANY OTHER PERSONS

Save as disclosed herein, as at 30 June 2015, according to the register of interests required to be kept by the Company under section 336 of the Part XV of the SFO, the Company is not aware of any other persons who had any interest or short position in the Shares or underlying Shares.

SHARE OPTION SCHEMES

(A) 2005 SHARE OPTION SCHEME

On 23 February 2005, the Company adopted a share option scheme (the "2005 Share Option Scheme") under which the Directors may grant options to eligible persons, including employees and directors of the Group, to subscribe for Shares. The 2005 Share Option Scheme is valid for a period of 10 years from the date of its adoption which has expired on 22 February 2015.

The Company has not granted any option under the 2005 Share Option Scheme since its adoption and until its expiry.

(B) EXISTING SHARE OPTION SCHEME

The Company adopted a new share option scheme (the "Existing Share Option Scheme") on 15 October 2014.

The purpose of the Existing Share Option Scheme is to motivate personnel to optimise their future contributions to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such personnel who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group, and additionally in the case of executives of the Company, to enable the Group to attract and retain individuals with experience and ability and/or to reward them for their past contributions. The Existing Share Option Scheme shall be valid and effective for a period of 10 years from 15 October 2014, after which no further share options will be granted or offered but the provisions of the Existing Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any subsisting share options granted prior to the expiry of the 10-year period or otherwise as may be required in accordance with the provisions of the Existing Share Option Scheme.

Particulars of the Existing Share Option Scheme are set out in note 27(h) to the Unaudited Condensed Consolidated Interim Financial Information. As at 30 June 2015, a total of 445,120,000 share options were outstanding under the Existing Share Option Scheme. No option was granted, exercised or cancelled during the six months ended 30 June 2015.

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The movements of the share options under the Existing Share Option Scheme of the Company during six months ended 30 June 2015 are as follows:

Name or category of participants	Date of grant	Exercise Period	Exercise Price HK$ (Note i)	At 01.01.2015	Lapsed during the period	At 30.06.2015
				Number of share options		
Directors						
Mr. TANG Cheng	23.10.2014	24.11.2014 to 22.10.2024	1.1875	26,000,000	—	26,000,000
Ms. HU Xiaoyan	23.10.2014	24.11.2014 to 22.10.2024	1.1875	16,000,000	—	16,000,000
Mr. YIP Sum Yin	23.10.2014	24.11.2014 to 22.10.2024	1.1875	12,000,000	—	12,000,000
Ms. SUN Wei	23.10.2014	24.11.2014 to 22.10.2024	1.1875	24,000,000	—	24,000,000
Mr. WANG Bohua	23.10.2014	24.11.2014 to 22.10.2024	1.1875	2,000,000	—	2,000,000
Mr. XU Songda	23.10.2014	24.11.2014 to 22.10.2024	1.1875	2,000,000	—	2,000,000
Mr. LEE Conway Kong Wai	23.10.2014	24.11.2014 to 22.10.2024	1.1875	2,000,000	—	2,000,000
Sub-total				84,000,000	—	84,000,000
Other eligible persons						
(in aggreagate)	23.10.2014	24.11.2014 to 22.10.2024	1.1875	452,840,000	(91,720,000)	361,120,000
Total				536,840,000	(91,720,000)	445,120,000

Notes:

(i) With effect from 19 November 2014, each of the existing issued and unissued share of HK$0.0166̇ each is divided into four subdivided shares of HK$1/240 each (equivalent to HK$0.0041̇6) (the "Share Subdivision"). The number of share options as well as the exercise price shown in the respective columns of the table above have been adjusted by taking into effect of the Share Subdivision.

(ii) As disclosed in the announcement of the Company dated 23 October 2014, the share options are subject to a vesting scale in five even tranches on 24 November 2014 and the first, second, third and fourth anniversary dates of the grant date, respectively.

(iii) Mr. HAN Qing-hua ("Mr. Han"), who was entitled to and was vested with 2,000,000 and 400,000 share options, respectively, (granted on 23 October 2014 with an exercise price of HK$1.1875 per share), passed away on 30 January 2015. Mr. Han or his legal representative(s) may exercise the share options (to the extent not already exercised) within a period of 12 months following his death. The entitlement of Mr. Han was re-classified to the category of "Other eligible persons" under the column of "At 01.01.2015".

(iv) Mr. GU Xin ("Mr. Gu"), who was entitled to 18,000,000 share options (granted on 23 October 2014 with an exercise price of HK$1.1875 per share), resigned as an executive Director with effect from 9 February 2015. The entitlement of Mr. Gu was re-classified to the category of "Other eligible persons" under the column of the "At 01.01.2015" and subsequently lapsed during the six months ended 30 June 2015.

(v) Mr. YU Baodong ("Mr. Yu"), who was entitled to 12,000,000 share options (granted on 23 October 2014 with an exercise price of HK$1.1875 per share), resigned as a non-executive Director with effect from 9 February 2015. The entitlement of Mr. Yu was re-classified to the category of "Other eligible persons" under the column of "At 01.01.2015".

(vi) Mr. ZHANG Guoxin ("Mr. Zhang"), who was entitled to and vested with 24,000,000 and 4,800,000 share options, respectively (granted on 23 October 2014 with an exercise price of HK$1.1875 per share), resigned as an executive Director with effect from 26 June 2015. The share options (to the extent not already exercised) lapsed on 25 July 2015. The entitlement of Mr. Zhang was re-classified to the category of "Other eligible persons" under the column of "At 01.01.2015".

Corporate Governance and Other Information

CORPORATE GOVERNANCE PRACTICES

The Company is committed to promoting high standards of corporate governance through its continuous effort in improving its corporate governance practices and process. The Board believes that sound and reasonable corporate governance practices are essential for sustainable development and growth, and safeguarding the interests and assets of the Group and enhancement of Shareholders' value.

Throughout the six months ended 30 June 2015, the Company complied with all the code provisions set out in the Appendix 14 Corporate Governance Code and Corporate Governance Report (the "CG Code") of the Listing Rules, except for the deviations as explained below.

Mr. HAN Qing-hua ("Mr. Han"), an independent non-executive Director, chairman of the remuneration committee (the "Remuneration Committee") of the Company and a member of the nomination committee (the "Nomination Committee") of the Company passed away on 30 January 2015 following illness and resulted in the deviation from Rules 3.10A and 3.25 of the Listing Rules and code provision A.5.1 of the CG Code.

Pursuant to Rule 3.10A of the Listing Rules, the Company must appoint independent non-executive Directors representing at least one-third of the Board. Following the passing away of Mr. Han on 30 January 2015, there remains three independent non-executive Directors. The number of independent non-executive Directors fell below one-third of the Board. The vacancy for chairman of the Remuneration Committee resulted in the non-fulfilment under Rule 3.25 of the Listing Rules. The non-compliance of comprising a majority of independent non-executive Directors in the Nomination Committee also resulted in the non-fulfillment under the code provision A.5.1 of the CG Code. To fill the aforesaid vacancies, the Company appointed (i) Mr. WANG Yanguo as an independent non-executive Director and a member of the Nomination Committee and (ii) Mr. LEE Conway Kong Wai as the chairman of the Remuneration Committee on 9 February 2015 (together, the "Appointments"). The Company took remedial steps and following the Appointments, the Company was in compliance with the requirements under Rules 3.10A and 3.25 of the Listing Rules and code provision A.5.1 of the CG Code.

Code provision A.6.7 of the CG Code requires that independent non-executive Directors and other non-executive Directors shall attend general meetings and develop a balanced understanding of the views of Shareholders.

Mr. ZHU Yufeng, Ms. SUN Wei, Mr. SHA Hongqiu, Mr. WANG Bohua, Mr. XU Songda, Mr. WANG Yanguo and Dr. CHEN Ying were unable to attend the annual general meeting of the Company held on 28 May 2015 as they had other important business engagements.

COMPLIANCE WITH MODEL CODE

The Board adopted the Model Code with terms no less exacting than the required standard as set out in Appendix 10 of the Listing Rules as its code of conduct regarding Directors' securities transactions. Having made specific enquiry, all Directors confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the six months ended 30 June 2015.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Each of the companies in the Concord Group (a general reference to the companies in which Mr. ZHU Gongshan, Mr. ZHU Yufeng and their family members have a direct or indirect interest) operates within its own legal, corporate and financial framework. As at 30 June 2015, the Concord Group might have had or developed interests in business similar to those of the Group and there was a chance that such businesses might have competed with the businesses of the Group.

The Directors are fully aware of, and have been discharging, their fiduciary duty to the Company. The Company and the Directors would comply with the relevant requirements of the Bye-laws and the Listing Rules whenever a Director has any conflict of interest in the transaction(s) with the Company.

Save as disclosed herein, during the six months ended 30 June 2015 and up to the date of this report, none of the Directors are considered to have interests in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group required to be disclosed under the Listing Rules.

INTERNAL CONTROL

The Board is committed to implementing an effective and sound internal control system to safeguard the interest of the Shareholders and the Group's assets. The Board has conducted reviews of the effectiveness of the internal control system of the Group and performed necessary and appropriate actions to maintain the internal control system for the interests of the Shareholders. In particular, the Board's review has considered the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting functions, and their training programmes and budget. The Audit Committee also reviews the internal controls system, ensuring its effectiveness. Based on the information received from the management, the external auditor and the Internal Audit Department, the audit committee (the "Audit Committee") of the Company is satisfied that the overall financial and operational controls for the Group continue to be effective and adequate during the six months ended 30 June 2015. The Company will continue to use its best endeavours to enhance the existing internal control system.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries had redeemed, purchased or sold any of the redeemable securities or listed securities of the Company during the six months ended 30 June 2015.

AUDIT COMMITTEE

The Audit Committee has reviewed, with the management of the Group, the accounting principles and practices adopted by the Group, its internal controls and financial reporting matters including the review of the interim report for the six months ended 30 June 2015.

AUDITOR

The Company's external auditors, PricewaterhouseCoopers, has conducted a review of the Interim Financial Information of the Group for the six months ended 30 June 2015 in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board.

Communication with Shareholders

GCL New Energy recognises the importance of maintaining on-going communication between the Board and the Shareholders. The Company proactively promotes investor relations and communications with the Shareholders is always given high priority. The aims of the Company are to improve its transparency, gain more understanding and confidence in relation to the Group's business developments and acquire more market recognition and support from the Shareholders. A Shareholders' Communication Policy was adopted by the Board which is available on the Company's website and is regularly reviewed to ensure its effectiveness.

To ensure all the Shareholders have equal and timely access to important information of the Company, we make extensive use of several communication channels, including publication of financial reports (whether annual or interim), announcements, circulars, notice of meetings, proxy forms together with other filings as prescribed under the Listing Rules and key news and developments of the Group to our corporate website at www.gclnewenergy.com. The "Investor Relations" section offers a level of information disclosure in easily and readily accessible form and provides timely updates to the Shareholders.

In addition to accessing information on the corporate website, enquiries or request of information, to the extent it is publicly available, from the Shareholders and other report users are welcome by email, telephone or in writing to our Company Secretary at:

Address:	Unit 1707A, Level 17, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong
Telephone:	(852) 2606-9200
Facsimile:	(852) 2462-7713
Email:	gcl.ir@gclnewenergy.com

Any shareholding matters, such as transfer of shares, change of name or address, and loss of share certificates should be address in writing to the Hong Kong branch share registrar and transfer office of the Company:

Tricor Abacus Limited

Address:	Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong
Telephone:	(852) 2980-1333
Facsimile:	(852) 2810-8185

Bringing Green Power

Report on Review of Interim Financial Information

pwc

羅兵咸永道

TO THE BOARD OF DIRECTORS OF GCL NEW ENERGY HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 33 to 72, which comprises the condensed consolidated statement of financial position of GCL New Energy Holdings Limited (the "Company") and its subsidiaries (together, the "Group") as at 30 June 2015 and the related condensed consolidated statement of comprehensive income, changes in equity and cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting". The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

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EMPHASIS OF MATTER

We draw attention to Note 2.1 to the condensed consolidated interim financial information which states that the Group's current liabilities exceeded its current assets by HK$3,742 million as at 30 June 2015; and it had a net cash outflow from operating activities of HK$413 million for the six-month period then ended. In addition, the Group had entered into agreements and committed to, up to the date of this report, acquire and construct solar farms which will involve total capital expenditures of approximately HK$8,292 million to be settled within the next twelve months from 30 June 2015. These conditions, along with other matters as described in Note 2.1 to the condensed consolidated interim financial information, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our conclusion is not qualified in respect of this matter.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 27 August 2015

Bringing Green Power

Unaudited Condensed Consolidated Income Statement

For the six months ended 30 June 2015

INTERIM RESULTS

The board of directors of GCL New Energy Holdings Limited presents the unaudited condensed consolidated interim financial information ("Interim Financial Information") of the Company and its subsidiaries for the six months ended 30 June 2015.

		Six months ended	
		30 June 2015	30 September 2014 (Note 2)
	Note	**HK$'000**	HK$'000
Revenue	6	**1,135,237**	800,381
Cost of sales		**(807,477)**	(743,131)
Gross profit		**327,760**	57,250
Other income	8	**56,295**	48,210
Distribution and marketing costs		**(10,779)**	(11,030)
Administrative expenses		**(189,445)**	(81,621)
Share-based payment expenses		**(61,660)**	—
Other expenses, gains and losses, net		**(1,481)**	(2,310)
Bargain purchase on business combination	29	**27,423**	—
Operating profit	9	**148,113**	10,499
Convertible bond			
– Change in fair value of convertible bond	24	**58,334**	—
– Realised gain on embedded derivatives upon conversion of redeemable convertible bond	24	**—**	57,324
Finance income	10	**2,523**	1,104
Finance costs	11	**(97,047)**	(12,593)
Share of profit of joint ventures	12	**5,769**	—
Profit before income tax		**117,692**	56,334
Income tax expense	13	**(27,487)**	(16,424)
Profit for the period		**90,205**	39,910
Profit attributable to:			
– Owners of the Company		**90,156**	39,910
– Non-controlling interests		**49**	—
		90,205	39,910
		HK cents	HK cents
Earnings per share attributable to the owners of the Company	15		
– Basic		**0.65**	0.33
– Diluted		**0.23**	0.33

The notes on pages 40 to 72 form an integral part of this Interim Financial Information.

Unaudited Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2015

	Six months ended	
	30 June 2015	30 September 2014 (Note 2)
	HK$'000	HK$'000
Profit for the period	**90,205**	39,910
Other comprehensive income/(loss):		
Items that may be reclassified subsequently to profit or loss		
– Currency translation differences	**391**	(1,752)
Total comprehensive income for the period	**90,596**	38,158
Total comprehensive income attributable to:		
– Owners of the Company	**90,546**	38,158
– Non-controlling interests	**50**	—
Total comprehensive income for the period	**90,596**	38,158

The notes on pages 40 to 72 form an integral part of this Interim Financial Information.

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Overview

Our Strategy

Corporate Governance

Financial Statements and Analysis

Unaudited Condensed Consolidated Statement of Financial Position

As at 30 June 2015

	Note	30 June 2015 HK$'000	31 December 2014 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment	16	**10,052,823**	6,679,552
Land use rights	16	**8,512**	8,618
Interests in joint ventures	12	**79,532**	53,313
Amount due from a joint venture	20	**—**	27,296
Deferred income tax assets		**12,774**	12,769
Deposits, prepayments and other non-current assets	18	**1,535,406**	1,079,591
		11,689,047	7,861,139
Current assets			
Inventories	17	**162,242**	174,747
Trade and other receivables	19	**1,500,848**	572,204
Amount due from fellow subsidiaries	20	**22,639**	16,104
Amount due from a joint venture	20	**56,378**	29,060
Tax recoverable		**370**	—
Pledged bank deposits		**877,616**	556,344
Cash and cash equivalents		**2,132,015**	758,449
		4,752,108	2,106,908
Total assets		**16,441,155**	9,968,047
EQUITY			
Capital and reserves			
Share capital	27	**57,799**	57,799
Reserves		**2,995,121**	2,842,915
		3,052,920	2,900,714
Non-controlling interests		**491**	441
Total equity		**3,053,411**	2,901,155

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Unaudited Condensed Consolidated Statement of Financial Position

As at 30 June 2015

	Note	30 June 2015 HK$'000	31 December 2014 HK$'000
LIABILITIES			
Non-current liabilities			
Borrowings	23	**4,152,090**	1,964,034
Convertible bond	24	**716,766**	—
Deferred income tax liabilities		**16,472**	14,336
Deferred income	26	**8,496**	8,590
		4,893,824	1,986,960
Current liabilities			
Trade and other payables	21	**4,674,142**	3,643,222
Amounts due to fellow subsidiaries	20	**600,682**	56,882
Loans from a fellow subsidiary	22	**724,841**	950,691
Borrowings	23	**2,279,774**	379,951
Bonds payable	25	**150,119**	—
Current income tax liabilities		**64,362**	49,186
		8,493,920	5,079,932
Total liabilities		**13,387,744**	7,066,892
Total equity and liabilities		**16,441,155**	9,968,047
Net current liabilities		**(3,741,812)**	(2,973,024)
Total assets less current liabilities		**7,947,235**	4,888,115

The notes on pages 40 to 72 form an integral part of this Interim Financial Information.

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Unaudited Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2015

	Attributable to owners of the Company								Non-Controlling interest	Total equity
	Share capital	Share premium	Contributed surplus	Legal reserve	Exchange reserve	Share-based payment reserve	Accumulated losses	Total		
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 1 January 2015	57,799	2,896,989	14,802	31,327	132,379	91,888	(324,470)	2,900,714	441	2,901,155
Comprehensive income										
Profit of the period	–	–	–	–	–	–	90,156	90,156	49	90,205
Other comprehensive income										
Currency translation difference	–	–	–	–	390	–	–	390	1	391
Total comprehensive income for the period ended 30 June 2015	–	–	–	–	390	–	90,156	90,546	50	90,596
Transaction with owners:										
Transfer to legal reserve	–	–	–	26,826	–	–	(26,826)	–	–	–
Forfeiture of share options	–	–	–	–	–	(24,213)	24,213	–	–	–
Share option scheme:										
–value of services	–	–	–	–	–	61,660	–	61,660	–	61,660
Total transactions with owners, recognised directly in equity	–	–	–	26,826	–	37,447	(2,613)	61,660	–	61,660
At 30 June 2015	57,799	2,896,989	14,802	58,153	132,769	129,335	(236,927)	3,052,920	491	3,053,411

The notes on pages 40 to 72 form an integral part of this Interim Financial Information.

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Unaudited Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2015

	Attributable to owners of the Company							
	Share capital HK$'000	Share premium HK$'000	Contributed surplus HK$'000	Revaluation reserve HK$'000	Legal reserve HK$'000	Exchange reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 April 2014, as previously reported under Hong Kong Financial Reporting Standards ("HKFRS")	8,595	252,637	14,802	52,113	25,993	125,685	(211,074)	268,751
Effect of difference	—	—	—	(52,113)	—	(573)	4,629	(48,057)
At 1 April 2014, as restated under IFRS	8,595	252,637	14,802	—	25,993	125,112	(206,445)	220,694
Total comprehensive income for the period ended 30 September 2014 (Note 2)	—	—	—	—	—	(1,752)	39,910	38,158
Total transactions with owners:								
Subscription of shares (Note 27)	36,000	1,395,157	—	—	—	—	—	1,431,157
Placement of shares (Note 27)	5,000	190,000	—	—	—	—	—	195,000
Exercise of conversion right under a redeemable convertible bond (Note 24)	3,354	328,362	—	—	—	—	—	331,716
Transfer to legal reserve	—	—	—	—	2,630	—	(2,630)	—
Total transactions with owners, recognised directly in equity	44,354	1,913,519	—	—	2,630	—	(2,630)	1,957,873
At 30 September 2014	52,949	2,166,156	14,802	—	28,623	123,360	(169,165)	2,216,725

The notes on pages 40 to 72 form an integral part of this Interim Financial Information.

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Unaudited Condensed Consolidated Statement of Cash Flow

For the six months ended 30 June 2015

	Six months ended	
	30 June 2015	30 September 2014 (Note 2)
	HK$'000	HK$'000
Cash flows from operating activities		
Cash (used in)/generated from operations	**(252,534)**	35,193
Interest received	**2,523**	1,104
Interest paid on bank loans	**(115,591)**	(10,638)
Interest element of finance leases	**(2,072)**	(1,635)
Interest on loans from a fellow subsidiary	**(34,765)**	—
Income tax paid	**(10,644)**	(5,745)
Net cash (used in)/generated from operating activities	**(413,083)**	18,279
Cash flows from investing activities		
Increase in pledged bank deposits	**(320,736)**	(3,028)
Increase in deposits related to solar farm projects	**(133,102)**	(389,981)
Payment for construction and purchase of property, plant and equipment	**(1,949,989)**	(104,324)
Increase in deposits, prepayments and other non-current assets	**(249,928)**	—
Acquisition of subsidiaries, net of cash acquired (Note 29)	**(28,005)**	(10,921)
Proceeds from disposal of property, plant and equipment	**384**	—
Capital contribution to a joint venture	**(20,416)**	—
Net cash used in investing activities	**(2,701,792)**	(508,254)
Cash flows from financing activities		
Net proceeds from issue of shares through placement	**—**	195,000
Net proceeds from issue of shares through share subscription	**—**	1,431,157
Net proceeds from bonds payable	**150,119**	—
Proceeds from issuance of convertible bond	**775,100**	—
Proceeds from loans from fellow subsidiaries	**308,883**	—
Repayment of loans from fellow subsidiaries	**(822,616)**	—
Proceeds from bank loans	**4,834,715**	117,125
Repayment of bank loans	**(765,536)**	(142,666)
Proceeds from inception of finance leases	**31,287**	58,296
Repayment of principal element of finance leases	**(20,921)**	(14,920)
Net cash generated from financing activities	**4,491,031**	1,643,992
Net increase in cash and cash equivalents	**1,376,156**	1,154,017
Cash and cash equivalents at the beginning of the period	**758,449**	46,250
Effect of foreign exchange rate changes	**(2,590)**	724
Cash and cash equivalents at the end of the period	**2,132,015**	1,200,991

The notes on pages 40 to 72 form an integral part of this Interim Financial Information.

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1 GENERAL INFORMATION

GCL New Energy Holdings Limited (the "Company") is a limited liability company incorporated in Bermuda and listed on the Main Board of The Stock Exchange of Hong Kong Limited. The address of its registered office is Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda.

During the period, the Company and its subsidiaries (together the "Group") were principally engaged in the development, construction, operation and management of solar farms, as well as manufacturing and selling of printed circuit boards.

This Interim Financial Information is presented in Hong Kong dollars ("HK$"), unless otherwise stated. This Interim Financial Information has been approved for issue by the Board on 27 August 2015.

This Interim Financial Information has not been audited.

Key event:

On 27 May 2015, the Company completed the issue of a convertible bond with proceeds of HK$775,100,000. Further details are given in Note 24.

During the six months ended 30 June 2015, the Group completed the acquisition of several companies. Further details are given in Note 29.

2 BASIS OF PREPARATION

This Interim Financial Information for the six months ended 30 June 2015 has been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" issued by the International Accounting Standard Board.

On 18 July 2014, the Group made an announcement to change its financial year end date from 31 March to 31 December to align with the financial year end date of its in subsidiaries in the People's Republic of China ("PRC"). Accordingly, the current financial period covers the six months ended 30 June 2015 with the comparative financial period from 1 April 2014 to 30 September 2014, which may not be entirely comparable with the amounts shown for the current period.

This Interim Financial Information should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

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2 BASIS OF PREPARATION – *continued*

2.1 Going concern

As at 30 June 2015, the Group's current liabilities exceeded its current assets by HK$3,742 million; and it had a net cash outflow from operating activities of HK$413 million for the six-month period ended 30 June 2015.

The Group had entered into agreements and committed to, up to the date of approval of this condensed interim financial information, acquire and construct solar farms which will involve total capital expenditures of approximately HK$8,292 million to be settled within the next twelve months from 30 June 2015. This included payables of approximately HK$3,616 million that have been recognised in current liabilities (Note 21). In addition, subject to the availability of further financial resources, the Group is currently looking for further opportunities to increase the scale of its solar farm operations through mergers and acquisitions. In the event that the Group is successful in securing more solar farm investments or expanding the investments in the existing solar farms in the coming twelve months from the date of this condensed consolidated interim financial information, significant additional cash outflows will be required to settle further committed capital expenditures.

As at 30 June 2015, the Group's total borrowings comprising bank loans, convertible bond, bonds and obligations under finance leases amounted to HK$7,279 million in total, out of which approximately HK$2,430 million will be due in the next twelve months from 30 June 2015. The Group is required to comply with certain restrictive financial covenant and undertaking requirements under cartain of the borrowing agreements (Note 23). The Group's pledged bank deposits and cash and cash equivalents amounted to approximately HK$878 million and HK$2,132 million as at 30 June 2015, respectively.

The financial resources available to the Group as at 30 June 2015 and up to the date of approval of this condensed consolidated interim financial information are not sufficient to satisfy all of the above financial obligations and committed capital expenditures. The Group is actively pursuing additional sources of financing including, but not limited to, equity and debt financing from banks, financial institutions and private investors.

The above conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

The Directors have reviewed the Group's cash flow projections which cover a period of not less than twelve months from 30 June 2015. They are of the opinion that the Group will have sufficient working capital to meet its financial obligations, including those committed capital expenditures relating to the solar farms, that will be due in the coming twelve months from 30 June 2015 upon successful implementation of the following measures which will generate adequate financing and operating cash inflows for the Group:

2 BASIS OF PREPARATION – *continued*

2.1 Going concern – *continued*

(i) Subsequent to 30 June 2015:

- The Group completed the issuance of a convertible bond of approximately HK$200 million to an overseas investment company with a repayment term of three years from the date of issuance (Note 31);
- The Group completed the issuance of bonds of approximately HK$303 million to certain private investors (Note 31); and
- The Group obtained new borrowings with an aggregate amount of approximately HK$61 million from a bank of the PRC, of which approximately HK$56 million have a repayment term of more than twelve months from the date of drawdown (Note 31).

(ii) The Group has been actively negotiating with the PRC creditor banks for renewal of its current borrowings as necessary when they fall due in the coming twelve months from the date of the condensed consolidated statement of financial position; and, if needed, to obtain waiver from the relevant lenders from complying with the covenant requirements. Based on the past experience, the Group did not encounter significant difficulties in renewing the borrowings and the Directors are confident that all borrowings can be renewed and the waiver, if needed, can be obtained upon the Group's application when necessary.

(iii) In March 2014, GCL-Poly together with three of its subsidiaries ("GCL-Poly Subsidiaries") jointly signed a framework borrowing agreement with a state-owned bank in the PRC for a total uncommitted banking facility of HK$6,341 million to finance the solar energy projects undertaken by GCL-Poly and its subsidiaries. Up to the date of approval of this condensed consolidated interim financial information, approximately HK$2,416 million were drawn down by GCL-Poly and its subsidiaries other than any members of the Group, and approximately HK$1,129 million were drawn down by the subsidiaries of the Group. The remaining undrawn facility of approximately HK$2,796 million is available for the Group to draw down to finance its solar farm projects. Under this framework agreement, guarantees from GCL-Poly and GCL-Poly Subsidiaries are required for the loan drawdowns. In addition, the drawdown of the facilities and the terms of the borrowings, including the borrowing amounts, pledges or guarantees required and repayment terms, are subject to further approval of the bank upon application by the Group, and provision of guarantees from GCL-Poly and GCL-Poly Subsidiaries. The Group is in the process of discussing with GCL-Poly to obtain further GCL-Poly's written support for the provision of guarantees from GCL-Poly and GCL-Poly Subsidiaries that the bank requires when the applications for the loan drawdowns are submitted.

2 BASIS OF PREPARATION – *continued*

2.1 Going concern – *continued*

(iv) The Group is currently actively negotiating with several banks in both Hong Kong and the PRC for additional financing. It has received detailed proposals from certain banks for total banking facilities of approximately HK$1,527 million with repayment periods from one to five years. The Group has also received letters of intent from certain other banks which indicated that these banks tentatively offer banking facilities of approximately HK$9,543 million to the Group.

(v) The Group is also actively negotiating with other private investors for additional financing in the form of equity or debt or a combination of both. During the six-month period ended 30 June 2015, the Group completed the issue of a new convertible bond to a non-banking financial institution with a nominal amount of approximately HK$775 million, and the issue of bonds to certain private investors of approximately HK$153 million. Based on the past experience, the Directors believe that the Group will be able to raise equity or debt financing as and when necessary.

(vi) The Group has completed the construction of 20 solar farms with approval for on-grid connection up to the date of approval of this condensed consolidated interim financial information. The Group also has additional 17 solar farms under construction targeting to achieve on-grid connection in the near future. The abovementioned solar farms have an aggregate installed capacity of approximately 1,549MW and are expected to generate operating cash inflows to the Group.

Accordingly, the Directors are satisfied that it is appropriate to prepare this condensed consolidated interim financial information on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group can achieve the plans and measures described in (ii) to (vi) above. Whether the Group will be able to continue as a going concern depends upon 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 30 June 2015, obtaining the necessary guarantees from GCL-Poly and GCL-Poly Subsidiaries that the bank (maintained in note (iii) above) requires and other short-term or long-term financing; and the completion of the construction of the solar farms to generate adequate cash inflows as scheduled. Should the Group be unable to operate as a going concern, adjustments would have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to provide for financial liabilities which might arise; and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in this condensed consolidated interim financial information.

3 ACCOUNTING POLICIES

(a) New and amended standards adopted by the Group

The accounting policies applied are consistent with those of the annual financial statements for the nine months ended 31 December 2014 as described in those annual financial statements, except for the addition of the accounting policy for revenve recognition of tariff adjustment as set out below.

Tariff adjustment represents subsidy received and receivable from the government authorities in respect of the Group's solar power plant business. Tariff adjustment is recognised at its fair value when there is a reasonable assurance that the additional tariff will be received and the Group will comply with all attached conditions, if any.

Amendments to IFRSs effective for the financial year ending 31 December 2015 do not have a material impact on the Group.

Taxes on income in the interim periods are accrued using the tax rates that will be applicable to the expected total annual earnings.

There are no other amended standards or interpretations that are effective for the first time for this interim period that could be expected to have a material impact on this Group.

(b) The Group has not early adopted the following new and revised IFRSs that have been issued but not yet effective for the Group's accounting periods beginning on or after 1 July 2015

		Effective for annual periods beginning on or after
IAS 1 (Amendment)	Disclosure Initiative	1 January 2016
IAS 16 and IAS 38 (Amendment)	Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
IAS 16 and IAS 41 (Amendment)	Agriculture: Bearer Plants	1 January 2016
IAS 27 (Amendment)	Equity Method in Separate Financial Statements	1 January 2016
IFRS 9 (2014)	Financial Instruments	1 January 2018
IFRS 10 and IAS 28 (Amendment)	Sales and Contribution of Assets between an Investor and its Associate of Joint Venture	1 January 2016
IFRS 10, IFRS 12 and IAS 28 (Amendment)	Investment Entities: Applying the Consolidation Exception	1 January 2016
IFRS 11 (Amendment)	Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
IFRS 14	Regulatory Deferral Accounts	1 January 2016
IFRS 15	Revenue from Contracts with Customers	1 January 2018
Annual Improvements Project	Annual Improvements 2012 - 2014 Cycle	1 January 2016

The Directors are in the process of reviewing the impact on the Group's financial statements in respect of the adoption of these new and revised IFRSs.

4 ESTIMATES

The preparation of Interim Financial Information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this Interim Financial Information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 2014, except for the addition on estmation of fair value of the convertible bond and the update on acquisition accounting, as set out below.

Estmated fair value of convertible bond

The fair value of the convertible bond is determined based on the Directors' estimation in light of the latest information obtained relating to the convertible bond and with reference to independent valuer's assessment. Any new development in the convertible bond or the market conditions and changes in assumptions and estimation selected by management and independent valuer in assessing the fair value of the convertible bond, including but not limited to the Company's share price and its volatility, and the likelihood of the exercise of the conversion right of the convertible bond by the bond holder, could affect the fair value of such convertible bond and in then affect the Group's financial position and results of operations.

Acquisition accounting

Accounting for acquisitions require the Group to allocate the cost of acquisition to specific assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. The Group has undertaken processes to identify all assets and liabilities acquired, including acquired intangible assets. Judgements made in identifying all acquired assets, determining the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset's useful lives, could materially impact the calculation of goodwill and bargain purchase, and depreciation and amortisation charges in subsequent periods. Estimated fair values are based on information available near the acquisition date and on expectations and assumptions that have been deemed reasonable by management. Determining the estimated useful lives of tangible and intangible assets acquired also requires judgement.

5 FINANCIAL RISK MANAGEMENT

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

This Interim Financial Information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the nine months ended 31 December 2014.

There have been no changes in the risk management policies of the Group since the nine months ended 31 December 2014.

5 FINANCIAL RISK MANAGEMENT – *continued*

(b) Liquidity risk

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

	On demand or less than 3 months HK$'000	**Between 3 months and 1 year HK$'000**	**Between 1 and 2 years HK$'000**	**Between 2 and 5 years HK$'000**	**Over 5 years HK$'000**
At 30 June 2015					
Trade and other payables	**4,009,558**	**605,301**	**—**	**—**	**—**
Amount due to fellow subsidiaries	**—**	**600,682**	**—**	**—**	**—**
Loan from a fellow subsidiary	**730,916**	**—**	**—**	**—**	**—**
Shareholder's loan	**—**	**—**	**20,000**	**—**	**—**
Bank loans	**240,675**	**2,145,399**	**912,738**	**1,914,068**	**2,095,345**
Obligations under finance leases	**12,613**	**34,359**	**32,974**	**9,328**	**—**
Bonds payable	**—**	**162,971**	**—**	**—**	**—**
Convertible bond	**8,537**	**23,253**	**46,506**	**929,334**	**—**
Total	**5,002,299**	**3,571,965**	**1,012,218**	**2,852,730**	**2,095,345**

	On demand or less than 3 months HK$'000	Between 3 months and 1 year HK$'000	Between 1 and 2 years HK$'000	Between 2 and 5 years HK$'000	Over 5 years HK$'000
At 31 December 2014					
Trade and other payables	3,584,845	29,552	—	—	—
Amount due to fellow subsidiaries	—	56,882	—	—	—
Loan from a fellow subsidiary	962,856	—	—	—	—
Shareholder's loan	—	20,000	—	—	—
Bank loans	69,040	375,209	1,244,408	317,722	1,027,331
Obligations under finance leases	9,802	29,406	29,592	9,922	—
Total	4,626,543	511,049	1,274,000	327,644	1,027,331

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5 FINANCIAL RISK MANAGEMENT – *continued*

(c) Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the Group's liability that is measured at fair value at 30 June 2015 and 31 December 2014.

	Level 1 HK$'000	Level 2 HK$'000	Level 3 HK$'000	Total HK$'000
At 30 June 2015				
Convertible bonds	—	—	716,766	716,766
At 31 December 2014				
Convertible bonds	—	—	—	—

During the six months ended 30 June 2015, there were no significant transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments, no reclassifications of financial assets and no significant changes in the business or economic circumstances that affect the fair values of the Group's financial assets and financial liabilities.

The following table gives information about fair value measurements of the convertible bonds using significant unobservable inputs (level 3) at 30 June 2015 and 27 May 2015:

Financial liabilities	Fair value as at 30.6.2015 *HK$'000*	27.5.2015 *HK$'000*	31.12.2014 *HK$'000*	Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Convertible bond (Note)	716,766	775,100	N/A	Level 3	Binomial model, the key inputs are: underlying share price, conversion price, risk free interest rate, share price volatility, discount rate, and dividend yield (refer to Note 24).	Share price volatility of 55.75% at 30 June 2015 and 54.23% at 27 May 2015, taking into account the historical share price of the Company for the period of time close to the expected time to exercise.	The higher/lower the volatility, the higher/lower the fair value.

Note: If the volatility of the underlying shares was 5% higher/lower while all the other variables were held constant, the gain on change in fair value of convertible bond would decrease by approximately HK$7,077,000/increase by approximately HK$3,956,000.

5 FINANCIAL RISK MANAGEMENT – *continued*

(c) Fair value estimation – *continued*

There were no changes in valuation techniques during the period.

The carrying amounts less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year, including trade and other receivables, cash and cash equivalents, pledged bank deposits, trade and other payables, amounts due from/to related companies, and current borrowings approximate their fair values. The fair values of long-term borrowings equal their carrying amounts as the discounting impact is not significant.

6 REVENUE

The Group is principally engaged in the development, construction, operation and management of solar farms, as well as the manufacturing and selling of printed circuit boards. Revenue consists of the following:

	Six months ended	
	30 June 2015 HK$'000	30 September 2014 HK$'000
Sales of electricity	**127,580**	—
Tariff adjustment	**225,321**	—
Sales of printed circuit boards	**782,336**	800,381
	1,135,237	800,381

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7 SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that makes strategic decision.

The Group has two reportable segments during the six months ended 30 June 2015 and 30 September 2014: (a) development, construction, operation and management of solar farms ("Solar Energy") segment, and (b) manufacturing and selling of printed circuit boards ("PCB") segment.

The following table presents revenue and profit information regarding the Group's operating segments:

Period from 1 January 2015 to 30 June 2015

	Solar Energy Business HK$'000	PCB Business HK$'000	Unallocated* HK$'000	Total HK$'000
Revenue from external customers	352,901	782,336	—	1,135,237
Segment results	207,082	43,558	(62,521)	188,119
Finance income	833	186	1,504	2,523
Finance costs	(86,602)	(9,048)	(1,397)	(97,047)
Share-based payment expenses	—	—	(61,660)	(61,660)
Change in fair value of convertible bond	—	—	58,334	58,334
Bargain purchase on business combination	27,423	—	—	27,423
Segment profit/(loss) before income tax	148,736	34,696	(65,740)	117,692
Income tax expense	(3,883)	(23,604)	—	(27,487)
Segment profit/(loss) for the period	144,853	11,092	(65,740)	90,205
Depreciation and amortisation	89,101	69,677	—	158,778
Additions to property, plant and equipment	2,742,651	167,787	—	2,910,438

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7 SEGMENT INFORMATION – *continued*

The following table presents revenue and profit information regarding the Group's operating segments: – *continued*

Period from 1 April 2014 to 30 September 2014

	Solar Energy Business HK$'000	PCB Business HK$'000	Unallocated* HK$'000	Total HK$'000
Revenue from external customers	—	800,381	—	800,381
Segment results	(7,519)	39,671	(21,653)	10,499
Finance income	131	130	843	1,104
Finance costs	(4)	(12,268)	(321)	(12,593)
Realised gain on embedded derivatives upon conversion of redeemable convertible bond	—	—	57,324	57,324
Segment profit/(loss) before income tax	(7,392)	27,533	36,193	56,334
Income tax expense	—	(16,424)	—	(16,424)
Segment profit/(loss) for the period	(7,392)	11,109	36,193	39,910
Bad debts written off	—	2,380	—	2,380
Depreciation and amortisation	48	67,746	—	67,794
Additions to property, plant and equipment	25,189	71,402	—	96,591

The Group's operations are principally located in Hong Kong and Mainland China. The revenue from external customers in Hong Kong and Mainland China for the six months ended 30 June 2015 is HK$851,877,000 (30 September 2014: HK$524,426,000), and the revenue from external customers in other countries is HK$283,360,000 (30 September 2014: HK$275,955,000).

For the six months ended 30 June 2015, revenue of HK$142,121,000 (30 September 2014: HK$137,206,000) was derived from a single external customer. This revenue was attributable to the PCB Business.

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7 SEGMENT INFORMATION – *continued*

The following is an analysis of the Group's assets and liabilities by reportable segment:

At 30 June 2015

	Solar Energy Business HK$'000	PCB Business HK$'000	Unallocated HK$'000	Total HK$'000
Segment assets	**14,783,082**	**1,657,105**	**968**	**16,441,155**
Segment liabilities	**11,659,560**	**1,011,418**	**716,766**	**13,387,744**

At 31 December 2014

	Solar Energy Business HK$'000	PCB Business HK$'000	Unallocated HK$'000	Total HK$'000
Segment assets	8,500,107	1,467,628	312	9,968,047
Segment liabilities	6,233,573	833,319	—	7,066,892

* Unallocated amounts mainly represented head office income and expenses such as change in fair value for convertible bond, Directors' emoluments, staff salaries, professional fees and rental expenses.

8 OTHER INCOME

	Six months ended 30 June 2015 HK$'000	Six months ended 30 September 2014 HK$'000
Sales of manufacturing by-products	**22,666**	23,623
Management services income (note 30(c))	**21,066**	10,185
Insurance claims income	**8,088**	—
Government subsidies (note)	**3,889**	12,451
Amortisation of deferred income on government grants	**97**	233
Sundries	**489**	1,718
	56,295	48,210

Note: Government subsidies represent cash received from the local municipal government in the PRC during the six months ended 30 June 2015 and 30 September 2014 as incentives to encourage export sales in the PRC, the conditions attached thereto had been fully complied with.

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9 OPERATING PROFIT

	Six months ended 30 June 2015 HK$'000	Six months ended 30 September 2014 HK$'000
Operating profit is stated after charging (crediting) the following:		
Cost of inventories sold	**401,187**	440,790
Staff costs (including Directors' and chief executive's emoluments but excluding share-based payment expenses)	**223,005**	157,104
Share-based payment expenses (note 27(h))		
– Directors and employees	**46,816**	—
– Consultancy services	**14,844**	—
Depreciation		
– Owned property, plant and equipment	**152,027**	62,837
– Leased property, plant and equipment	**6,643**	4,713
Amortisation of land use rights	**108**	244
Bad debts written off	**—**	2,380
Reversal of write-off of other receivables	**—**	(252)
Net exchange gain	**(16,522)**	(2,629)
Operating lease rental in respect of properties	**8,151**	5,083

10 FINANCE INCOME

	Six months ended 30 June 2015 HK$'000	Six months ended 30 September 2014 HK$'000
Bank interest income	**2,523**	1,104

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11 FINANCE COSTS

	Six months ended 30 June 2015 HK$'000	Six months ended 30 September 2014 HK$'000
Interest on:		
– Bank borrowings	**114,567**	10,639
– Obligations under finance leases	**2,072**	1,634
– Other loan	**7,344**	—
– Loans from fellow subsidiaries (note 30(e))	**34,765**	—
– Bonds payable	**384**	—
– Redeemable convertible bond	**—**	320
Total borrowing costs	**159,132**	12,593
Less: interest capitalised in property, plant and equipment	**(62,085)**	—
	97,047	12,593

12 INTERESTS IN JOINT VENTURES

	30 June 2015 HK$'000	31 December 2014 HK$'000
At the beginning of the period/year	**53,313**	—
Acquisition of Hainanzhou Shineng Photovoltaic Power Co., Ltd.* ("Shineng") and Yili GCL New Energy Limited* ("Yili GCL")	**—**	44,493
Capital injection to Yili GCL	**20,416**	9,507
Share of profit/(loss) for the period/year	**5,769**	(684)
Exchange differences	**34**	(3)
At the end of the period/year	**79,532**	53,313

* *English name for identification only*

13 INCOME TAX EXPENSE

	Six months ended	
	30 June 2015 HK$'000	30 September 2014 HK$'000
Current income tax – PRC taxation charged	**25,451**	14,067
Deferred income tax	**2,036**	2,357
	27,487	16,424

No provision for Hong Kong profits tax was made for the current period (30 September 2014: nil) as the Group had no assessable profits for the period.

The Group's operations in the PRC are subject to the corporate income tax law of the PRC (the "PRC corporate income tax"). The standard PRC corporate income tax rate is 25%. 12 subsidiaries of the Group were entitled to preferential tax treatments including corporate income tax exemption for three years followed by a 50% tax reduction for the next three years.

14 DIVIDEND

The Directors do not recommend the payment of an interim dividend in respect of the six months ended 30 June 2015 (30 September 2014: nil).

15 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to owners of the Company and on the weighted average number of ordinary shares in issue during the period.

Basic

	Six months ended	
	30 June 2015 HK$'000	30 September 2014 HK$'000
Profit attributable to owners of the Company	**90,156**	39,910
Number of shares (thousands of shares)		
Weighted average number of ordinary shares in issue for the purpose of calculating basic earnings per share	**13,871,793**	11,974,122
	HK cents	HK cents
Basic earnings per share attributable to owners of the Company	**0.65**	0.33

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15 EARNINGS PER SHARE – *continued*

Diluted

Diluted earnings per share was calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The convertible bond was assumed to have been converted into ordinary shares at the conversion price adjusted as if the conditions set out in the agreement were satisfied with reference to the market information during the period ended 30 June 2015 (note 24). In addition, the net profit of the Group has been adjusted to eliminate the change in fair value of convertible bond.

	Six months ended	
	30 June 2015 HK$'000	30 September 2014 HK$'000
Profit attributable to owners of the Company	**90,156**	39,910
Adjustment for:		
– Change in fair value of convertible bond	**(58,334)**	—
Adjusted profit attributable to owners of the Company used to determine the diluted earnings per share	**31,822**	39,910
Number of shares (thousands of shares)		
Weighted average number of ordinary shares in issue during the period	**13,871,793**	11,974,122
Adjustments for:		
– Conversion of redeemable convertible bond	**—**	5,905
– Assumed exercise of convertible bond	**(26,590)**	—
Weighted average number of ordinary shares in issue for the purpose of calculating diluted earnings per share	**13,845,203**	11,980,027
	HK cents	HK cents
Diluted earnings per share attributable to owners of the Company	**0.23**	0.33

For the six months ended 30 June 2015, the share options granted had an anti-dilutive effect on the earnings per share.

16 PROPERTY, PLANT AND EQUIPMENT AND LAND USE RIGHTS

	Property, plant and equipment HK$'000	Land use rights HK$'000	Total HK$'000
Six months ended 30 June 2015			
Net book amount at 1 January 2015	**6,679,552**	**8,618**	**6,688,170**
Exchange differences	**12,450**	**2**	**12,452**
Additions	**2,910,438**	**—**	**2,910,438**
Acquisition of subsidiaries (note 29)	**609,302**	**—**	**609,302**
Disposals	**(249)**	**—**	**(249)**
Amortisation/depreciation	**(158,670)**	**(108)**	**(158,778)**
Net book amount at 30 June 2015	**10,052,823**	**8,512**	**10,061,335**

	Property, plant and equipment HK$'000 (restated)	Land use rights HK$'000	Total HK$'000 (restated)
Six months ended 30 September 2014			
Net book amount at 1 April 2014			
– As previously reported	926,000	20,960	946,960
– Effect of changes in accounting policies	(62,150)	—	(62,150)
Net book amount at 1 April 2014 (restated)	863,850	20,960	884,810
Exchange differences	(4,462)	(107)	(4,569)
Additions	96,591	—	96,591
Acquisition of subsidiaries	5,995	—	5,995
Amortisation/depreciation	(67,550)	(244)	(67,794)
Net book amount at 30 September 2014	894,424	20,609	915,033

(a) At 30 June 2015, the net book amount of land use rights and property, plant and equipment pledged as collateral for the bank loans of the Group amounted to HK$7,925,000 and HK$1,993,709,000, respectively (31 December 2014: HK$8,019,000 and HK$1,743,845,000, respectively).

(b) At 30 June 2015, the net book amount of property, plant and equipment held by the Group under finance leases amounted to HK$125,524,000 (31 December 2014: HK$106,788,000).

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17 INVENTORIES

	30 June 2015 HK$'000	31 December 2014 HK$'000
Raw materials	**42,090**	46,392
Work in progress	**36,344**	43,520
Finished goods	**83,808**	84,835
	162,242	174,747

The cost of inventories recognised as expense and included in "cost of sales" amounted to HK$ 401,187,000 (30 September 2014: HK$440,790,000).

18 DEPOSITS, PREPAYMENTS AND OTHER NON-CURRENT ASSETS

	30 June 2015 HK$'000	31 December 2014 HK$'000
Deposits for EPC contracts and constructions	**552,166**	499,162
Value-added tax recoverable	**622,918**	425,491
Deposits for acquisitions of solar farm projects	**176,465**	96,367
Prepaid rent for land	**98,067**	27,326
Deposits for finance leases	**16,312**	12,039
Others	**69,478**	19,206
	1,535,406	1,079,591

Deposits for engineering, procurement and construction ("EPC") contracts represent deposits paid to contractors for the construction of solar farms. Such amount would be transferred to solar farms under construction with reference to the status of the construction of solar farms.

19 TRADE AND OTHER RECEIVABLES

	30 June 2015 HK$'000	31 December 2014 HK$'000
Trade receivables	**457,756**	354,708
Tariff adjustment receivables	**305,299**	74,894
Bills receivables (trade)	**12,261**	—
Bills receivables (non-trade)	**469,713**	—
Value-added tax recoverable	**151,676**	78,485
Deposits, prepayments and other receivables	**104,143**	64,117
	1,500,848	572,204

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19 TRADE AND OTHER RECEIVABLES – *continued*

For PCB segment, sales are made to customers with credit terms of 30 to 120 days.

For Solar segment, trade receivables represent the receivable from sales of electricity excluding government subsidies on renewable energy for ground projects. These customers usually settle the payment of electricity consumed within one month. Tariff adjustment receivables represent government subsidies on renewable energy for solar farm to be received from the State Grid based on the prevailing nationwide government policies. Tariff adjustment receivables of HK$262,154,000 and HK$43,145,000 were arising from electricity generated for the six months ended 30 June 2015 and for the nine months ended 31 December 2014, respectively.

The ageing analysis of trade receivables and bills receivables (trade) is as follows:

	30 June 2015 HK$'000	31 December 2014 HK$'000
Trade receivables:		
Up to 3 months	**420,815**	331,163
3 to 6 months	**34,915**	21,831
Over 6 months	**2,026**	1,714
	457,756	354,708
Bills receivables (trade):		
Up to 3 months	**12,261**	—

The bills receivables (non-trade) represent the bills receivables assigned by certain contractors and a fellow subsidiary of approximately HK$54,460,000 and HK$415,253,000 in relation to the settlement of the prepayments and the loan arrangement as described in Note 22, respectively.

20 BALANCES WITH RELATED COMPANIES

Save as disclosed in note 22 for loans from a fellow subsidiary and note 23 with respect to the shareholder's loan, the Group had the following balances with related parties.

	Notes	**30 June 2015 HK$'000**	31 December 2014 HK$'000
Receivables from related parties			
– A joint venture - non-current	(a)	—	27,296
– A joint venture - current	(a)	**56,378**	29,060
– Fellow subsidiaries	(a)	**22,639**	16,104
		79,017	72,460
Payables to fellow subsidiaries			
– Purchase of plant and equipment	(b)	**499,365**	—
– Other payables to fellow subsidiaries	(a)	**101,317**	56,882
		600,682	56,882

20 BALANCES WITH RELATED COMPANIES – *continued*

(a) The amounts due from a joint venture and amounts due from/to fellow subsidiaries were unsecured, interest-free and had no fixed terms of repayment.

(b) Included in the amounts due to fellow subsidiaries is HK$499,365,000. It represents the purchase of plant and equipment from the companies before they became related parties during the six months period ended 30 June 2015. The balance was unsecured, interest-free and had repayment term of 6 months.

21 TRADE AND OTHER PAYABLES

	30 June 2015 HK$'000	31 December 2014 HK$'000
Trade payables	**364,658**	318,213
Bills payables (non-trade)	**434,238**	—
Payables for the purchase of plant and machinery and construction of solar farms (note)	**3,616,484**	2,831,683
Payables to vendors of solar farms	**126,904**	317,177
Other payables	**39,866**	46,105
Receipts in advance	**9,632**	30,263
Accrued expenses	**82,360**	99,781
	4,674,142	3,643,222

Note: The payables will be repaid in accordance with the agreements signed with the constructors and generally within two years.

The ageing analysis of trade payables is as follows:

	30 June 2015 HK$'000	31 December 2014 HK$'000
Up to 3 months	**216,746**	206,634
3 to 6 months	**125,880**	101,328
Over 6 months	**22,032**	10,251
	364,658	318,213

Bills payables represent the bills payables assigned by the Group to certain contractors and fellow subsidiaries in relation to the settlement of certain payables and have maturities ranged from 3 to 6 months.

22 LOANS FROM A FELLOW SUBSIDIARY

The loan from a fellow subsidiary of approximately HK$309,588,000 (31 December 2014: HK$950,691,000) was unsecured, interest-bearing at a fixed rate of 5.6% per annum with a term of three months. The balance was denominated in RMB.

In addition, the balance of approximately HK$415,253,000 as at 30 June 2015 represents several loans borrowed from a fellow subsidiary in the form of bills receivables from relevant banks with maturities of 4 months. The loans were unsecured and interest-bearing at 5.1% per annum upon maturity of the bills.

23 BORROWINGS

The maturities of the bank borrowings of the Group as at 30 June 2015 and 31 December 2014 are as follows:

	30 June 2015 HK$'000	31 December 2014 HK$'000
Over five years		
Bank loans	**1,293,926**	598,301
In the third to fifth year		
Bank loans	**828,684**	154,646
Obligations under finance leases	**8,125**	8,567
Other loan (note (a))	**1,259,415**	—
	2,096,224	163,213
In the second year		
Bank loans	**711,709**	1,175,646
Obligations under finance leases	**30,231**	26,874
Shareholder's loan (note (b))	**20,000**	—
	761,940	1,202,520
Within one year		
Bank loans due for repayment within one year (note (c))	**2,234,254**	322,051
Obligations under finance leases	**45,520**	37,900
Shareholder's loan (note (b))	**—**	20,000
	2,279,774	379,951
Total	**6,431,864**	2,343,985
Represented by:		
Non-current	**4,152,090**	1,964,034
Current	**2,279,774**	379,951
Total	**6,431,864**	2,343,985

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23 BORROWINGS – *continued*

Note: (a) This borrowing of HK$1,268,070,000 (equivalent to RMB1,000,000,000) at initial recognition, net of transaction cost, is mainly obtained through a limited partnership arrangement with an asset management company in the PRC (the "Limited Partner"). Pursuant to the investment agreement entered into between the Group and the Limited Partner on 29 May 2015 (the "Investment Agreement"), the Limited Partner provides loans to the project companies of the Group. Under the Investment Agreement, the Group agrees to repurchase the "investment" of the Limited Partner upon the occurrence of certain events and in any case not beyond three years as set out in the agreement, at a consideration equal to the original cost of investment plus a fixed return of 8.9% per annum of the "investment". The equity interests in the project companies are pledged as collateral.

(b) The shareholder's loan is unsecured, interest-free and fully repayable in July 2016.

(c) The Group is required to comply with certain restrictive financial covenant and undertaking requirements. For the six months ended 30 June 2015, three subsidiaries of the Group have not complied with a required debt to asset ratio requirement as set out in the loan agreements entered into between the subsidiaries and a PRC bank with total loan balances of approximately HK$526,000,000 as at 30 June 2015. As a result, total borrowings of HK$122,000,000 that have original contractual repayment dates beyond one year from 30 June 2015 were reclassified as current liabilities as at that date. Subsequent to 30 June 2015, the relevant bank has agreed to grant a grace period to the Group up to 31 December 2015 in order for the subsidiaries to remediate and meet the required covenant requirement. The Group is planning to inject additional capital as necessary to the subsidiaries to ensure they comply with the required debt to asset ratio requirement. It is in the opinion of the Directors that the relevant covenant requirement can be remediated before the end of the grace period.

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Movements in borrowings are analysed as follows:

	30 June 2015 HK$'000	30 September 2014 HK$'000
At the beginning of the period	**2,343,985**	355,179
New borrowings	**4,866,002**	175,327
Repayments of borrowings	**(786,457)**	(157,586)
Exchange differences	**8,334**	(1,725)
At the end of the period	**6,431,864**	371,195

24 CONVERTIBLE BOND

	30 June 2015 HK$'000
At initial recognition	775,100
Change in fair value charged to profit or loss	(58,334)
At the end of the period	716,766

On 27 May 2015, the Company issued a three-year convertible bond at a nominal value of HK$775,100,000. The major terms and conditions of the convertible bond are as follows:

(a) **Interest rate**

The Company shall pay an interest on the convertible bond at 6% per annum.

(b) **Conversion price**

The bond matures three years from the date of issuance at its nominal value of HK$775,100,000 or can be converted into ordinary shares of the Company at an original conversion price of HK$1.20 per share, subject to adjustments, after six months from the date of issuance to the date of maturity.

The conversion price will be subject to adjustments upon the occurrence of certain events as set out below:

(i) Consolidation, subdivision or reclassification of shares, capitalisation of profits or reserve, capital distribution, rights issues of shares or options over shares, issues at a certain discount to current market price, change of control and other usual adjustment events. The conversion price may not be reduced so that the conversion shares may fall to be issued at a discount to their par value.

(ii) In addition, (1) if at any time after the date falling six months from the date of the instrument (i.e. 27 May 2015), the 30-day average price falls below 80% of the applicable conversion price, the conversion price shall be adjusted to a price equal to the higher of (i) the then prevailing conversion price multiplied by 0.80 and (ii) the Minimum Conversion price of HK$0.78 (the conversion price so adjusted being the "First Adjusted Conversion price''). The First Adjusted Conversion price shall be effective from the close of business in Hong Kong on the business day following the last dealing day within the period of the 30 consecutive dealing days in which such 30-day average price is ascertained; and (2) if at any time after the date falling three months from the date of the First Adjusted Conversion price, the 30-day average price falls below 80% of the then prevailing conversion price, the conversion price shall be further adjusted to a price equal to the higher of (i) the then applicable conversion price multiplied by 0.80 and (ii) the Minimum Conversion price (the conversion price so adjusted being the ''Further Adjusted Conversion price''). The Further Adjusted Conversion price shall be effective from the close of business in Hong Kong on the business day following the last dealing day within the period of the 30 consecutive dealing days in which such 30-day average price is ascertained. For these purposes, ''Minimum Conversion price'' means HK$0.78 subject to adjustment in the same manner as the conversion price.

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24 CONVERTIBLE BOND – *continued*

(c) Maturity

The maturity date of the convertible bond is 26 May 2018.

(d) Redemption

Unless previously redeemed, converted or purchased and cancelled, the Company will redeem all the principal amount of the convertible bond outstanding on the maturity date at 112% of the outstanding principal amount.

The conversion feature fails the fixed-for-fixed requirement for equity classification as one of the conversion ratio adjustments does not preserve the relative interest between the bondholder and ordinary shareholders. The Company designated the convertible bond (including the conversion option) as a financial liability at fair value through profit or loss in accordance with IAS 39, "Financial instruments: recognition and measurement".

Gain from change in fair value of the convertible bond for the period ended 30 June 2015 is HK$58,334,000 (Period ended 30 September 2014: nil), which is recognised in the condensed consolidated income statement.

During the period ended 30 September 2014, the Group recognised a realised fair value gain on the embedded derivative of another redeemable convertible bond amounting to HK$57,324,000 upon conversion of the redeemable convertible bond into ordinary shares. The relevant bond was a three-year 1% convertible bond at a total nominal value of HK$90,000,000 issued on 16 June 2011 and fully converted on 9 May 2014.

The fair value of the convertible bond was determined by an independent qualified valuer based on the Binomial Lattice Model. The following factors were applied.

	30 June 2015 HK$'000	27 May 2015 HK$'000
Discount rate	**24.4%**	22.13%
Fair value of shares of the Company	**HK$0.68 each**	HK$0.87 each
Conversion price	**HK$1.20 per share**	HK$1.20 per share
Risk free interest rate	**0.672%**	0.704%
Time to maturity	**2.908 years**	3 years
Expected volatility	**55.75%**	54.23%
Expected dividend yield	**0%**	0%

25 BONDS PAYABLE

As at 19 June 2015, Nanjing GCL New Energy Development Co., Ltd., a wholly-owned subsidiary of the Group, issued first tranche bonds of approximately HK$150,119,000 (equivalent to RMB118,384,000) net of transaction cost. The bonds mature on 18 June 2016 and bear interest at a fixed rate of 6.7% per annum, repayable on 19 June 2016.

26 DEFERRED INCOME

The deferred income represents government grants received for the construction of a plant in Jiangxi in Mainland China, which is amortised over the expected useful life of the plant upon the commencement of the operation.

27 SHARE CAPITAL

	2015		2014	
	Number of shares	Amount HK$'000	Number of shares	Amount HK$'000
Authorised:				
At 1 January 2015 (Ordinary shares of HK$0.00416 each)/1 April 2014 (Ordinary shares of HK$0.10 each)	36,000,000,000	150,000	700,000,000	70,000
Shares subdivision (note (d))	—	—	3,500,000,000	—
Increase in share capital (note (e))	—	—	4,800,000,000	80,000
Shares subdivision (note (g))	—	—	27,000,000,000	—
At 30 June 2015/31 December 2014 (Ordinary shares of HK$0.00416 each)	36,000,000,000	150,000	36,000,000,000	150,000
Issued and fully paid:				
At 1 January 2015 (Ordinary shares of HK$0.00416 each)/1 April 2014 (Ordinary shares of HK$0.10 each)	13,871,793,048	57,799	85,948,520	8,595
Subscription of new shares (note (a))	—	—	360,000,000	36,000
Placement of new shares (note (b))	—	—	50,000,000	5,000
Shares issued upon conversion of redeemable convertible bond (note (c))	—	—	33,542,857	3,354
Shares subdivision (note (d))	—	—	2,647,456,885	—
Top-up placing of existing shares and Top-Up Subscription for new shares (note (f))	—	—	291,000,000	4,850
Shares subdivision (note (g))	—	—	10,403,844,786	—
At 30 June 2015/31 December 2014 (Ordinary shares of HK$0.00416 each)	13,871,793,048	57,799	13,871,793,048	57,799

Notes:

(a) On 13 February 2014, the Company entered into a conditional subscription agreement with GCL-Poly Energy Holdings Limited (the "Subscriber"), a company incorporated in the Cayman Islands and listed on the Main Board of The Stock Exchange of Hong Kong Limited, whereby the Subscriber agreed to subscribe for 360,000,000 new shares of the Company at a subscription price of HK$4 per share for an aggregate cash consideration of HK$1,431,157,000 (the "Subscription"). The Subscription was completed on 9 May 2014.

(b) On 28 February 2014, the Company entered into an amended and restated placing agreement with a placing agent whereby the Company agreed to place, through the placing agent, 50,000,000 new shares of the Company to no less than six placees at a price of HK$4 per share (the "Placement") with net proceeds of approximately HK$195,000,000. The Placement was completed on 9 May 2014.

(c) On 9 May 2014, the redeemable convertible bond issued by the Company with details set out in note 24 above was fully converted into 33,542,857 shares of the Company (the "Conversion").

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27 SHARE CAPITAL – *continued*

Notes: – *continued*

(d) With effect from 30 June 2014, each of the existing issued and unissued shares of HK$0.10 each in the share capital of the Company was subdivided into six subdivided shares of HK$0.01666 each (each a "Subdivided Share") ("First Share Subdivision"), after passing of an ordinary resolution at the special general meeting of the Company held on 27 June 2014 and the Stock Exchange granting the listing of, and permission to deal in, the subdivided shares (the "Share Subdivision"). Upon the Share Subdivision becoming effective, the authorised capital of the Company was HK$70,000,000 divided into 4,200,000,000 Subdivided Shares of HK$0.01666 each, of which 3,176,948,262 Subdivided Shares were in issue and fully paid or credited as fully paid.

(e) On 18 August 2014, shareholders of the Company approved the increase of the authorised share capital of the Company from HK$70,000,000, divided into 4,200,000,000 shares of HK$0.01666 each, to HK$150,000,000, divided into 9,000,000,000 shares of HK$0.01666 each.

(f) On 8 October 2014, Elite Time Global Limited (the controlling shareholder of the Company and a direct wholly-owned subsidiary of GCL-Poly), the Company and a placing agent entered into the Top-Up Placing Agreement pursuant to which the placing agent agreed to, as agent of Elite Time Global Limited and on a best effort basis, procure purchasers to acquire, and Elite Time Global Limited agreed to sell up to 291,000,000 shares of the Company at a price of HK$2.55 per share. On the same date, Elite Time Global Limited and the Company also entered into the Top-Up Subscription Agreement pursuant to which Elite Time Global Limited conditionally agreed to subscribe for 291,000,000 new shares of the Company at a price of HK$2.55 per share. The above transactions were completed on 13 October 2014 and 16 October 2014, respectively, and the Company raised net proceeds of approximately HK$736,000,000.

(g) With effect from 19 November 2014, each of the existing issued and unissued shares of HK$0.01666 each in the share capital of the Company was subdivided into four Subdivided Shares of one-two hundred-fortieth (1/240) of a Hong Kong dollar (equivalent to HK$0.00416) each ("Second Share Subdivision"), after passing of an ordinary resolution at the special general meeting of the Company held on 18 November 2014 and the Stock Exchange granting the listing of, and permission to deal in, the subdivided shares. Upon the Share Subdivision becoming effective, the authorised capital of the Company was HK$150,000,000, divided into 36,000,000,000 Subdivided Shares of one-two-hundred-fortieth (1/240) of a Hong Kong dollar (equivalent to HK$0.00416) each, of which 13,871,793,048 Subdivided Shares were in issue and fully paid or credited as fully paid.

(h) Equity-settled share option scheme

Same as disclosed in the Company's 2014 annual report relating to the share option scheme, there is no material change for the period ended 30 June 2015, except the following:

Movements of share options granted during the period ended 30 June 2015 are as follows:

			Number of share options			
				During the period		
	Date of grant	Exercise price per share (HK$)	Outstanding at 1 January 2015	Forfeited	Transferred	Outstanding at 30 June 2015
Directors	23.10.2014	HK$1.1875	140,000,000	(20,800,000)	(35,200,000)	84,000,000
Employees and others	23.10.2014	HK$1.1875	396,840,000	(70,920,000)	35,200,000	361,120,000
			536,840,000	(91,720,000)	—	445,120,000

During the period end 30 June 2015, share-based payment expense of approximately HK$61,660,000 (Period ended 30 September 2014: nil) was recognised in the condensed consolidated income statement.

During the period ended 30 June 2015, certain share options granted to employees had been forfeited, respective share option reserve of approximately HK$24,213,000 (Period ended 30 September 2014: nil) had been transferred to the Group's accumulated losses.

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28 CAPITAL COMMITMENTS

	30 June 2015 HK$'000	31 December 2014 HK$'000
Authorised but not contracted for:		
Construction commitments in relation to solar farms	**2,082,827**	2,088,504
Commitment to contribute share capital to a joint venture	**—**	116,877
	2,082,827	2,205,381
Contracted but not provided for:		
Construction commitments in relation to solar farms	**3,412,051**	4,120,850
Property, plant and equipment and leasehold improvements	**43,146**	33,445
Commitment to contribute share capital to a joint venture	**45,651**	66,041
	3,500,848	4,220,336

29 ACQUISITION OF SUBSIDIARIES

For the period ended 30 June 2015, the Group had several material acquisitions in acquiring the controlling equity interests in certain companies at a total consideration of approximately HK$30,204,000 (equivalent to RMB23,819,000). The companies as set out in notes (a) to (c) did not operate any business prior to the respective dates of acquisitions. Therefore, the Group considers the nature of these acquisitions as acquisitions of assets in substance and the considerations should be attributable to the individual assets acquired and liabilities assumed based on the relative fair values of the individual items. For the acquisition of 常州新天新能源有限公司 ("Changzhou Xintian New Energy"), as mentioned in note (d), the construction of the solar farm project of its subsidiary is close to completion and the vendor guaranteed the project to obtain the on-grid connection. Therefore, the acquisition was considered as a business combination under IFRS 3 and accounted for using purchase method.

(a) Acquisition of 南通海德新能源有限公司 ("Nantong")

On 12 January 2015, the Group acquired 100% equity interest in Nantong at a consideration of approximately HK$12,681,000 (equivalent to RMB10,000,000). At the date of acquisition, Nantong had a 22MW solar farm project under development.

(b) Acquisition of 太谷縣風光發電有限公司 ("Taigu")

On 13 May 2015, the Group acquired 30% equity interest in Taigu at a consideration of approximately HK$3,575,000 (equivalent to RMB2,819,000) and obtained control of Taigu by holding 100% voting power in the shareholder meeting. At the date of acquisition, Taigu had a 20MW solar farm project under development.

The Group can acquire the remaining 70% equity interest in Taigu at approximately HK$8,342,000 (equivalent to RMB6,578,000) after the project has obtained the on-grid connection. Accordingly, other payable of HK$8,342,000 had been recognised as at 30 June 2015 in this regard.

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29 ACQUISITION OF SUBSIDIARIES – *continued*

(c) Acquisition of 元謀綠電新能源開發有限公司 ("Yuanmou")

On 16 March 2015, the Group acquired 30% equity interest in Yuanmou at a consideration of approximately HK$7,608,000 (equivalent to RMB6,000,000) and obtained control of Yuanmou by holding 70% voting power in the shareholder meeting. At the date of acquisition, Yuanmou had a 50MW solar farm project under development.

The Group can acquire the remaining 70% equity interest in Yuanmou at approximately HK$17,753,000 (equivalent to RMB14,000,000). Accordingly, other payable of HK$17,753,000 had been recognised as at 30 June 2015 in this regard.

	Nantong HK$'000	Taigu HK$'000	Yuanmou HK$'000	Total HK$'000
Consideration paid as at acquisition date	12,681	3,575	7,608	23,864
Assets and Liabilities				
Property, plant and equipment	4,121	—	—	4,121
Prepayments and other receivables	10,149	12,554	25,352	48,055
Cash and cash equivalents	1,918	11	9	1,938
Other payables	(3,507)	(648)	—	(4,155)
Total identifiable net assets acquired	12,681	11,917	25,361	49,959
Consideration payable to the former owner	—	(8,342)	(17,753)	(26,095)
	12,681	3,575	7,608	23,864
Cash consideration paid	12,681	3,575	7,608	23,864
Cash and cash equivalents acquired	(1,918)	(11)	(9)	(1,938)
Net cash outflow	10,763	3,564	7,599	21,926

29 ACQUISITION OF SUBSIDIARIES – *continued*

(d) Acquisition of 常州新天新能源有限公司("Changzhou Xintian New Energy")

On 30 December 2014, the Group entered into equity purchase agreement with 中利騰暉光伏科技有限公司 ("Zhongli Solar Technology*") and 常熟中利騰暉光伏材料有限公司 ("Changshu Zhongli Solar*"), pursuant to which the Group agreed to acquire 100% equity interest of Changzhou Xintian New Energy for a total consideration of approximately HK$6,340,000 (equivalent to RMB5,000,000). The transaction was completed on 31 March 2015. At the date of acquisition, a wholly owned subsidiary of Changzhou Xintian New Energy had a 50MW solar farm project under development. The acquisition was accounted for using the purchase method.

Assets and liabilities recognised at the date of acquisition

	HK$'000
Property, plant and equipment	605,181
Other receivables	64,154
Cash and cash equivalents	261
Other payables	(635,742)
Deferred income tax liabilities	(91)
Total identifiable net assets acquired	33,763
Cash consideration paid	(6,340)
Bargain purchase recognised in the condensed consolidated income statement (note)	27,423
Cash consideration paid	6,340
Cash and cash equivalents acquired	(261)
Net cash outflow	6,079

Note:

The bargain purchase arose because the consideration paid by the Group was less than the fair value of the identifiable net assets of the underlying business acquired as determined by the independent professional valuer, mainly due to a discount given by the vendor.

* *English name for identification only.*

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30 RELATED PARTY TRANSACTIONS

(a) Key management compensation

The remuneration of directors and other members of key management during the period are as follows:

	Six months ended	
	30 June 2015	30 September 2014
	HK$'000	HK$'000
Salaries and other short-term employee benefits	**24,590**	6,304
Pension costs	**—**	15
	24,590	6,319

(b) Leases of factories

	Six months ended	
	30 June 2015	30 September 2014
	HK$'000	HK$'000
Mr Yip Sum Yin	**231**	126
Madam Yu Hung Min and Mr Yip Wing Fung	**220**	123
Dyford	**462**	249
	913	498

Leases of factories from the directors and Dyford Industries Limited ("Dyford") are based on terms mutually agreed between the Group and the respective related parties. Dyford is a company owned by Mr Yip Sum Yin and Madam Yu Hung Min.

30 RELATED PARTY TRANSACTIONS – *continued*

(c) Management services income

	Six months ended	
	30 June 2015 HK$'000	30 September 2014 HK$'000
蘇州保利協鑫光伏電力投資有限公司 (Suzhou GCL-Poly Solar Power Investment Ltd.*) ("Suzhou GCL-Poly")	**21,066**	10,185

南京協鑫新能源發展有限公司 (Nanjing GCL New Energy Development Limited*), an indirect wholly owned subsidiary of the Company, provided operation and management services to the solar farms of Suzhou GCL-Poly and its subsidiaries under the terms and conditions set out in the relevant operation service agreement. Suzhou GCL-Poly is a subsidiary of GCL-Poly.

* English name for identification only

(d) Office service fees

	Six months ended	
	30 June 2015 HK$'000	30 September 2014 HK$'000
Peaceful Power Limited	**2,457**	1,946
Treasure Champ Investments Limited	**186**	—

Peaceful Power Limited and Treasure Champ Investments Limited provided office services to GCL New Energy Management Limited, an indirect wholly owned subsidiary of the Company, at prices mutually agreed by the two parties. Peaceful Power Limited and Treasure Champ Investments Limited are subsidiaries of GCL-Poly.

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30 RELATED PARTY TRANSACTIONS – *continued*

(e) Interest expenses on loans from fellow subsidiaries

	Six months ended	
	30 June 2015 HK$'000	30 September 2014 HK$'000
保利協鑫(蘇州)新能源有限公司 (GCL-Poly (Suzhou) New Energy Company Limited*) ("GCL-Poly (Suzhou)")	**32,894**	—
太倉港協鑫發電有限公司 (Taicang Harbour Golden Concord Electric-power Generation Co., Ltd*) ("Taicang Harbour")	**1,871**	—

Loans from GCL-Poly (Suzhou) and Taicang Harbour were unsecured, interest-bearing at fixed rate of 5.6% and 6.25% per annum with a repayment term of three months and one month, respectively. The loan balances were denominated in RMB.

* *English name for identification only.*

(f) Guarantees granted by fellow subsidiaries

At 30 June 2015, bank loans and bonds payable and bills payables of the Group amounting to approximately HK$3,792,399,000 were guaranteed by fellow subsidiaries.

31 EVENTS AFTER THE REPORTING PERIOD

(a) Completion of issue of convertible bonds

On 20 July 2015, the Company completed the issue of a convertible bond amounting to HK$200,000,000. The bond will mature in three years from the date of issuance and redeemable at its nominal value of HK$200,000,000 plus accrued interest or can be converted into ordinary shares of the Company at an original conversion price of HK$1.20 per share, subject to adjustments, after six months from the date of issuance to the date of maturity.

(b) Completion of issue of bonds by a wholly-owned subsidiary

On 8 July 2015, a wholly-owned subsidiary of the Company completed an issue of bonds of approximately HK$303,322,000 (equivalent to RMB239,200,000). The bonds have a principal amount of RMB239,200,000 with a repayment term of one year and an interest rate of 6.7% per annum.

31 EVENTS AFTER THE REPORTING PERIOD – *continued*

(c) Grant of share options

On 24 July 2015, the Company granted 473,460,000 share options, subject to acceptance by the grantees, to subscribe for an aggregate of 473,460,000 shares under the existing share option scheme adopted by the Company on 15 October 2014.

(d) Agreements for engineering, procurement and construction service

On 31 July 2015, the Group entered into agreements with two contractors which undertook to provide design, procurement and construction services of photovoltaic power plants with an aggregate capability of 140MW in Tianchang city in Anhui province, Menghai county in Xishuangbanna Dai Autonomous Prefecture and Yangquan city in Shanxi province, the PRC. The aggregate consideration for the services under these agreements is approximately HK$1,298,913,000 (equivalent to RMB1,024,323,000).

(e) Transaction in relation to loan agreements and future acquisition arrangement

On 12 August 2015, the Group entered into a cooperation agreement (the "Cooperation Agreement") with Shanghai Lvjing Investment Management Company Limited* (上海綠璟投資管理有限公司) ("Lvjing Investment") and Shaanxi Province Shenmu County Guoxiang Lvhua Shengtai Company Limited* (陝西省神木縣國祥綠化生態有限責任公司) ("Shaanxi Lvhua") regarding certain solar farm projects with an aggregate capacity of 360MW in Shenmu County, Shaanxi Province, PRC (the "**Projects**").

Pursuant to the Cooperation Agreement, on 12 August 2015, the Group as lender entered into loan agreements with an aggregate principal amount of RMB460,000,000 with the four wholly-owned subsidiaries of Lvjing Investment and Shaanxi Lvhua.

Pursuant to the Cooperation Agreement, the Group shall have the right (but not the obligation) to acquire from Lvjing Investment and/or Shaanxi Lvhua any or all of the equity interests of the four subsidiaries mentioned above in the event of any default under the loan agreements (the "**Call Option**") at the exercise price and terms to be agreed among the relevant parties with reference to the then valuation of the relevant equity interests. The exercise of the Call Option shall be at the discretion of the Group and subject to the requirements of any applicable laws, rules and regulations.

(f) New borrowings

Subsequent to 30 June 2015, the Group successfully obtained new borrowings with an aggregate amount of approximately HK$61,000,000 (equivalent to RMB48,000,000) from a bank in the PRC, of which approximately HK$56,000,000 (equivalent to RMB44,000,000) were with repayment term of more than twelve months from the date of drawdown. The Group is required to comply with certain covenant requirements under the bank loan agreement.

* *English name for identification only*

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